

CITY NATIONAL CORP  
Form 4  
August 13, 2009

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**GOLDSMITH BRAM**

(Last) (First) (Middle)

400 N. ROXBURY DRIVE, 8TH FLOOR

(Street)

BEVERLY HILLS, CA 90210

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**CITY NATIONAL CORP [CYN]**

3. Date of Earliest Transaction (Month/Day/Year)  
**08/11/2009**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Chairman of the Board

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	08/11/2009		S <sup>(1)</sup>	180,000 <sup>(2)</sup>	D \$ 41.705	2,132,504	I by the Goldsmith Family Trust
Common Stock	08/11/2009		S <sup>(1)</sup>	180,000 <sup>(2)</sup>	D \$ 41.705	1,952,504	I by the Goldsmith Family Trust
Common Stock	08/11/2009		S <sup>(1)</sup>	130,000 <sup>(2)</sup>	D \$ 41.705	1,822,504	I by the Goldsmith Family Trust

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Common Stock	08/11/2009	S <sup>(1)</sup>	130,000 <u>(2)</u>	D	\$ 41.705	1,692,504	I	by the Goldsmith Family Trust
Common Stock	08/11/2009	S <sup>(1)</sup>	280,000 <u>(2)</u>	D	\$ 41.705	1,412,504	I	by the Goldsmith Family Trust
Common Stock						567,989	I	by the Elaine Goldsmith Revocable Trust
Common Stock						13,731	I	as Trustee of Oak Trust A
Common Stock						52,001	I	City National Corporation Profit Sharing Plan <u>(3)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 6)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOLDSMITH BRAM 400 N. ROXBURY DRIVE, 8TH FLOOR BEVERLY HILLS, CA 90210	X			Chairman of the Board

## Signatures

Bram Goldsmith 08/13/2009

Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Transfer to trust as part of family estate planning. Reporting person disclaims beneficial ownership in the securities being reported except to the extent of his pecuniary interest in them.
- (2) Half of the shares transferred were the separate property of the reporting person and half of the shares transferred were the separate property of his spouse.
- (3) Shares held as of July 31, 2009 in the City National Corporation Profit Sharing Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. 0; the useful lives of tangible and intangible assets.

We evaluate our estimates on an ongoing basis, based on historical experience and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The significant accounting policies of the Company are described in Note 1, Description of Business and Summary of Significant Accounting Policies, to the unaudited condensed consolidated financial statements and the critical accounting policies and estimates are described in the Management's Discussion and Analysis of Financial Condition and Results of Operations section in the Company's 2005 Form 10-K. There have been no significant changes to these critical accounting policies and estimates as of June 30,

2006.

#### **Commitments and Contingencies**

See Note 15, Commitments and Contingencies, for a discussion of the Company's Commitments and Contingencies.

#### **Acquisitions**

See Note 5, Acquisitions, for a discussion of the acquisition of the Süd-Chemie businesses on December 30, 2005.

#### **Recent Accounting Pronouncements**

See Note 1, Description of Business and Summary of Significant Accounting Policies, for a discussion of recent accounting pronouncements.

#### **Forward-Looking Statements**

This document contains forward-looking statements. Forward-looking statements are not statements of historical fact and may involve a number of risks and uncertainties. Forward-looking statements give our current expectations or forecasts of future events and estimates of amounts not yet determinable. We have used the words anticipate, estimate, expect, project, intend, plan, believe, predict, could, may and terms of similar meaning, including references to assumptions, in this report to identify forward-looking statements. These forward-looking statements are made based on expectations and beliefs concerning future events affecting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that could cause our actual results to differ materially from those expressed in or implied by these forward-looking statements. In particular, these factors include, among other things:

- our business strategy;
- competitive pricing or product development activities affecting demand for our products;
- fluctuations in interest rates, exchange rates and currency values;
- availability and pricing of raw materials;
- fluctuations in energy prices;
- changes in the end-use markets in which our products are sold;
- changes in the general economic conditions in North America and Europe and in other locations in which we currently do business;
- technological changes affecting production of our materials;
- our high level of indebtedness;
- governmental and environmental regulations and changes in those regulations;
- hazards associated with chemicals manufacturing;
- risks associated with negotiating, consummating and integrating acquisitions;
- risks associated with competition and the introduction of new competing products, especially in the Asia-Pacific region; and

Explanation of Responses:

- risks associated with international sales and operations.

You should keep in mind that any forward-looking statements made by us in this document or elsewhere speak only as of the date on which we make them. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

We are exposed to market risk from changes in interest rates, foreign currency exchange rates and commodity prices. We manage our exposure to these market risks through regular operating and financing activities and through the use of derivatives. When used, derivatives are employed as risk management tools and not for trading purposes.

A discussion and analysis of the Company's market risk is included in the Company's 2005 Form 10-K. There have been no significant changes to these market risks as of June 30, 2006.

**Item 4. Controls and Procedures**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2006.

Our disclosure controls and procedures are designed to ensure that (a) information required to be disclosed in our reports under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (b) such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

As a result of this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2006.

Subsequent to the issuance of the Company's Annual Report on Form 10-K for the year ended December 31, 2005 and as part of the preparation of the Quarterly Report on Form 10-Q for the three months ended March 31, 2006, the Company determined that its condensed consolidated statement of cash flows included in its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2005, June 30, 2005 and September 30, 2005 should be restated. The restatement, which has been made in this Quarterly Report on Form 10-Q, was due to a classification error in the statement of cash flows regarding the treatment of acquisition costs of property, plant and equipment included in accounts payable and accrued expenses and other liabilities. In accordance with SFAS No. 95, *Statement of Cash Flows*, these costs should be reported within cash flows from investing activities when paid. The Company was reporting capital expenditures in its condensed consolidated statements of cash flows on an accrual basis rather than on a cash basis, and as a result, was reporting capital expenditures in the period in which the Company acquired legal title to the related property, plant and equipment rather than when the Company actually paid for such property, plant and equipment. Further, the unpaid portion of the transaction should be disclosed as a non-cash investing activity in the supplemental disclosure of cash flow information. We also revised the reconciliation of net cash provided by (used in) operating activities to Adjusted EBITDA and the disclosures in the Liquidity and Capital Resources section of Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, related to cash flows from operating and investing activities for these periods.

This restatement was a result of a material weakness in internal control over financial reporting as the control over the proper classification of acquisition costs of property, plant and equipment included in accounts payable and accrued expenses and other liabilities did not operate effectively during 2005. Subsequent to the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2005, we enacted additional procedures in the preparation and review of the consolidated statement of cash flows to properly capture this information. We believe that as of June 30, 2006 we have remediated this weakness.

There have been no other significant changes in the Company's internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's global tax department has been established and staffed at our corporate headquarters and the tax software system that we implemented has significantly strengthened the income tax accounting function. However, as these actions were implemented late in 2005, some of the planned improvements in internal control in this area have not been fully implemented. During 2006, we will continue to fully implement and train our accounting personnel worldwide in our new income tax accounting software system.

Additionally, we have continued to improve the design, documentation and implementation of our controls to ensure that our employees enhance their understanding and knowledge of the significant applicable tax matters which affect the Company in an effort to further strengthen the financial reporting process related to income taxes.

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We are currently performing the system and process evaluation of our internal controls over financial reporting in order to allow management to report on, and our independent auditors to attest to, our internal controls over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002, which we refer to as Section 404. The requirements of Section 404 will initially apply to us in connection with our annual report on Form 10-K for the year ended December 31, 2006. In connection with our preliminary

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evaluation, we have identified other areas of internal controls that may need improvement, such as internal controls related to the segregation of duties at certain smaller locations, system access and user security profiles, operating policies and procedures and in each case particularly with respect to newly acquired businesses. We have begun the testing necessary to permit the management certification and auditor attestation required to comply with Section 404 in 2006. As we complete the evaluation and testing required by Section 404, we may identify conditions that may be categorized as significant deficiencies or material weaknesses in the future.

**PART II OTHER INFORMATION**

**Item 1. Legal Proceedings.**

We are involved in various legal proceedings, including commercial, product liability, intellectual property and environmental matters of a nature considered normal to our business. However, we do not believe that there is any individual legal proceeding that is likely to have a material adverse effect on our business or financial condition. We cannot predict the outcome of any litigation or the potential for future litigation.

**Item 1A. Risk Factors.**

A discussion of the Company's risk factors is included in the Company's 2005 Form 10-K. There have been no significant changes to these risk factors as of June 30, 2006.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults upon Senior Securities.**

None.

**Item 4. Submission of Matters to a Vote of Security Holders.**

(a) The Company's Annual Meeting of Shareholders was held on Wednesday, May 24, 2006.

(b) The results of votes of security holders for the election of Class I directors are as follows:

Election of Directors	For	Withheld
Cynthia A. Niekamp	65,728,129	702
Susan Schnabel	51,260,242	14,468,589
Fredrick Sjödin	51,381,656	14,347,175

Seifi Ghasemi, Brian F. Carroll, Sheldon R. Erikson, Todd A. Fisher, Perry Golkin and Douglas L. Maine continued as Directors after the annual meeting.

(c) The results of votes of security holders for the ratification of the appointment of Deloitte & Touche, LLP as our independent registered public accounting firm are as follows:

For	Against	Abstain	Broker Non-Votes
65,718,598	7,822	2,411	





**Item 5. Other Information.**

As discussed in Note 16, Restatement, the condensed consolidated statement of cash flows for the six months ended June 30, 2005 was restated as a result of a classification error in the treatment of acquisition costs of property, plant and equipment. As a result, we will also restate the condensed consolidated statements of cash flows for the nine month period ended September 30, 2005. The restatement for this period will be reported when the Form 10-Q for the nine months ended September 30, 2006 is filed. The effects of this matter on the consolidated financial statements as of and for the year ended December 31, 2005 are not material.

The classification errors will be reported as follows (in millions) in the condensed consolidated statements of cash flows:

For the nine months ended September 30, 2005:

Description	As Originally Reported	As Restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Accounts payable	\$ 20.6	\$ 35.2
Accrued expenses and other liabilities	(21.3	) (19.6
Net cash provided by operating activities	182.6	198.9
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital expenditures, excluding capital leases	(123.0	) (139.3
Net cash used in investing activities	(138.9	) (155.2
<b>NON-CASH INVESTING ACTIVITIES:</b>		
Decrease in liabilities for property, plant and equipment		(16.3

**Item 6. Exhibits.**

Exhibit No.	Description of Exhibit
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- |      |                                                                                                                                                                                                                                                                                                                |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 31.1 | Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.                                                                                                                                                                                                                                             |
| 31.2 | Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.                                                                                                                                                                                                                                             |
| 32.1 | Section 1350 Certification of Chief Executive Officer. This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 or any other provision of the Securities Exchange Act of 1934, as amended. |
| 32.2 | Section 1350 Certification of Chief Financial Officer. This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 or any other provision of the Securities Exchange Act of 1934, as amended. |

**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, thereunto duly authorized.

ROCKWOOD HOLDINGS, INC.

By: /s/ SEIFI GHASEMI  
Seifi Ghasemi

Chairman of the Board and Chief Executive Officer

Date: August 14, 2006

ROCKWOOD HOLDINGS, INC.

By: /s/ ROBERT J. ZATTA  
Robert J. Zatta

Senior Vice President and Chief Financial Officer

Date: August 14, 2006