

REGIONS FINANCIAL CORP
Form 11-K
June 28, 2001

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

FORM 11-K
FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000

COMMISSION FILE NUMBER 0-6159

A. Full title of the plan and address, if different from that of the issuer named below:

REGIONS FINANCIAL CORPORATION
PROFIT SHARING PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

REGIONS FINANCIAL CORPORATION
P.O. BOX 10247
BIRMINGHAM, ALABAMA 35202

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Regions Financial Corporation Profit Sharing Plan
Financial Statements

Year ended December 31, 2000 and as of December 31, 1999

The following report of independent auditors and financial statements of the registrant are submitted herewith:

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Report of Independent Auditors

Regions Financial Corporation

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Regions Financial Corporation Profit Sharing Plan

We have audited the accompanying statements of net assets available for benefits of the Regions Financial Corporation Profit Sharing Plan (the Plan) as of December 31, 2000 and 1999, and the related statement of changes in net assets available for benefits for the year ended December 31, 2000. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2000 and 1999, and the changes in its net assets available for benefits for the year ended December 31, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets held at end of year as of December 31, 2000, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Birmingham, Alabama
June 8, 2001

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Regions Financial Corporation Profit Sharing Plan

Statements of Net Assets Available for Benefits

	DECEMBER 31	
	2000	1999

ASSETS		
Cash and interest-bearing deposits	\$ 53,027	\$ 483,196

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Employer contributions receivable	31,412,105	24,281,790
Interest and dividend income receivable	368,509	293,913
Investments, at fair value	363,794,234	333,747,619
	-----	-----
Net assets available for plan benefits	\$395,627,875	\$358,806,518
	=====	=====

See accompanying notes.

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Regions Financial Corporation Profit Sharing Plan
Statement of Changes in Net Assets Available for Benefits

	YEAR ENDED DECEMBER 31 2000

Additions:	
Contributions from employers	\$ 31,418,849
Contributions from employees	12,362,418
Conversions	32,863,708
Dividend income	9,548,582
Capital gains	12,339,827
Interest income	294,578

	98,827,962
Deductions:	
Distributions to participants	49,329,585
Net depreciation in fair value of investments	12,677,020

Net increase	36,821,357
Net assets available for benefits at beginning of year	358,806,518

Net assets available for benefits at end of year	\$395,627,875
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See accompanying notes.

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Regions Financial Corporation Profit Sharing Plan
Notes to Financial Statements

December 31, 2000

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The financial statements of Regions Financial Corporation Profit Sharing Plan (the Plan) have been prepared on the accrual basis of accounting.

INVESTMENT VALUATION

Marketable securities are stated at aggregate fair value as determined by Regions Bank (the trustee), a subsidiary of Regions Financial Corporation. Securities which are traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Investments traded in the over-the-counter market are valued at the average of last reported bid and ask prices and listed securities for which no sale was reported on that date are valued at last reported sales price.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

ADMINISTRATIVE EXPENSES

All expenses incurred in the administration of the Plan including trustee fees, legal and accounting fees, are paid directly by Regions Financial Corporation and affiliates (the Company).

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Regions Financial Corporation Profit Sharing Plan

Notes to Financial Statements (continued)

December 31, 2000

2. DESCRIPTION OF THE PLAN

The following description of the Plan provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

GENERAL

The Plan is a defined contribution plan covering all employees of the Company who have at least one year of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

CONTRIBUTIONS

Each year, participants may contribute up to 10% of pretax annual compensation, as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. The Company contributes profit-sharing amounts and 401(k) contributions at the option of the Company's board of directors.

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PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

VESTING

Participants are immediately vested in the Company's 401(k) contribution and their contributions plus actual earnings thereon. Vesting in the Company profit-sharing contribution portion of their accounts plus actual earnings thereon is based on three years continuous service.

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Regions Financial Corporation Profit Sharing Plan

Notes to Financial Statements (continued)

December 31, 2000

2. DESCRIPTION OF THE PLAN (CONTINUED)

PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan transactions are treated as a transfer from (to) the investment fund to (from) the loan fund. Loan terms range from 1-5 years or up to 15 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through monthly payroll deductions.

PAYMENT OF BENEFITS

On termination of service, a participant may receive a lump-sum amount equal to the vested value of his or her account, or upon death, disability or retirement, elect to receive annual installments over a 10 year period.

PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

3. INVESTMENTS

Regions Bank serves as corporate trustee and custodian of the Plan holding the Plan's investment assets and executing transactions therein. All investments held by the Plan are participant directed. Participants have the option to direct their fund account assets into the following nine funds: Regions Balanced Fund, Regions Limited Maturity Government Fund, Regions Growth Fund, Regions Value Fund, Regions Fixed Income Fund, Regions Treasury Money Market Fund, Regions Unitized Fund, Regions Aggressive Growth Fund, and Federated

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International Equity Fund. Regions Bank serves as the investment adviser to the Regions mutual funds which are managed by Federated Securities Corporation, Pittsburgh, Pennsylvania. The Regions Unitized

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Regions Financial Corporation Profit Sharing Plan

Notes to Financial Statements (continued)

December 31, 2000

3. INVESTMENTS (CONTINUED)

Fund is managed by Regions Bank and consists primarily of investments in the common stock of Regions Financial Corporation and a small amount of cash and cash equivalents as necessary to meet liquidity needs of the fund. The Regions Unitized Fund's fair value is based on the quoted market price of the common stock of Regions Financial Corporation.

During 2000, the Plan's investments (including investments bought, sold, as well as held during the year) appreciated (depreciated) in fair value as determined by quoted market price as follows:

Regions Balanced Fund	\$ (5,525,240)
Regions Ltd. Maturity Government Fund	568,930
Regions Growth Fund	(28,708,674)
Regions Value Fund	102,236
Regions Fixed Income Fund	234,153
Regions Aggressive Growth Fund	(950,187)
Regions Unitized Fund	22,957,106
Federated International Equity Fund	(1,355,344)

	\$ (12,677,020)

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	DECEMBER 31	
	2000	1999

Regions Balanced Fund	\$ 82,741,945	\$ 94,872,393
Regions Ltd. Maturity Government Fund	25,586,691	28,522,368
Regions Growth Fund	91,889,125	113,757,166
Regions Value Fund	23,821,517	24,133,058
Regions Aggressive Growth Fund	35,027,408	--
Regions Treasury Money Market Fund	43,728,286	38,159,520
Regions Unitized Fund	44,419,869	21,000,376

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Regions Financial Corporation Profit Sharing Plan

Notes to Financial Statements (continued)

December 31, 2000

4. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated June 22, 1995, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. The Plan has been amended since receiving the determination letter. The Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

5. TRANSACTIONS WITH PARTIES-IN-INTEREST

During the years ended December 31, 2000 and 1999, substantially all investment transactions were with investment funds managed by Regions Bank and are therefore related party transactions.

6. TRANSFERS FROM OTHER PLANS

During the year ended December 31, 2000, \$32,863,708 of net assets were transferred to the Plan from various profit sharing/401(k) plans of companies combined with Regions Financial Corporation.

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Regions Financial Corporation Profit Sharing Plan (Plan Number 002)

(Employee Identification Number 63-0589368)

Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2000

(A)	(B) IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY	(C) DESCRIPTION OF INVESTMENT, (INCLUDING MATURITY DATE, RATE OF INTEREST AND PAR VALUE)	(E) CURRENT VALUE
*	Regions	Balanced Fund	\$ 82,741,945
*	Regions	Ltd. Maturity Government Fund	25,586,691
*	Regions	Growth Fund	91,889,125
*	Regions	Value Fund	23,821,517
*	Regions	Fixed Income Fund	8,958,457
*	Regions	Treasury Money Market Fund	43,728,286

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*	Regions	Unitized Fund	44,419,869
*	Regions	Aggressive Growth Fund	35,027,408
	Federated International	Equity Fund	3,898,952
	Loans to Participants	Interest rate ranges from 6% to 8%	3,721,984

			\$363,794,234
			=====

* Indicates party-in-interest to the Plan.

Column (d) has not been presented as this information is not applicable.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Employees' Profit Sharing Plan Benefits Committee has duly caused the annual report to be signed by the undersigned thereunto duly authorized.

EMPLOYEES' PROFIT SHARING PLAN
REGIONS FINANCIAL CORPORATION

Date: June 28, 2001

By: /s/ William Michael Head

William Michael Head
Executive Vice President-Human Resources
Regions Financial Corporation