



FEDERAL RESERVE BANK OF MINNEAPOLIS

Pursuing an economy that works for all of us

Chris P. Wangen
ASSISTANT VICE PRESIDENT

November 5, 2021

Transmitted Via Email to adam.cohen@stblaw.com and spencer.sloan@stblaw.com

Mr. Adam Cohen
Mr. Spencer J. Sloan
Simpson Thacher & Bartlett LLP
900 G Street, NW
Washington, D.C. 20001

Dear Messrs. Cohen and Sloan:

The following request for additional information (“Fifth AI Request”) relates to the application submitted by U.S. Bancorp (“USB”), Minneapolis, Minnesota, the parent of U.S. Bank National Association (“U.S. Bank”), Cincinnati, Ohio, to acquire MUFG Union Bank, National Association (“Union Bank”), San Francisco, California, under section 3 of the Bank Holding Company Act. Please provide written responses and the documentation requested in the items listed below, via **E-Apps** within eight business days from the date of this letter.

Consumer Compliance and Convenience and Needs

1. The application states that “[t]he combined organization similarly intends to evaluate and integrate the Compliance, Fair Lending and UDAAP programs of Union Bank into those of U.S. Bank and, adopting best practices from each bank’s processes, policies and procedures.” Provide an update on the review of each bank’s Compliance, Fair Lending, and UDAAP programs, including any aspects of either bank’s programs that have been identified for retention by the combined organization.
2. Please identify any current community development lending, investment, or service activities of Union Bank that would be discontinued after the merger.
3. Please identify any products or services currently offered by U.S. Bank that are not currently offered by Union Bank and would be offered by the combined organization.

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4. The application states that “[t]he Applicant’s evaluation as to whether certain branches of Union Bank or U.S. Bank will be closed or consolidated with U.S. Bank’s other branches, based on proximity to one another or for other business reasons, remains ongoing.” Provide an update on this evaluation, including the below information as available:
 - a. For each branch anticipated to be closed, consolidated, or relocated, provide the branch name, street address, city, county, state, zip code, census tract classification code, and the relevant classification of the census tract in which it is located (that is, low-, moderate-, middle-, or upper-income).¹ In addition, indicate whether each branch is located in a distressed or underserved nonmetropolitan middle-income census tract, majority-minority census tract, or rural area.²
 - b. For each of the branches identified as being in a low- or moderate-income (“LMI”) census tract, a distressed or underserved nonmetropolitan middle-income census tract, a majority-minority census tract, or a rural area, provide the branch name, street address, city, county, state, zip code, and income classification of the census tract for the closest surviving (receiving) branch, as well as the distance from the closed, consolidated, or relocated branch. In addition, discuss whether the receiving branch is readily accessible to customers of the branch to be closed, such as by highway, public transit, or walking access, including whether there are any natural or manmade barriers that would impede access to individuals with limited transportation resources, such as highways, railroad tracks, bodies of water, or industrial areas.
 - c. For each of the branches identified as being in an LMI census tract, a distressed or underserved nonmetropolitan middle-income census tract, a majority-minority census tract, or a rural area, describe any efforts that U.S. Bank, Union Bank, or the combined institution plan to undertake in order to mitigate the impact of the closing, consolidation, or relocation on the affected community, such as offering expanded hours, providing services commonly used or requested by members of the relevant community, or offering alternative delivery services such as ATMs or mobile banking.

¹ This information is available at <https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx>.

² For each branch identified as being in a rural area, provide the criteria used to categorize the area as being rural. An example of a method for identifying rural areas is the Rural-Urban Commuting Area Codes provided by the Department of Agriculture, <https://www.ers.usda.gov/data-products/rural-urban-commuting-area-codes.aspx>.

- d. For each of the branches identified in question 4(a), provide the estimated timeframe in which U.S. Bank, Union Bank, or the combined institution expects to submit a notice of branch closure under section 42 of the Federal Deposit Insurance Act (12 U.S.C. § 1831r-1).
- e. The application states that “any closures or consolidations will be effected in accordance with federal law, OCC guidance, and the Applicant’s branch closing policy.” Provide a copy of any applicable policies and procedures, to the extent not already provided.

To the extent known, please provide an indication of when the above information may become available, and please also provide a written representation that the Applicant will provide the above information as it becomes available during the application process.

- 5. The application states that “[i]t is expected that decisions regarding any such branch closures will be made based on convenience to the public (including consideration of the level of service to low- and moderate-income individuals and geographies to ensure continued compliance with the CRA), capacity of the receiving branch and other factors.” Please elaborate on this response, including:
 - a. Whether the process or criteria include an analysis of CRA and fair lending impacts and the potential effect on the community and customers served by the branch, particularly distressed or underserved nonmetropolitan middle-income census tracts, majority-minority census tracts, and rural areas;
 - b. The ability of the combined institution to provide services to affected areas and the presence of other financial institutions in affected areas; and,
 - c. How the combined institution would mitigate the effects of any branch closures on consumers in LMI census tracts, distressed or underserved nonmetropolitan middle-income census tracts, majority-minority census tracts, and rural areas.

Mr. Adam Cohen
Mr. Spencer Sloan
Page 4 of 7
November 5, 2021

If you have any questions regarding this letter, please contact Senior Mergers & Acquisitions Analyst Linda Anderson at (612) 204-6404, or by email at lindaa.anderson@mpls.frb.org.

Sincerely,



Chris P. Wangen

CPW/LAA

c:

Board of Governors (w/o enclosures)
Office the Comptroller of the Currency
U.S. Department of Justice, Antitrust Division
Mr. Al Pina
Ms. Marcia Griffin
Mr. John Gamboa
Ms. Dina Harris
Dr. Ruben Guerra, PhD
Mr. Marcos Morales
Ms. Jules Dunham Howie
Mr. Kelvin W. Perry
Mr. Steve Figueroa
Mr. Darrel Saucedo
Ms. Bertha Garcia
Mr. Joey Quinto
Mr. Jose Antonio Ramirez
Mr. Adam Briones

Mr. Adam Cohen
Mr. Spencer Sloan
Page 5 of 7
November 5, 2021

ATTACHMENT
U.S. Bancorp, Minneapolis, Minnesota

Please send a copy of your response to the following regulators:

Mr. John O'Brien
Licensing Manager
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Please send the public portion of your response directly to the commenters:

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Mr. Adam Cohen
Mr. Spencer Sloan
Page 6 of 7
November 5, 2021

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Mr. Adam Cohen
Mr. Spencer Sloan
Page 7 of 7
November 5, 2021

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