



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

September 28, 2004

H. Rodgin Cohen, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004-2498

Dear Mr. Cohen:

This letter responds to a request by Zions Bancorporation, Salt Lake City, Utah (“Zions”), a bank holding company, and American Express Company, New York, New York (“American Express”), for an exemption from the prohibitions of the Depository Institutions Management Interlocks Act, 12 U.S.C. § 3201 *et seq.* (“Interlocks Act”), and the Board’s Regulation L, 12 C.F.R. Part 212. Zions and American Express have requested that the Board permit Mr. Stephen D. Quinn to continue to serve as a director of Zions while also serving on the boards of directors of American Express’s subsidiaries, American Express Banking Corporation and American Express Bank, Ltd., both also in New York, pursuant to the general exemption provision of Regulation L, 12 C.F.R. 212.6.

The federal depository institutions regulatory agencies have previously agreed that requests for exemptions from the prohibitions of the Interlocks Act need only be presented to the primary regulator of the institution adding the management official. *Federal Reserve Regulatory Service* 3-831. American Express filed a request with the Office of Thrift Supervision (“OTS”) for an exemption from the Interlocks Act and the OTS’s management official interlock rules for the proposed interlock. The OTS is the primary regulator of American Express’s subsidiary thrift, American Express Bank, FSB, also in Salt Lake City (“American Express FSB”), and it is because American Express FSB’s assets exceed \$1.5 billion that the proposed interlock is prohibited.¹

¹ The Interlocks Act and Regulation L prohibit a management official of a depository organization with total assets exceeding \$2.5 billion, or of any affiliate thereof, from also serving at the same time as a management official of an unaffiliated depository organization with total assets exceeding \$1.5 billion, or of

The General Counsel of the Board has reviewed your request for an exemption from the Interlocks Act and, after consulting with the OTS, has determined that the exemption request was properly filed with the OTS, as the primary regulator of American Express FSB. *See* 12 C.F.R. 563f.8. The OTS approved this request on August 12, 2004, determining that the proposed interlock would not result in a monopoly or a substantial lessening of competition and would not present safety and soundness concerns. Based on the foregoing and all the facts of the record, the General Counsel, therefore, has determined that the proposed interlock does not require the Board's approval.

Sincerely yours,

(signed)

Robert deV. Frierson
Deputy Secretary of the Board

cc: Federal Reserve Bank of San Francisco
David Bristol, Esq., Office of Thrift Supervision
Stanley F. Farrar, Esq., Sullivan & Cromwell LLP

any affiliate thereof. 12 U.S.C. § 3203; 12 C.F.R. 212.3(c). Zions has total assets in excess of \$2.5 billion, causing this prohibition to apply to any management interlock between Zions and its affiliates, on the one hand, and American Express and its affiliates, on the other.