

COMMERCE BANCSHARES INC /MO/  
Form 11-K  
June 26, 2018  
Table of Contents

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

Form 11-K

(Mark One)

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

For the fiscal year ended December 31, 2017

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 0-2989

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

COMMERCE BANCSHARES PARTICIPATING INVESTMENT PLAN

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

COMMERCE BANCSHARES, INC.  
1000 Walnut, Kansas City, MO 64106

COMMERCE BANCSHARES PARTICIPATING INVESTMENT PLAN

TABLE OF CONTENTS

	Page Number
<u>Report of Independent Registered Public Accounting Firm</u>	1
Financial Statements:	
<u>Statements of Net Assets Available for Benefits</u>	2
<u>Statements of Changes in Net Assets Available for Benefits</u>	3
<u>Notes to Financial Statements</u>	4
Supplemental Schedule:	
<u>Schedule H, line 4j - Schedule of Assets (Held at End of Year)</u>	12
<u>Exhibit Index</u>	13
<u>Signatures</u>	13



Table of Contents

Report of Independent Registered Public Accounting Firm  
The Retirement Committee of Commerce Bancshares, Inc.  
Commerce Bancshares Participating Investment Plan:  
Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Commerce Bancshares Participating Investment Plan (the Plan) as of December 31, 2017 and 2016, the related statements of changes in net assets available for benefits for each of the years in the three year period ended December 31, 2017, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for each of the years in the three year period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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 are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Accompanying Supplemental Information

The supplemental information in the accompanying schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

KPMG LLP

We have served as the Plan's auditor since 2011.  
Kansas City, Missouri  
June 26, 2018

Table of Contents

COMMERCE BANCSHARES PARTICIPATING INVESTMENT PLAN  
 Statements of Net Assets Available for Benefits  
 December 31, 2017 and 2016

	2017	2016
ASSETS		
Investments, at fair value:		
Commerce Bancshares, Inc. Common Stock Fund:		
Commerce Bancshares, Inc. Common Stock Fidelity Retirement Money Market Fund	\$ 178,447,674	\$ 184,866,863
Commerce Bancshares, Inc. Common Stock Fund	5,098,527	3,171,349
Mutual funds	183,546,201	188,038,212
Stable value fund	522,977,664	440,869,292
Total investments	8,610,361	3,015,069
Notes receivable from participants	715,134,226	631,922,573
Net assets available for benefits	10,151,946	10,362,378
	\$ 725,286,172	\$ 642,284,951

See accompanying notes to financial

statements.

2

---

Table of Contents

COMMERCE BANCSHARES PARTICIPATING INVESTMENT PLAN  
 Statements of Changes in Net Assets Available for Benefits  
 Years ended December 31, 2017, 2016, and 2015

	2017	2016	2015
Additions to Net Assets Attributable to:			
Investment income:			
Interest	\$ 272,075	\$ 46,358	\$ 4,477
Dividends	19,235,260	12,400,317	16,992,465
Net appreciation (depreciation) in fair value of investments	65,183,708	80,826,619	(13,885,281)
Total investment income	84,691,043	93,273,294	3,111,661
Interest income on notes receivable from participants	462,272	442,311	448,655
Contributions:			
Participant	25,066,128	23,789,235	22,629,336
Employer	14,238,469	13,554,880	12,836,022
Participant rollover	2,883,813	2,470,620	2,079,173
Total contributions	42,188,410	39,814,735	37,544,531
Total additions	127,341,725	133,530,340	41,104,847
Deductions from Net Assets Attributable to:			
Distributions to participants	(44,176,988)	(41,167,625)	(43,233,878)
Administrative expenses	(163,516 )	(140,554 )	(98,764 )
	(44,340,504)	(41,308,179)	(43,332,642)

Total  
deductions