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BY E-APPS

June 5, 2022

Re: Response to Requests for Additional Information
Regarding Application by U.S. Bancorp to Acquire MUFG
Union Bank, N.A.

Chris Wangen
Assistant Vice President, Supervision, Regulation, and Credit
Federal Reserve Bank of Minneapolis
90 Hennepin Avenue
Minneapolis, MN 55401

Dear Ms. Wangen:

On behalf of U.S. Bancorp (the “Applicant”), Minneapolis, Minnesota, enclosed please find a response (the “Response Submission”) to the letters dated May 20 and May 26, 2022, from the Federal Reserve Bank of Minneapolis (“Reserve Bank”) requesting additional information on the application by the Applicant to acquire all of the issued and outstanding shares of common stock of MUFG Union Bank, National Association (“Union Bank”) pursuant to Section 3 of the Bank Holding Company Act of 1956, as amended. Each item or question is repeated in the Response Submission, followed by U.S. Bancorp’s response or by reference to an exhibit in which the response is contained.

The Response Submission is divided into a non-confidential portion and a confidential portion. For the confidential portion, which has been marked “Confidential Treatment Requested,” U.S. Bancorp respectfully requests confidential treatment pursuant to the Freedom of Information Act, 5 U.S.C. § 552(b), and the Board’s regulations thereunder, 12 C.F.R. Part 261 (collectively, “FOIA”), on the grounds that the information contained in the confidential portion has been actually and customarily kept confidential by the Applicant and, where relevant, Union Bank and this information is being provided to the Board and the Reserve Bank under an assurance and expectation of privacy.¹ Disclosure of this information would reveal to competitors the internal strategies, transactions, and competitive position of the Applicant and, where relevant, Union Bank, and would place the Applicant and Union Bank at a competitive disadvantage with respect to competitors who do not publicly reveal such information. Accordingly, we respectfully request that the confidential

¹ *Food Mktg. Inst. v. Argus Leader Media*, 139 S. Ct. 2356, 2363 and 2366 (2019).

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portion not be made available for public inspection or copying. In addition, we request that any memoranda, notes, or other writings of any kind whatsoever by an employee, agent, or other person under the control of the Board or the Reserve Bank that incorporate, include, or relate to any of the matters referred to in the confidential portion not be made part of any public record and not be disclosed to any person.

In the event of a FOIA request, we respectfully request notice of such request, as well as a reasonable period of time to respond prior to any release of materials by Board staff or Reserve Bank staff. This request for notice and an opportunity to respond also extends in the case of any part of the confidential portion (including any such memoranda, notes, or other writings by Board staff or Reserve Bank staff) being the subject of a FOIA request or a request or demand for disclosure by any governmental agency, Congressional office or committee, court, or grand jury.

* * *

If you have any questions regarding this Application, please contact me, Lee Meyerson or Spencer Sloan.

Very truly yours,

Adam J. Cohen

Enclosures

cc: Ms. Alison M. Thro
Board – Legal

Ms. Linda Anderson
Reserve Bank

Ms. Erin Grace
Ms. Shannon Mulligan
U.S. Department of Justice, Antitrust Division

Ms. Patricia Roberts
OCC

Mr. Marcus Owens
African American Leadership Forum

Ms. Elise Buik
United Way of Greater Los Angeles

Ms. Stephanie Klasky-Gamer
LA Family Housing

Mr. Jeffrey S. Lesk
New Partners Community Solar Corp.

Ms. Colleen Padilla
Southern Oregon Regional Economic Development, Inc.

Mr. Ismael Guerrero
Mercy Housing, Inc.

Ms. Laura Archuleta
Jamboree Housing Corporation

Ms. Dee Anne Everson
United Way of Jackson County

Mr. Phillip Chen
Assembly Member, Fifty-Fifth District, Assembly California Legislature

Mr. Oliver L. Baines, III
Central Valley NMTC LLC

Mr. Lenwood V. Long, Sr.
African American Alliance of CDFI CEOs

Mr. Dave Glaser
MOFI

Ms. Renay Dossman
Neighborhood Development Center

Ms. Renee Sattiewhite, CUDE, CDP
AACUC

Ms. Paulina Gonzalez-Brito
California Reinvestment Coalition

Mr. Kevin Stein
California Reinvestment Coalition

Ms. Nancy Halpern Ibrahim
Esperanza Community Housing Corporation

Ms. Evelyn Stivers
Housing Leadership Council

Mr. Richard Girling
San Francisco Public Bank Coalition

Ms. Gloria Bruce
East Bay Housing Organizations

Ms. Elba Schildcrout

East LA Community Corporation

Ms. Chelsea Kirk

SAJE – Strategic Actions for a Just Economy

Ms. Hyepin Im

FACE – Faith and Community Empowerment

Ms. Heidi Pickman

CAMEO – California Association for Micro Enterprise Opportunity

Mr. Robert Herrell

Consumer Federation of California

Ms. Erika Toriz-Kurkjian

Haven Neighborhood Services

Ms. Sherri Jackson

MultiCultural Real Estate Alliance for Urban Change

Mr. Stephen Russell

San Diego Housing Federation

Mr. Andrew Matsas

Community Economics, Inc.

Mr. Michael Banner

Los Angeles LDC

Mr. Rudy Espinoza

Inclusive Action for the City

Ms. Amie Fishman

Non-Profit Housing Association

Ms. Erin McElroy

Anti-Eviction Mapping Project

Mr. Sanford Livingston

Northern California Small Business Financial Development Corporation

Ms. Sharon Kinlaw

Fair Housing Council of the San Fernando Valley

Mr. Roberto Barragan

California Community Economic Development Association

Mr. Calvin L. Holmes

Chicago Community Loan Fund

Mr. Walter Harris
Tenderloin Neighborhood Development Corporation

Ms. Faith Bautista
National Asian American Coalition

Mr. Leo Goldberg
CA Community Land Trust Network

Mr. William M. Cunningham
Creative Investment Research

Mr. Quentin D. Strode
NEW Community Investments

Ms. Lyda Eddington
Westchester United Methodist Church, Los Angeles

Mr. Michal A. Ocasio
The Association Financial Development Corporations

Ms. Debra Gore-Mann
The Greenlining Institute

Mr. Nick Weiner
Committee for Better Banks

Mr. Frank Altman
Community Reinvestment Fund, USA

Mr. Mark Stivers
California Housing Partnership

Mr. Al Pina
National Minority Community Reinvestment Co-Operative

Ms. Marcia Griffin
HomeFree-USA

Mr. John Gamboa
California Community Builders

Ms. Dina Harris
National Faith Homebuyers Program

Dr. Ruben Guerra, PhD
CA Black & Latino Business CRA Council

Mr. Marcos Morales
Hogar Hispano, Inc.

Ms. Jules Dunham Howie
Director, UPC Westside CDC

Mr. Kelvin W. Perry
Black Chamber of Commerce of Greater Kansas City

Mr. Steve Figueroa
Inland Empire Latino Coalition

Mr. Darrel Saucedo
LA Latino Chamber

Ms. Bertha Garcia
Ventura CCDC

Mr. Joey Quinto
CA Journal for Filipino Americans

Mr. Jose Antonio Ramirez
Central CA Latino PAC

Mr. Adam Briones
California Community Builders

Mr. James Chosy
Ms. Cristina Regojo Gedan
Ms. Sarah Flowers
U.S. Bancorp

Ms. Wendy M. Goldberg
Sullivan & Cromwell

RESPONSE SUBMISSION OF U.S. BANCORP
to the
REQUESTS FOR ADDITIONAL INFORMATION OF MAY 20 AND 26, 2022
from the
FEDERAL RESERVE BANK OF MINNEAPOLIS
relating to the proposal to acquire
MUFG UNION BANK, NATIONAL ASSOCIATION

June 5, 2022

**Submission in Response to the Requests for Information dated May 20 and May 26, 2022
 (“Response Submission”)¹
 June 5, 2022**

Each item contained in the Requests for Information dated May 20 and 26, 2022 is repeated below, followed by U.S. Bancorp’s response.

- 1. [Question 1 from the Request for Information dated May 26, 2022] The below questions relate to USB’s response submission on April 26, 2022, to the request for additional information dated April 14, 2022, Confidential Exhibit A, response to question 1, regarding transitional services agreements and reverse transitional services agreements (“Agreements”).**
 - a. Discuss in detail how the Agreements tie into the banks’ systems conversion and the transfer of assets and liabilities from Union Bank to MUFG’s affiliates and/or subsidiaries post consummation. Your response should include the following:**
 - i. A discussion of the reasons the services would still be required post systems conversion, particularly the services related to IT and ops, human resources, vendor contracts, and KYC with durations of up to 12 and 18 months.**
 - ii. How MUFG’s and USB’s transition representatives plan to coordinate and communicate with the integration working group that oversees the integration and conversion plans.**
 - b. Discuss the risks, including operational, reputational, and legal risks, associated with these transitional services and systems conversion, particularly those relating to IT and ops, vendor contracts, and client-related services. Discuss how USB intends to manage these risks throughout the duration of the Agreements.**

For a response to this Item 1, please see the Confidential Annex.

- 2. [Question 1.b. from the Request for Information dated May 20, 2022] Provide actual and pro forma balance sheets for USB, on a parent-only and consolidated basis, and for US Bank and Union Bank on a stand-alone and pro forma basis, as of March 31, 2022, and projections for the next three years of operations.**
 - b. Provide explanatory detailed footnotes for any carve-out adjustments.**

¹ Capitalized terms used but not defined herein have the meanings set forth in the Application to the Board of Governors of the Federal Reserve System pursuant to Section 3 of the Bank Holding Company Act, dated October 6, 2021, relating to U.S. Bancorp’s proposed acquisition of MUFG Union Bank, N.A. (the “Application”).

For a response to this Item 2, please see Confidential Exhibit A.