

Simpson Thacher & Bartlett LLP

900 G STREET, NW
WASHINGTON, D.C. 20001

TELEPHONE:
FACSIMILE: +1-202-636-5502

Direct Dial Number
+1-202-636-5578

E-mail Address
adam.cohen@stblaw.com

BY E-APPS

May 13, 2022

Re: Supplemental Submission and Confidential Response
Submission 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 Supplemental Submission and Confidential Response Submission (the “Submission”) related to 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.

The Submission is divided into a non-confidential portion and a confidential portion. For the confidential portion, which has been marked “Confidential Treatment Requested” (collectively, the “Confidential Materials”), 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 Materials 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 Federal Reserve Bank of Minneapolis (“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 Materials 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

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

Chris Wangen

-2-

May 13, 2022

the Board or the Reserve Bank that incorporate, include, or relate to any of the matters referred to in the Confidential Materials 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 Materials (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

SUPPLEMENTAL SUBMISSION OF U.S. BANCORP

relating to the proposal to acquire

MUFG UNION BANK, NATIONAL ASSOCIATION

May 13, 2022

Supplemental Submission¹
May 13, 2022

On May 9, 2022, U.S. Bancorp and U.S. Bank announced a five-year community benefits plan (“CBP”), developed in coordination with the National Community Reinvestment Coalition (“NCRC”) and the California Reinvestment Coalition (“CRC”), as part of the planned acquisition of Union Bank. A copy of the press release relating to the announcement of the CBP is enclosed herein in Exhibit A.

The CBP builds on U.S. Bank’s previously announced U.S. Bank Access Commitment efforts and integrates existing community impact efforts from Union Bank. A majority of the commitments, 60% of the total, will support efforts in California, the state most impacted by the acquisition.

Commitments in the CBP are subject to the successful completion of full systems and staffing conversions to a unified bank platform.

The CBP was informed by multiple listening sessions with more than 200 community groups participating as well as a public hearing organized by regulators. Listening sessions were organized with the support of NCRC, CRC and the Alliance to End the Racial Wealth Gap. The plan focuses on foundational components of community and economic development where the company can have the most impact:

- Access to Homeownership
- Small Business Access to Capital & Technical Assistance
- Community Development Lending & Investment
- Philanthropy & Community Service
- Branch Services in California
- Environmental Stewardship & Commitment
- Advancing a Diverse & Equitable Workforce
- Diverse Segment Outreach
- Supplier Diversity
- Plan Implementation & Accountability

The collective input from the community serves as the foundation for U.S. Bank’s community commitment, one of the most significant national and state commitments made by a bank in recent years. The CBP totals at least \$100 billion and the public-facing community strategy includes commitments to:

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”).

- Providing at least a 20% increase in mortgage lending units nationally and a 30% increase in California to low- and moderate-income (“LMI”) borrowers, LMI communities and communities of color over five years.
- Increasing lending to small businesses and small farms by 15% nationally and 25% in California.
- Lending and investing increases of over 40% nationally and over 50% in California in community and economic development, affordable housing, environmental and social impact lending and investments during the five-year period with a focus on racial equity and access to credit for organizations and developers of color.

Additionally, U.S. Bank commits to developing three Special Purpose Credit Programs (“SPCP”) with a substantial focus on California as follows:

- Small Business – Adopting, enhancing and expanding Union Bank’s SPCP, known as the Business Diversity Lending Program.
- Mortgage – Developing a mortgage SPCP in consultation with regulators and community groups, which will include down payment assistance for participating borrowers.
- Affordable Housing Development – Providing access to lending capital for minority-led/owned developers in support of affordable housing projects.

Notably, branches will continue to play an important role in U.S. Bank’s strategy and efforts to serve the community. U.S. Bank is taking a forward-looking approach to managing branches along with local community leaders to ensure the highest level of service is maintained. Additionally, U.S. Bank is committing to:

- Opening five new branches in LMI or middle-income Majority Minority (“MMT”) communities in California over five years.
- Opening or preserving five additional branches in LMI or MMT communities in California over five years decided with input from CRC.
- Upgrading functionality and accessibility of Union Bank and legacy U.S. Bank ATM’s that will also service Union Bank customers.
- Partnering with California community groups to create five residencies located in nonprofits to provide access to a knowledgeable banker to help with small business lending and helping individuals improve their credit scores, savings and financial confidence.
- Adopting Union Bank’s high school and community college branch program and investing further to support financial education outreach.

Prior to reaching a decision on closing any branch in an LMI area, U.S. Bank will analyze the demographics of the neighborhood, consider community input and consider alternatives to closure as well as alternative delivery options to minimize the impact of the closure.

Following the close of the transaction, U.S. Bank is committed to retaining all Union Bank and U.S. Bank front-line branch employees in California, Washington and Oregon. These bankers are

frequently the first people customers and prospective customers speak to at branches. Union Bank employees have demonstrated a tremendous ability to serve their customers and U.S. Bank looks forward to having them join the combined bank's team of talented West Coast employees.

EXHIBIT A



[Log in](#)

Article library

NEWS

U.S. Bancorp announces \$100 billion community benefits plan

May 09, 2022



Five-year plan focuses on supporting equitable access to capital for low- and moderate- income communities and communities of color.

MINNEAPOLIS – May 9, 2022 – U.S. Bancorp (NYSE: USB) today announced a [five-year community benefits plan](#) (CBP), developed in coordination with the National Community

Reinvestment Coalition (NCRC) and the California Reinvestment Coalition (CRC), as part of the planned acquisition of MUFG Union Bank. The CBP continues and expands the important work underway by both organizations to build and support equitable access to capital for the communities we serve.

The CBP builds on U.S. Bank's previously announced U.S. Bank Access Commitment efforts and integrates existing community impact efforts from MUFG Union Bank. A majority of the commitments, 60% of the total, will support efforts in California, the state most impacted by the acquisition. Commitments in the CBP are subject to the successful completion of full systems and staffing conversions to a unified bank platform.

"Banks are the economic engines of our communities. As such, we can make meaningful and significant impacts in supporting the ability of low- and moderate-income (LMI) communities and communities of color to access capital and build wealth," said **Andy Cecere, Chairman, President and CEO, U.S. Bank**. "Our CBP is outcome-focused and blends the best programs and thinking of U.S. Bank and MUFG Union Bank. We want our actions today to create a ripple effect that will lift future generations."

The CBP was informed by multiple listening sessions with more than 200 community groups participating as well as a public hearing organized by regulators. Listening sessions were organized with the support of NCRC, CRC and the Alliance to End the Racial Wealth Gap. The plan focuses on foundational components of community and economic development where the company can have the most impact:

- Access to Homeownership
- Small Business Access to Capital & Technical Assistance
- Community Development Lending & Investment
- Philanthropy & Community Service
- Branch Services in California
- Environmental Stewardship & Commitment
- Advancing a Diverse & Equitable Workforce
- Diverse Segment Outreach
- Supplier Diversity
- Plan Implementation & Accountability

"We are grateful for the time 208 organizations took to participate in the listening sessions. Their insights and perspective were critical to helping us understand where we can improve financial outcomes for underserved communities through our products, investments and service to the community," said Cecere. "We look forward to working with community leaders to implement equitable and effective solutions for the communities that need it most."

The collective input from the community serves as the foundation for U.S. Bank's community commitment, one of the most significant national and state commitments made by a bank in recent years. The community benefit plan totals at least \$100 billion and the public-facing community strategy includes commitments to:

- Providing at least a 20% increase in mortgage lending units nationally and a 30% increase in California to LMI borrowers, LMI communities and communities of color over five years.
- Increasing lending to small businesses and small farms by 15% nationally and 25% in California.
- Lending and investing increases of over 40% nationally and over 50% in California in community and economic development, affordable housing, environmental and social impact lending and investments during the five-year period with a focus on racial equity and access to credit for organizations and developers of color.

Additionally, U.S. Bank commits to developing three Special Purpose Credit Programs (SPCP) with a substantial focus on California as follows:

- **Small Business** – Adopting, enhancing and expanding MUFG Union Bank's SPCP, known as the Business Diversity Lending Program.
- **Mortgage** – Developing a mortgage SPCP in consultation with regulators and community groups, which will include down payment assistance for participating borrowers.
- **Affordable Housing Development** – Providing access to lending capital for minority-led/owned developers in support of affordable housing projects.

“We appreciate the commitment from U.S. Bank and the personal leadership of Andy Cecere to collaborate with us, CRC and our members to develop the largest ever community benefits plan,” said **Jesse Van Tol, President and CEO of NCRC**. “This plan is a milestone not only because of its overall size but also because of the scale of increases committed for mortgage and small business lending, affordable housing, environmental and social impact lending, and for the plan's clear focus on racial equity and access to credit directed specifically to communities of color.”

“Union Bank and U.S. Bank have been longstanding leaders in serving the community,” said **Reba Dominski, Executive Vice President and Chief Social Responsibility Officer for U.S. Bank**. “We look forward to engaging with the community as we continue this work to ensure the combined organization will have even greater social and environmental impact.”

Notably, branches will continue to play an important role in U.S. Bank's strategy and efforts to serve the community. The bank is taking a forward-looking approach to managing branches along with local community leaders to ensure the highest level of service is maintained. Additionally, the bank is committing to:

- Opening five new branches in LMI or middle-income Majority Minority (MMT) communities in California over five years.

- Opening or preserving five additional branches in LMI or MMT communities in California over five years decisioned with input from CRC.
- Upgrading functionality and accessibility of MUFG Union Bank and legacy U.S. Bank ATM's that will also service MUFG Union Bank customers.
- Partnering with California community groups to create five residencies located in nonprofits to provide access to a knowledgeable banker to help with small business lending and helping individuals improve their credit scores, savings and financial confidence.
- Adopting MUFG Union Bank's high school and community college branch program and investing further to support financial education outreach.

Prior to reaching a decision on closing any branch in an LMI area, the bank will analyze the demographics of the neighborhood, consider community input and consider alternatives to closure as well as alternative delivery options to minimize the impact of the closure.

“We know that when we organize, we win. This agreement represents months of hard work and is a win for LMI neighborhoods in California and Black, Indigenous, and People of Color communities,” said **Paulina Gonzalez-Brito, Executive Director of the California Reinvestment Coalition**. “While there is still much work ahead, and a continued need to hold banks accountable, we celebrate these communities today as well as our members who were critical in discussions with the bank.”

Following the close of the transaction, U.S. Bank is committed to retaining all MUFG Union Bank and U.S. Bank front-line branch employees in California, Washington and Oregon. These bankers are frequently the first people customers and prospective customers speak to at our branches. MUFG Union Bank employees have demonstrated a tremendous ability to serve their customers and U.S. Bank looks forward to having them join the combined bank's team of talented West Coast employees.

###

About U.S. Bank

U.S. Bancorp, with approximately 70,000 employees and \$587 billion in assets as of March 31, 2022, is the parent company of U.S. Bank National Association. The Minneapolis-based company serves millions of customers locally, nationally and globally through a diversified mix of businesses: Consumer and Business Banking; Payment Services; Corporate & Commercial Banking; and Wealth Management and Investment Services. The company has been recognized for its approach to digital innovation, social responsibility, and customer service, including being named one of the 2022 World's Most Ethical Companies and Fortune's most admired superregional bank. Learn more at [usbank.com/about](https://www.usbank.com/about).

###

Investor contact: Jennifer Thompson, U.S. Bancorp Investor Relations
jen.thompson@usbank.com, 612.303.0778, @usbank_news

Media contact: Jeff Shelman, U.S. Bancorp Public Affairs and Communications
jeffrey.shelman@usbank.com, 612.303.9933, @usbank_news

Tags:

[Diversity, equity and inclusion](#)

[Community impact](#)

Get in touch with us.

Press contact information, latest news and more

[Press resources](#)

Learn more about us.

Company facts, history, leadership and more

[About us](#)

Explore products and services.