DEPOSITORY AGREEMENT

We hereby offer to pay interest on the deposits of the City of Chicago and the Chicago Board of Education in Fiscal Year 2022 in accordance with the following schedules:

INTEREST-BEARING DEPOSITS

We hereby offer to pay interest on deposit accounts of the City of Chicago and Chicago Board of Education at the following minimum rate(s):

Type of Account	Rate	Minimum Deposit Requirement (if any)
Money Market Funds	Various	None

TIME DEPOSITS OR CERTIFICATES OF DEPOSIT

We hereby offer to pay interest on single maturity time deposits or certificates of deposit of $100,000 or more at the then current market rate being paid by our institution on similar principal amounts and for similar maturity terms; or at the following other rates:

(Please describe in detail your proposed rate schedule if your institution is offering to pay other than the current market rate. Attach sheets if necessary.)

Current Deposit rates can be found at the below link:

https://www.zionsbank.com/personal-banking/savings-accounts/deposit-rates/#RegularCD

The City shall reject the Proposal of any institution that does not offer rates on certificates of deposit or time deposits as prescribed above.

We understand that:

$ Interest on all certificates of deposit shall be computed on a 360-day basis rounded to 3 decimals.

$ Interest shall be paid to the City on the date of maturity.

Furthermore, we understand that any costs incurred in administering the City's account, including any costs incurred in collateralizing and safekeeping the City's investments, will be borne by our institution.

We understand the City's objective to invest its monies with financial institutions that demonstrate a commitment to benefit Chicago's communities and, in accordance with Chapter 2-32-440 of the Municipal Code of Chicago, have provided supplemental information to demonstrate our commitment. It is further understood that all information included in, attached to, or required by this Depository Agreement and related documents responding to the City’s Request for Proposal shall become public record upon delivery to the City.

We certify that we have read the terms and conditions of this Request for Proposal and fully understand its intent. We also certify that we have adequate personnel, equipment and facilities to fulfill all requirements and to qualify as a municipal depository. Upon execution by the City below, it is our understanding that the Depository Agreement, along with all the requirements, provisions and stipulations as contained in the Request for Proposal, which is incorporated herein by reference, constitute the agreement between our institution and the City.

Submitted by: Robert Cafarelli

Title: Vice President, Zions Bank Division

Date: November 15, 2021

Authorized Signature: ______________________________

Name of Institution: **Zions Bancorporation, National Association**

Location of Principal Place of Business: **111 West Washington, Suite 1860**

If known, please indicate which City Ward the Principal Place of Business is located **42**

How many facilities are located within the City of Chicago? **1**

Is your bank a Regularly Organized State Bank, National Bank, or Federal Bank? (Please indicate State, National or Federal) **National**

Is your bank Federally Insured? Yes Type of Insurance? **FDIC**

Is your bank Minority Owned? (as defined by the Federal Reserve Board) **No**

What is the Bank's Aggregate Amount of Capital Stock as of 12/31/2020? **$7,885,967,000** Surplus as of 12/31/2020? **$2,686,175,000** Total Assets as of 12/31/2020? **$81,479,376,000**

Name of Person Preparing the Proposal: **Robert Cafarelli**

Work Phone: **(312) 763-4257** Fax: **(855) 216-8162** Email: **robert.cafarelli@zionsbancorp.com**

Executed for the City of Chicago:

By: ______________________________

Title: ______________________________

Date: ______________________________

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Zions Bancorporation, National Association

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: ______________________________

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

____

B. Business address of the Disclosing Party: 111 West Washington, Suite 1860
Chicago, IL 60602

C. Telephone: (312) 763-4257 Fax: (855) 216-8162 Email: robert.cafarelli@zionsbancorp.com

D. Name of contact person: Bob Cafarelli

E. Federal Employer Identification No. (if you have one): 87-0189025

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Municipal Depository Service RFP 2022

G. Which City agency or department is requesting this EDS? Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # ______________________________ and Contract # ______________________________

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Utah, United States

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

See Attached

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Vanguard Group, Inc.	100 Vanguard Blvd, Malvern, PA	12.11%

Vanguard SEC Forms attached

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [x] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [x] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?
[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N/A			

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):
N/A
____

____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[x] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[x] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[x] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[x] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

____

____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Zions Bancorporation, National Association
(Print or type exact legal name of Disclosing Party)

By: ______________________
(Sign here)

Robert Cafarelli
(Print or type name of person signing)

Vice President, Zions Bank Division
(Print or type title of person signing)

Signed and sworn to before me on (date) November 15, 2021,

at Cook County, Illinois (state).

____
Notary Public Expires 12/6/2024

OFFICIAL SEAL
STEPHANIE R KONRATH
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/06/2024

Commission expires: December 6, 2024

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently has a “familial relationship” with any elected city official or department head. A “familial relationship” exists if, as of the date this EDS is signed, the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

“Applicable Party” means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. “Principal officers” means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently have a “familial relationship” with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

____
____
____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [x] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [x] No [ ] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

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CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

[ ] Yes

[ ] No

[x] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain.

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List of executive officers and directors:

Harris H. Simmons	Chairman, Chief Executive Officer
Maria Contreras	Director
Gary Crittenden	Director
Suren K. Gupta	Director
Claire A. Huang	Director
Vivian S. Lee	Director
Scott J. McLean	President, Chief Operating Officer
Edward F. Murphy	Director
Stephen D. Quinn	Director
Aaron B. Skonnard	Director
Barbara A. Yastine	Director
Paul E. Burdiss	Chief Financial Officer
James. R. Abbott	Senior Vice President, Investor Relations
Bruce K. Alexander	Executive Vice President
A. Scott Anderson	Executive Vice President
Eric Ellingsen	Executive Vice President
Kenneth Jay Collins	Executive Vice President
Alan M. Forney	Executive Vice President
Olga T. Hoff	Executive Vice President
R. Ryan Reynolds	Senior Vice President, Controller
Scott A. Law	Executive Vice President, General Counsel
Michael Morris	Executive Vice President, Chief Human Resources Officer
Rebecca K. Robinson	Executive Vice President, Chief Credit Officer
Keith D. Maio	Executive Vice President
Terrance A. Shirey	Executive Vice President, Chief Risk Officer
Jennifer Anne Smith	Executive Vice President
Steven D. Stephens	Executive Vice President, Chief lnformation Officer
Randy R. Stewmi	Executive Vice President
Mark R. Young	Executive Vice President
	Executive Vice President

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you. If you are filing an *umbrella registration*, the information in Item 1 should be provided for the *filing adviser* only. General Instruction 5 provides information to assist you with filing an *umbrella registration*.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
VANGUARD ADVISERS, INC.

B. (1) Name under which you primarily conduct your advisory business, if different from Item 1.A.
VANGUARD ADVISERS, INC.

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

(2) If you are using this Form ADV to register more than one investment adviser under an *umbrella registration*, check this box ☐

If you check this box, complete a Schedule R for each relying adviser.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.(1)), enter the new name and specify whether the name change is of
☐ your legal name or ☐ your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-49601**

(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number:

(3) If you have one or more Central Index Key numbers assigned by the SEC ("CIK Numbers"), all of your CIK numbers:

CIK Number
947529

E. (1) If you have a number ("*CRD* Number") assigned by the *FINRA's CRD* system or by the IARD system, your *CRD* number: **106715**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

(2) If you have additional *CRD* Numbers, your additional *CRD* numbers:

No Information Filed

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:		Number and Street 2:	
100 VANGUARD BLVD		M39	
City:	State:	Country:	ZIP+4/Postal Code:
MALVERN	Pennsylvania	United States	19355

If this address is a private residence, check this box: ☐

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest twenty-five offices in terms of numbers of employees as of the end of your most recently completed fiscal year.

(2) Days of week that you normally conduct business at your *principal office and place of business:*
◉ Monday - Friday ○ Other:

Normal business hours at this location:
8:30AM - 5:00PM

(3) Telephone number at this location:
610-669-1000

(4) Facsimile number at this location, if any:
610-669-6600

(5) What is the total number of offices, other than your *principal office and place of business*, at which you conduct investment advisory business as of the end of your most recently completed fiscal year?

G. Mailing address, if different from your *principal office and place of business* address:

Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:

Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:

	Yes	No
I. Do you have one or more websites or accounts on publicly available social media platforms (including, but not limited to, Twitter, Facebook and LinkedIn)?	◉	○

If "yes," list all firm website addresses and the address for each of the firm's accounts on publicly available social media platforms on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. You may need to list more than one portal address. Do not provide the addresses of websites or accounts on publicly available social media platforms where you do not control the content. Do not provide the individual electronic mail (e-mail) addresses of employees or the addresses of employee accounts on publicly available social media platforms.

J. Chief Compliance Officer

(1) Provide the name and contact information of your Chief Compliance Officer. If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name: Other titles, if any:
Telephone number: Facsimile number, if any:
Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:

Electronic mail (e-mail) address, if Chief Compliance Officer has one:

(2) If your Chief Compliance Officer is compensated or employed by any *person* other than you, a *related person* or an investment company registered under the Investment Company Act of 1940 that you advise for providing chief compliance officer services to you, provide the *person's* name and IRS Employer Identification Number (if any):

Name:

IRS Employer Identification Number:

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name: Titles:
Telephone number: Facsimile number, if any:
Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact person has one:

	Yes	No
L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*?	◉	○

If "yes," complete Section 1.L. of Schedule D.

	Yes	No
M. Are you registered with a *foreign financial regulatory authority*?	○	◉

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

	Yes	No
N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934?	○	◉

	Yes	No
O. Did you have $1 billion or more in assets on the last day of your most recent fiscal year?	○	◉

If yes, what is the approximate amount of your assets:

○ $1 billion to less than $10 billion

○ $10 billion to less than $50 billion

○ $50 billion or more

For purposes of Item 1.O. only, "assets" refers to your total assets, rather than the assets you manage on behalf of clients. Determine your total assets using the total assets shown on the balance sheet for your most recent fiscal year end.

P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. You may not have a *legal entity identifier*.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest twenty-five offices (in terms of numbers of *employees*).

Number and Street 1:
14321 NORTHSIGHT BLVD.

Number and Street 2:

City:	State:	Country:	ZIP+4/Postal Code:
SCOTTSDALE	Arizona	United States	85260

If this address is a private residence, check this box: ☐

Telephone Number:
480-713-8456

Facsimile Number, if any:

If this office location is also required to be registered with FINRA or a *state securities authority* as a branch office location for a broker-dealer or investment adviser on the Uniform Branch Office Registration Form (Form BR), please provide the *CRD* Branch Number here:
155468

How many *employees* perform investment advisory functions from this office location?
355

Are other business activities conducted at this office location? (check all that apply)

☑ (1) Broker-dealer (registered or unregistered)
☐ (2) Bank (including a separately identifiable department or division of a bank)
☐ (3) Insurance broker or agent
☐ (4) Commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
☐ (5) Registered municipal advisor
☐ (6) Accountant or accounting firm
☐ (7) Lawyer or law firm

Describe any other *investment-related* business activities conducted from this office location:

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest twenty-five offices (in terms of numbers of *employees*).

Number and Street 1:

Number and Street 2:

City:

State:

Country:

ZIP+4/Postal Code:

If this address is a private residence, check this box: ☑

Telephone Number:
610-669-1000

Facsimile Number, if any:

If this office location is also required to be registered with FINRA or a *state securities authority* as a branch office location for a broker-dealer or investment adviser on the Uniform

Branch Office Registration Form (Form BR), please provide the *CRD* Branch Number here:

How many *employees* perform investment advisory functions from this office location?
0

Are other business activities conducted at this office location? (check all that apply)

☑ (1) Broker-dealer (registered or unregistered)
☐ (2) Bank (including a separately identifiable department or division of a bank)
☐ (3) Insurance broker or agent
☐ (4) Commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
☐ (5) Registered municipal advisor
☐ (6) Accountant or accounting firm
☐ (7) Lawyer or law firm

Describe any other *investment-related* business activities conducted from this office location:

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest twenty-five offices (in terms of numbers of *employees*).

Number and Street 1:
2605 WATER RIDGE PARKWAY

Number and Street 2:

City:	State:	Country:	ZIP+4/Postal Code:
CHARLOTTE	North Carolina	United States	28217

If this address is a private residence, check this box: ☐

Telephone Number:	Facsimile Number, if any:
704-306-9772	

If this office location is also required to be registered with FINRA or a *state securities authority* as a branch office location for a broker-dealer or investment adviser on the Uniform Branch Office Registration Form (Form BR), please provide the *CRD* Branch Number here:
155467

How many *employees* perform investment advisory functions from this office location?
331

Are other business activities conducted at this office location? (check all that apply)

☑ (1) Broker-dealer (registered or unregistered)
☐ (2) Bank (including a separately identifiable department or division of a bank)
☐ (3) Insurance broker or agent
☐ (4) Commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
☐ (5) Registered municipal advisor
☐ (6) Accountant or accounting firm
☐ (7) Lawyer or law firm

Describe any other *investment-related* business activities conducted from this office location:

SECTION 1.I. Website Addresses

List your website addresses, including addresses for accounts on publicly available social media platforms where you control the content (including, but not limited to, Twitter, Facebook and/or LinkedIn). You must complete a separate Schedule D Section 1.I. for each website or account on a publicly available social media platform.

Address of Website/Account on Publicly Available Social Media Platform: https://institutional.vanguard.com/web/c1/dc-advice-financialwellness/

Address of Website/Account on Publicly Available Social Media Platform: https://investor.vanguard.com/financial-advisor/digital-advisor

Address of Website/Account on Publicly Available Social Media Platform: https://investor.vanguard.com/financial-advisor/personal-advisor-services

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://investor.vanguard.com/financial-advisor/financial-advice

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.FACEBOOK.COM/VANGUARD

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.TWITTER.COM/VANGUARD_GROUP

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.INSTAGRAM.COM/VANGUARDGROUP

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.YOUTUBE.COM/VANGUARD

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.LINKEDIN.COM/COMPANY/VANGUARD

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.LINKEDIN.COM/COMPANY/VANGUARD-INSTITUTIONAL-INVESTING

Address of Website/Account on Publicly Available Social Media Platform: HTTPS://WWW.LINKEDIN.COM/IN/MORTIMERJBUCKLEY

SECTION 1.L. Location of Books and Records

Complete the following information for each location at which you keep your books and records, other than your *principal office and place of business*. You must complete a separate Schedule D, Section 1.L. for each location.

Name of entity where books and records are kept:
VANGUARD ADVISERS, INC.

Number and Street 1:		Number and Street 2:	
2605 WATER RIDGE PARKWAY			
City:	State:	Country:	ZIP+4/Postal Code:
CHARLOTTE	North Carolina	United States	28217

If this address is a private residence, check this box: ☐

Telephone Number:	Facsimile number, if any:
704-306-9772	

This is (check one):

- (●) one of your branch offices or affiliates.
- ( ) a third-party unaffiliated recordkeeper.
- ( ) other.

Briefly describe the books and records kept at this location.
CLIENT FILES CONTAINING CONTRACTS, CORRESPONDENCE, RECOMMENDATIONS AND TRANSACTIONS.

Name of entity where books and records are kept:
VANGUARD ADVISERS, INC.

Number and Street 1:		Number and Street 2:	
14321 NORTHSIGHT BLVD.			
City:	State:	Country:	ZIP+4/Postal Code:

SCOTTSDALE Arizona United States 85260

If this address is a private residence, check this box: ☐

Telephone Number: 480-713-8456

Facsimile number, if any:

This is (check one):

- (•) one of your branch offices or affiliates.
- ( ) a third-party unaffiliated recordkeeper.
- ( ) other.

Briefly describe the books and records kept at this location.
CLIENT FILES CONTAINING CONTRACTS, CORRESPONDENCE, RECOMMENDATIONS AND TRANSACTIONS.

Name of entity where books and records are kept:
AMAZON.COM INC.

Number and Street 1:		Number and Street 2:	
410 TERRY AVENUE NORTH			
City:	State:	Country:	ZIP+4/Postal Code:
SEATTLE	Washington	United States	98109

If this address is a private residence, check this box: ☐

Telephone Number: 206-266-1000

Facsimile number, if any:

This is (check one):

- ( ) one of your branch offices or affiliates.
- (•) a third-party unaffiliated recordkeeper.
- ( ) other.

Briefly describe the books and records kept at this location.
CLOUD STORAGE OF CLIENT FILES.

Name of entity where books and records are kept:
IRON MOUNTAIN INC

Number and Street 1:		Number and Street 2:	
2500 HENDERSON DRIVE			
City:	State:	Country:	ZIP+4/Postal Code:
SHARON HILL	Pennsylvania	United States	19079

If this address is a private residence, check this box: ☐

Telephone Number: 610-725-0200 X3008

Facsimile number, if any:

This is (check one):

- ( ) one of your branch offices or affiliates.
- (•) a third-party unaffiliated recordkeeper.
- ( ) other.

Briefly describe the books and records kept at this location.
STORAGE OF CLIENT FILES CONTAINING CONTRACTS, CORRESPONDENCE, RECOMMENDATIONS AND TRANSACTIONS, IN ADDITION TO PROGRAMMING CODE.

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration. If you are filing an *umbrella registration*, the information in Item 2 should be provided for the *filing adviser* only.

A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- [x] (1) are a **large advisory firm** that either:
  - (a) has regulatory assets under management of $100 million (in U.S. dollars) or more; or
  - (b) has regulatory assets under management of $90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- [ ] (2) are a **mid-sized advisory firm** that has regulatory assets under management of $25 million (in U.S. dollars) or more but less than $100 million (in U.S. dollars) and you are either:
  - (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*; or
  - (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;

  *Click **HERE** for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- (3) Reserved
- [ ] (4) have your *principal office and place of business* **outside the United States**;
- [ ] (5) are **an investment adviser (or subadviser) to an investment company** registered under the Investment Company Act of 1940;
- [ ] (6) are **an investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least $25 million of regulatory assets under management;
- [ ] (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least $200,000,000 that qualifies for the exemption in rule 203A-2(a);
- [ ] (8) are a **related adviser** under rule 203A-2(b) that *controls*, is *controlled* by, or is under common *control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;

  If you check this box, complete Section 2.A.(8) of Schedule D.
- [ ] (9) are an **adviser** relying on rule 203A-2(c) because you **expect to be eligible for SEC registration within 120 days;**

  If you check this box, complete Section 2.A.(9) of Schedule D.
- [ ] (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);

  If you check this box, complete Section 2.A.(10) of Schedule D.
- [ ] (11) are an **Internet adviser** relying on rule 203A-2(e);
- [ ] (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;

  If you check this box, complete Section 2.A.(12) of Schedule D.
- [ ] (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings* and State Reporting by *Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

[x] AL	[x] IL	[x] NE	[x] SC
[x] AK	[x] IN	[x] NV	[x] SD
[x] AZ	[x] IA	[x] NH	[x] TN
[x] AR	[x] KS	[x] NJ	[x] TX
[x] CA	[x] KY	[x] NM	[x] UT
[x] CO	[x] LA	[x] NY	[x] VT
[x] CT	[x] ME	[x] NC	[x] VI
[x] DE	[x] MD	[x] ND	[x] VA
[x] DC	[x] MA	[x] OH	[x] WA

☑ FL ☑ GA ☐ GU ☑ HI ☑ ID	☑ MI ☑ MN ☑ MS ☑ MO ☑ MT	☑ OK ☑ OR ☑ PA ☑ PR ☑ RI	☑ WV ☑ WI ☑ WY

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled* by, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser
-

SECTION 2.A.(9) Investment Adviser Expecting to be Eligible for Commission Registration within 120 Days

If you are relying on rule 203A-2(c), the exemption from the prohibition on registration available to an adviser that expects to be eligible for SEC registration within 120 days, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

☐ I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.

☐ I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

☐ I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.

☐ I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

☐ Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive *Order*

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:
803-

Date of *order*:

Item 3 Form of Organization

If you are filing an *umbrella registration*, the information in Item 3 should be provided for the *filing adviser* only.

A. How are you organized?

◉ Corporation

○ Sole Proprietorship

○ Limited Liability Partnership (LLP)

- Partnership
- Limited Liability Company (LLC)
- Limited Partnership (LP)
- Other (specify):

If you are changing your response to this Item, see Part 1A Instruction 4.

B. In what month does your fiscal year end each year?
DECEMBER

C. Under the laws of what state or country are you organized?

State	Country
Pennsylvania	United States

If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.

If you are changing your response to this Item, see Part 1A Instruction 4.

Item 4 Successions

	Yes	No
A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser, including, for example, a change of your structure or legal status (e.g., form of organization or state of incorporation)?	○	◉

If "yes", complete Item 4.B. and Section 4 of Schedule D.

B. Date of Succession: (MM/DD/YYYY)

If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.

SECTION 4 Successions

No Information Filed

Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

Employees

If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).

A. Approximately how many *employees* do you have? Include full- and part-time *employees* but do not include any clerical workers.
1866

B. (1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?
1127

(2) Approximately how many of the *employees* reported in 5.A. are registered representatives of a broker-dealer?
1840

(3) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives*?
1865

(4) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives* for an investment adviser other than you?
0

(5) Approximately how many of the *employees* reported in 5.A. are licensed agents of an insurance company or agency?
0

(6) Approximately how many firms or other *persons* solicit advisory *clients* on your behalf?
22

In your response to Item 5.B.(6), do not count any of your employees and count a firm only once – do not count each of the firm's employees that solicit on your behalf.

Clients

In your responses to Items 5.C. and 5.D. do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

C. (1) To approximately how many *clients* for whom you do not have regulatory assets under management did you provide investment advisory services during your most recently completed fiscal year?

210810

(2) Approximately what percentage of your *clients* are non-*United States persons*?

0%

D. *For purposes of this Item 5.D., the category "individuals" includes trusts, estates, and 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships.*
The category "business development companies" consists of companies that have made an election pursuant to section 54 of the Investment Company Act of 1940. Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, do not answer (d)(1) or (d)(3) below.

Indicate the approximate number of your *clients* and amount of your total regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If you have fewer than 5 *clients* in a particular category (other than (d), (e), and (f)) you may check Item 5.D.(2) rather than respond to Item 5.D.(1).

The aggregate amount of regulatory assets under management reported in Item 5.D.(3) should equal the total amount of regulatory assets under management reported in Item 5.F.(2)(c) below.

If a *client* fits into more than one category, select one category that most accurately represents the *client* to avoid double counting *clients* and assets. If you advise a registered investment company, business development company, or pooled investment vehicle, report those assets in categories (d), (e), and (f) as applicable.

Type of *Client*	(1) Number of *Client(s)*	(2) Fewer than 5 *Clients*	(3) Amount of Regulatory Assets under Management
(a) Individuals (other than *high net worth individuals*)	653614	☐	$ 115,042,387,573
(b) *High net worth individuals*	448090	☐	$ 91,603,163,153
(c) Banking or thrift institutions	0	☐	$ 0
(d) Investment companies	0		$ 0
(e) Business development companies	0		$ 0
(f) Pooled investment vehicles (other than investment companies and business development companies)	12		$ 8,791,038,562
(g) Pension and profit sharing plans (but not the plan participants or government pension plans)	129	☐	$ 16,710,323,060
(h) Charitable organizations	1023	☐	$ 34,852,152,611
(i) State or municipal *government entities* (including government pension plans)	9	☐	$ 213,017,443
(j) Other investment advisers	17	☐	$ 0
(k) Insurance companies	0	☐	$ 0
(l) Sovereign wealth funds and foreign official institutions	0	☐	$ 0
(m) Corporations or other businesses not listed above	165	☐	$ 9,061,489,244
(n) Other: HEALTH AND WELFARE TRUSTS	9	☐	$ 251,841,139

Compensation Arrangements

E. You are compensated for your investment advisory services by (check all that apply):

- ☑ (1) A percentage of assets under your management
- ☐ (2) Hourly charges
- ☐ (3) Subscription fees (for a newsletter or periodical)
- ☑ (4) Fixed fees (other than subscription fees)
- ☐ (5) Commissions
- ☐ (6) *Performance-based fees*
- ☐ (7) Other (specify):

Item 5 Information About Your Advisory Business - Regulatory Assets Under Management

Regulatory Assets Under Management

	Yes	No
F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios?	◉	○

(2) If yes, what is the amount of your regulatory assets under management and total number of accounts?

U.S. Dollar Amount | Total Number of Accounts

Discretionary:	(a)	$ 268,557,296,021	(d)	518,654
Non-Discretionary:	(b)	$ 7,968,116,764	(e)	61
Total:	(c)	$ 276,525,412,785	(f)	518,715

Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You must follow these instructions carefully when completing this Item.

(3) What is the approximate amount of your total regulatory assets under management (reported in Item 5.F.(2)(c) above) attributable to *clients* who are non-*United States persons*?

$ 134,922,368

Item 5 Information About Your Advisory Business - Advisory Activities

Advisory Activities

G. What type(s) of advisory services do you provide? Check all that apply.

- [x] (1) Financial planning services
- [x] (2) Portfolio management for individuals and/or small businesses
- [ ] (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- [x] (4) Portfolio management for pooled investment vehicles (other than investment companies)
- [x] (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- [ ] (6) Pension consulting services
- [x] (7) Selection of other advisers (including *private fund* managers)
- [ ] (8) Publication of periodicals or newsletters
- [ ] (9) Security ratings or pricing services
- [ ] (10) Market timing services
- [ ] (11) Educational seminars/workshops
- [ ] (12) Other(specify):

Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G.(3) of Schedule D.

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- ( ) 0
- ( ) 1 - 10
- ( ) 11 - 25
- ( ) 26 - 50
- ( ) 51 - 100
- ( ) 101 - 250
- ( ) 251 - 500
- (•) More than 500

If more than 500, how many?
211,000 (round to the nearest 500)

In your responses to this Item 5.H., do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

		Yes	No
I.	(1) Do you participate in a *wrap fee program*?	( )	(•)

(2) If you participate in a *wrap fee program*, what is the amount of your regulatory assets under management attributable to acting as:

(a) *sponsor* to a *wrap fee program*
$
(b) portfolio manager for a *wrap fee program*?
$
(c) *sponsor* to and portfolio manager for the same *wrap fee program*?
$

If you report an amount in Item 5.I.(2)(c), do not report that amount in Item 5.I.(2)(a) or Item 5.I.(2)(b).

If you are a portfolio manager for a wrap fee program, list the names of the programs, their sponsors and related information in Section 5.I.(2) of Schedule D.

If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered through a wrap fee program, do not check Item 5.I.(1) or enter any amounts in response to Item 5.I.(2).

		Yes	No
J.	(1) In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?	(•)	( )
	(2) Do you report *client* assets in Item 4.E. of Part 2A that are computed using a different method than the method used to compute your regulatory assets under	( )	(•)

management?

K. Separately Managed Account *Clients*

	Yes	No
(1) Do you have regulatory assets under management attributable to *clients* other than those listed in Item 5.D.(3)(d)-(f) (separately managed account *clients*)?	●	○

If yes, complete Section 5.K.(1) of Schedule D.

	Yes	No
(2) Do you engage in borrowing transactions on behalf of any of the separately managed account *clients* that you advise?	○	●

If yes, complete Section 5.K.(2) of Schedule D.

	Yes	No
(3) Do you engage in derivative transactions on behalf of any of the separately managed account *clients* that you advise?	○	●

If yes, complete Section 5.K.(2) of Schedule D.

	Yes	No
(4) After subtracting the amounts in Item 5.D.(3)(d)-(f) above from your total regulatory assets under management, does any custodian hold ten percent or more of this remaining amount of regulatory assets under management?	●	○

If yes, complete Section 5.K.(3) of Schedule D for each custodian.

SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies

No Information Filed

SECTION 5.I.(2) *Wrap Fee Programs*

No Information Filed

SECTION 5.K.(1) Separately Managed Accounts

After subtracting the amounts reported in Item 5.D.(3)(d)-(f) from your total regulatory assets under management, indicate the approximate percentage of this remaining amount attributable to each of the following categories of assets. If the remaining amount is at least $10 billion in regulatory assets under management, complete Question (a). If the remaining amount is less than $10 billion in regulatory assets under management, complete Question (b).

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

End of year refers to the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment* . Mid-year is the date six months before the end of year date. Each column should add up to 100% and numbers should be rounded to the nearest percent.

Investments in derivatives, registered investment companies, business development companies, and pooled investment vehicles should be reported in those categories. Do not report those investments based on related or underlying portfolio assets. Cash equivalents include bank deposits, certificates of deposit, bankers' acceptances and similar bank instruments.

Some assets could be classified into more than one category or require discretion about which category applies. You may use your own internal methodologies and the conventions of your service providers in determining how to categorize assets, so long as the methodologies or conventions are consistently applied and consistent with information you report internally and to current and prospective clients. However, you should not double count assets, and your responses must be consistent with any instructions or other guidance relating to this Section.

(a)

Asset Type	Mid-year	End of year
(i) Exchange-Traded Equity Securities	0 %	0 %
(ii) Non Exchange-Traded Equity Securities	0 %	0 %
(iii) U.S. Government/Agency Bonds	0 %	0 %
(iv) U.S. State and Local Bonds	0 %	0 %
(v) *Sovereign Bonds*	0 %	0 %
(vi) Investment Grade Corporate Bonds	0 %	0 %
(vii) Non-Investment Grade Corporate Bonds	0 %	0 %
(viii) Derivatives	0 %	0 %
(ix) Securities Issued by Registered Investment Companies or Business Development Companies	88 %	87 %
(x) Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies)	12 %	13 %
(xi) Cash and Cash Equivalents	0 %	0 %
(xii) Other	0 %	0 %

Generally describe any assets included in "Other"

(b)

Asset Type	End of year
(i) Exchange-Traded Equity Securities	%
(ii) Non Exchange-Traded Equity Securities	%
(iii) U.S. Government/Agency Bonds	%
(iv) U.S. State and Local Bonds	%
(v) *Sovereign Bonds*	%
(vi) Investment Grade Corporate Bonds	%
(vii) Non-Investment Grade Corporate Bonds	%
(viii) Derivatives	%
(ix) Securities Issued by Registered Investment Companies or Business Development Companies	%
(x) Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies)	%
(xi) Cash and Cash Equivalents	%
(xii) Other	%

Generally describe any assets included in "Other"

SECTION 5.K.(2) Separately Managed Accounts - Use of *Borrowings*and Derivatives

☑ **No information is required to be reported in this Section 5.K.(2) per the instructions of this Section 5.K.(2)**

If your regulatory assets under management attributable to separately managed accounts are at least $10 billion, you should complete Question (a). If your regulatory assets under management attributable to separately managed accounts are at least $500 million but less than $10 billion, you should complete Question (b).

(a) In the table below, provide the following information regarding the separately managed accounts you advise. If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise. End of year refers to the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. Mid-year is the date six months before the end of year date.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of *borrowings* for the accounts included in column 1.

In column 3, provide aggregate *gross notional value* of derivatives divided by the aggregate regulatory assets under management of the accounts included in column 1 with respect to each category of derivatives specified in 3(a) through (f).

You may, but are not required to, complete the table with respect to any separately managed account with regulatory assets under management of less than $10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

(i) Mid-Year

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) *Borrowings*	(3) Derivative Exposures					
			(a) *Interest Rate Derivative*	(b) *Foreign Exchange Derivative*	(c) *Credit Derivative*	(d) *Equity Derivative*	(e) *Commodity Derivative*	(f) *Other Derivative*
Less than 10%	$	$	%	%	%	%	%	%
10-149%	$	$	%	%	%	%	%	%
150% or more	$	$	%	%	%	%	%	%

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(ii) End of Year

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) *Borrowings*	(3) Derivative Exposures					
			(a) *Interest Rate Derivative*	(b) *Foreign Exchange Derivative*	(c) *Credit Derivative*	(d) *Equity Derivative*	(e) *Commodity Derivative*	(f) *Other Derivative*
Less than 10%	$	$	%	%	%	%	%	%

10-149%	$	$	%	%	%	%	%	%
150% or more	$	$	%	%	%	%	%	%

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(b) In the table below, provide the following information regarding the separately managed accounts you advise as of the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of *borrowings* for the accounts included in column 1.

You may, but are not required to, complete the table with respect to any separately managed accounts with regulatory assets under management of less than $10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

Gross Notional Exposure	(1) Regulatory Assets Under Management	(2) *Borrowings*
Less than 10%	$	$
10-149%	$	$
150% or more	$	$

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

SECTION 5.K.(3) Custodians for Separately Managed Accounts

Complete a separate Schedule D Section 5.K.(3) for each custodian that holds ten percent or more of your aggregate separately managed account regulatory assets under management.

(a) Legal name of custodian:
THE VANGUARD GROUP INC

(b) Primary business name of custodian:
THE VANGUARD GROUP INC

(c) The location(s) of the custodian's office(s) responsible for *custody* of the assets :

City:	State:	Country:
MALVERN	Pennsylvania	United States

	Yes	No
(d) Is the custodian a *related person* of your firm?	●	○

(e) If the custodian is a broker-dealer, provide its SEC registration number (if any)
-

(f) If the custodian is not a broker-dealer, or is a broker-dealer but does not have an SEC registration number, provide its *legal entity identifier* (if any)
5493002789CX3L0CJP65

(g) What amount of your regulatory assets under management attributable to separately managed accounts is held at the custodian?
$ 114,472,486,884

(a) Legal name of custodian:
VANGUARD MARKETING CORPORATION

(b) Primary business name of custodian:
VANGUARD MARKETING CORPORATION

(c) The location(s) of the custodian's office(s) responsible for *custody* of the assets :

City:	State:	Country:
MALVERN	Pennsylvania	United States

	Yes	No
(d) Is the custodian a *related person* of your firm?	●	○

(e)	If the custodian is a broker-dealer, provide its SEC registration number (if any) 8 - 21570
(f)	If the custodian is not a broker-dealer, or is a broker-dealer but does not have an SEC registration number, provide its *legal entity identifier* (if any)
(g)	What amount of your regulatory assets under management attributable to separately managed accounts is held at the custodian? $ 145,293,770,574

Item 6 Other Business Activities

In this Item, we request information about your firm's other business activities.

A. You are actively engaged in business as a (check all that apply):

- ☐ (1) broker-dealer (registered or unregistered)
- ☐ (2) registered representative of a broker-dealer
- ☐ (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (4) futures commission merchant
- ☐ (5) real estate broker, dealer, or agent
- ☐ (6) insurance broker or agent
- ☐ (7) bank (including a separately identifiable department or division of a bank)
- ☐ (8) trust company
- ☑ (9) registered municipal advisor
- ☐ (10) registered security-based swap dealer
- ☐ (11) major security-based swap participant
- ☐ (12) accountant or accounting firm
- ☐ (13) lawyer or law firm
- ☐ (14) other financial product salesperson (specify):

If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B.(1), complete Section 6.A. of Schedule D.

		Yes	No
B. (1)	Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)?	○	●
(2)	If yes, is this other business your primary business?	○	○

If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.

		Yes	No
(3)	Do you sell products or provide services other than investment advice to your advisory *clients*?	○	●

If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.

SECTION 6.A. Names of Your Other Businesses

No Information Filed

SECTION 6.B.(2) Description of Primary Business

Describe your primary business (not your investment advisory business):

If you engage in that business under a different name, provide that name:

SECTION 6.B.(3) Description of Other Products and Services

Describe other products or services you sell to your *client*. You may omit products and services that you listed in Section 6.B.(2) above.

If you engage in that business under a different name, provide that name:

Item 7 Financial Industry Affiliations

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any *person* that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- ☑ (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)
- ☑ (2) other investment adviser (including financial planners)
- ☐ (3) registered municipal advisor

- ☐ (4) registered security-based swap dealer
- ☐ (5) major security-based swap participant
- ☑ (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (7) futures commission merchant
- ☑ (8) banking or thrift institution
- ☑ (9) trust company
- ☐ (10) accountant or accounting firm
- ☐ (11) lawyer or law firm
- ☑ (12) insurance company or agency
- ☐ (13) pension consultant
- ☐ (14) real estate broker or dealer
- ☐ (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- ☑ (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

Note that Item 7.A. should not be used to disclose that some of your employees perform investment advisory functions or are registered representatives of a broker-dealer. The number of your firm's employees who perform investment advisory functions should be disclosed under Item 5.B.(1). The number of your firm's employees who are registered representatives of a broker-dealer should be disclosed under Item 5.B.(2).

Note that if you are filing an umbrella registration, you should not check Item 7.A.(2) with respect to your relying advisers, and you do not have to complete Section 7.A. in Schedule D for your relying advisers. You should complete a Schedule R for each relying adviser.

For each related person, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.

You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.

You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

SECTION 7.A. Financial Industry Affiliations

Complete a separate Schedule D Section 7.A. for each *related person* listed in Item 7.A.

1. Legal Name of *Related Person*:
   JUSTINVEST, LLC

2. Primary Business Name of *Related Person*:
   JUSTINVEST, LLC

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
   801 - 114487
   or
   Other

4. *Related Person's*
   (a) *CRD* Number (if any):
   285366
   (b) CIK Number(s) (if any):
   No Information Filed

5. *Related Person* is: (check all that apply)
   - (a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
   - (b) ☑ other investment adviser (including financial planners)
   - (c) ☐ registered municipal advisor
   - (d) ☐ registered security-based swap dealer
   - (e) ☐ major security-based swap participant
   - (f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
   - (g) ☐ futures commission merchant
   - (h) ☐ banking or thrift institution
   - (i) ☐ trust company
   - (j) ☐ accountant or accounting firm
   - (k) ☐ lawyer or law firm
   - (l) ☐ insurance company or agency
   - (m) ☐ pension consultant
   - (n) ☐ real estate broker or dealer
   - (o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles

(p) ☐ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

	Yes	No
6. Do you *control* or are you *controlled* by the *related person*?	○	◉
7. Are you and the *related person* under common *control*?	◉	○
8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?	○	◉
(b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?	○	○

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

Number and Street 1: Number and Street 2:

City: State: Country: ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

	Yes	No
9. (a) If the *related person* is an investment adviser, is it exempt from registration?	○	◉
(b) If the answer is yes, under what exemption?		
10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ?	○	◉

(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.

No Information Filed

	Yes	No
11. Do you and the *related person* share any *supervised persons*?	◉	○
12. Do you and the *related person* share the same physical location?	○	◉

1. Legal Name of *Related Person*:
VANGUARD GLOBAL ADVISERS, LLC

2. Primary Business Name of *Related Person*:
VANGUARD GLOBAL ADVISERS, LLC

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
801 - 76825
or
Other

4. *Related Person's*
(a) *CRD* Number (if any):
164593
(b) CIK Number(s) (if any):

No Information Filed

5. *Related Person* is: (check all that apply)
(a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
(b) ☑ other investment adviser (including financial planners)
(c) ☐ registered municipal advisor
(d) ☐ registered security-based swap dealer
(e) ☐ major security-based swap participant
(f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
(g) ☐ futures commission merchant
(h) ☐ banking or thrift institution
(i) ☐ trust company
(j) ☐ accountant or accounting firm
(k) ☐ lawyer or law firm
(l) ☐ insurance company or agency
(m) ☐ pension consultant
(n) ☐ real estate broker or dealer
(o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
(p) ☐ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

	Yes	No
6. Do you *control* or are you *controlled* by the *related person*?	○	◉
7. Are you and the *related person* under common *control*?	◉	○

		Yes	No
8. (a)	Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?	○	◉
(b)	If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?	○	○

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

Number and Street 1: Number and Street 2:

City: State: Country: ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

		Yes	No
9. (a)	If the *related person* is an investment adviser, is it exempt from registration?	○	◉
(b)	If the answer is yes, under what exemption?		
10. (a)	Is the *related person* registered with a *foreign financial regulatory authority* ?	◉	○

(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.

Name of Country/English Name of *Foreign Financial Regulatory Authority*
Ireland - Central Bank of Ireland

		Yes	No
11.	Do you and the *related person* share any *supervised persons*?	○	◉
12.	Do you and the *related person* share the same physical location?	◉	○

1. Legal Name of *Related Person*:
VANGUARD NATIONAL TRUST COMPANY, N.A.

2. Primary Business Name of *Related Person*:
VANGUARD NATIONAL TRUST COMPANY

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
-
or
Other

4. *Related Person's*
(a) *CRD* Number (if any):

(b) CIK Number(s) (if any):

No Information Filed

5. *Related Person* is: (check all that apply)
(a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
(b) ☐ other investment adviser (including financial planners)
(c) ☐ registered municipal advisor
(d) ☐ registered security-based swap dealer
(e) ☐ major security-based swap participant
(f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
(g) ☐ futures commission merchant
(h) ☑ banking or thrift institution
(i) ☑ trust company
(j) ☐ accountant or accounting firm
(k) ☐ lawyer or law firm
(l) ☐ insurance company or agency
(m) ☐ pension consultant
(n) ☐ real estate broker or dealer
(o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
(p) ☐ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

		Yes	No
6.	Do you *control* or are you *controlled* by the *related person*?	○	◉
7.	Are you and the *related person* under common *control*?	◉	○
8. (a)	Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?	○	◉
(b)	If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?	○	○

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

Number and Street 1: | Number and Street 2:

City: | State: | Country: | ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

	Yes	No
9. (a) If the *related person* is an investment adviser, is it exempt from registration?	○	○
(b) If the answer is yes, under what exemption?		
10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ?	○	◉
(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.		

No Information Filed

	Yes	No
11. Do you and the *related person* share any *supervised persons*?	◉	○
12. Do you and the *related person* share the same physical location?	◉	○

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1. Legal Name of *Related Person*:
THE VANGUARD GROUP, INC.

2. Primary Business Name of *Related Person*:
VANGUARD GROUP INC

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
801 - 11953
or
Other

4. *Related Person's*
(a) *CRD* Number (if any):
105958
(b) CIK Number(s) (if any):

No Information Filed

5. *Related Person* is: (check all that apply)
(a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
(b) ☑ other investment adviser (including financial planners)
(c) ☐ registered municipal advisor
(d) ☐ registered security-based swap dealer
(e) ☐ major security-based swap participant
(f) ☑ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
(g) ☐ futures commission merchant
(h) ☐ banking or thrift institution
(i) ☐ trust company
(j) ☐ accountant or accounting firm
(k) ☐ lawyer or law firm
(l) ☐ insurance company or agency
(m) ☐ pension consultant
(n) ☐ real estate broker or dealer
(o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
(p) ☑ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

	Yes	No
6. Do you *control* or are you *controlled* by the *related person*?	◉	○
7. Are you and the *related person* under common *control*?	○	◉
8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?	◉	○
(b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?	○	◉

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

Number and Street 1:		Number and Street 2:	
100 VANGUARD BLVD			
City:	State:	Country:	ZIP+4/Postal Code:
MALVERN	Pennsylvania	United States	19355

If this address is a private residence, check this box: ☐

	Yes	No
9. (a) If the *related person* is an investment adviser, is it exempt from registration?	○	◉
(b) If the answer is yes, under what exemption?		
10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ?	○	◉

(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.

No Information Filed

	Yes	No
11. Do you and the *related person* share any *supervised persons*?	◉	○
12. Do you and the *related person* share the same physical location?	◉	○

1. Legal Name of *Related Person*:
VANGUARD FIDUCIARY TRUST COMPANY

2. Primary Business Name of *Related Person*:
VANGUARD FIDUCIARY TRUST COMPANY

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
-
or
Other
028-11554

4. *Related Person's*
(a) *CRD* Number (if any):

(b) CIK Number(s) (if any):

No Information Filed

5. *Related Person* is: (check all that apply)
(a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
(b) ☐ other investment adviser (including financial planners)
(c) ☐ registered municipal advisor
(d) ☐ registered security-based swap dealer
(e) ☐ major security-based swap participant
(f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
(g) ☐ futures commission merchant
(h) ☐ banking or thrift institution
(i) ☑ trust company
(j) ☐ accountant or accounting firm
(k) ☐ lawyer or law firm
(l) ☐ insurance company or agency
(m) ☐ pension consultant
(n) ☐ real estate broker or dealer
(o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
(p) ☑ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

	Yes	No
6. Do you *control* or are you *controlled* by the *related person*?	○	◉
7. Are you and the *related person* under common *control*?	◉	○
8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?	○	◉
(b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?	○	○

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:
Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:
If this address is a private residence, check this box: ☐

	Yes	No
9. (a) If the *related person* is an investment adviser, is it exempt from registration?	○	○
(b) If the answer is yes, under what exemption?		
10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ?	○	◉

(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.

No Information Filed

11. Do you and the *related person* share any *supervised persons*? ◉ Yes ○ No

12. Do you and the *related person* share the same physical location? ◉ Yes ○ No

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1. Legal Name of *Related Person*:
VANGUARD MARKETING CORPORATION

2. Primary Business Name of *Related Person*:
VANGUARD MARKETING CORPORATION

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
8 - 21570
or
Other

4. *Related Person's*
   (a) *CRD* Number (if any):
   7452
   (b) CIK Number(s) (if any):

   No Information Filed

5. *Related Person* is: (check all that apply)
   (a) ☑ broker-dealer, municipal securities dealer, or government securities broker or dealer
   (b) ☐ other investment adviser (including financial planners)
   (c) ☐ registered municipal advisor
   (d) ☐ registered security-based swap dealer
   (e) ☐ major security-based swap participant
   (f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
   (g) ☐ futures commission merchant
   (h) ☐ banking or thrift institution
   (i) ☐ trust company
   (j) ☐ accountant or accounting firm
   (k) ☐ lawyer or law firm
   (l) ☐ insurance company or agency
   (m) ☐ pension consultant
   (n) ☐ real estate broker or dealer
   (o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
   (p) ☐ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

Yes No

6. Do you *control* or are you *controlled* by the *related person*? ○ Yes ◉ No

7. Are you and the *related person* under common *control*? ◉ Yes ○ No

8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*? ◉ Yes ○ No
   (b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*? ○ Yes ◉ No
   (c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

Number and Street 1:		Number and Street 2:	
100 VANGUARD BLVD			
City:	State:	Country:	ZIP+4/Postal Code:
MALVERN	Pennsylvania	United States	19355

If this address is a private residence, check this box: ☐

Yes No

9. (a) If the *related person* is an investment adviser, is it exempt from registration? ○ Yes ○ No
   (b) If the answer is yes, under what exemption?

10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ? ○ Yes ◉ No
   (b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.

   No Information Filed

11. Do you and the *related person* share any *supervised persons*? ◉ Yes ○ No

12. Do you and the *related person* share the same physical location? ◉ ○

1. Legal Name of *Related Person*:
VGI INSURANCE, INC.

2. Primary Business Name of *Related Person*:
VGI INSURANCE, INC.

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-)
-
or
Other

4. *Related Person's*
(a) *CRD* Number (if any):

(b) CIK Number(s) (if any):
No Information Filed

5. *Related Person* is: (check all that apply)
(a) ☐ broker-dealer, municipal securities dealer, or government securities broker or dealer
(b) ☐ other investment adviser (including financial planners)
(c) ☐ registered municipal advisor
(d) ☐ registered security-based swap dealer
(e) ☐ major security-based swap participant
(f) ☐ commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
(g) ☐ futures commission merchant
(h) ☐ banking or thrift institution
(i) ☐ trust company
(j) ☐ accountant or accounting firm
(k) ☐ lawyer or law firm
(l) ☑ insurance company or agency
(m) ☐ pension consultant
(n) ☐ real estate broker or dealer
(o) ☐ sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
(p) ☐ sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

Yes No

6. Do you *control* or are you *controlled* by the *related person*? ○ ◉

7. Are you and the *related person* under common *control*? ◉ ○

8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*? ○ ◉

(b) If you are registering or registered with the SEC and you have answered "yes," to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-2(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*? ○ ○

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:
Number and Street 1: Number and Street 2:
City: State: Country: ZIP+4/Postal Code:
If this address is a private residence, check this box: ☐

Yes No

9. (a) If the *related person* is an investment adviser, is it exempt from registration? ○ ○

(b) If the answer is yes, under what exemption?

10. (a) Is the *related person* registered with a *foreign financial regulatory authority* ? ○ ◉

(b) If the answer is yes, list the name and country, in English of each *foreign financial regulatory authority* with which the *related person* is registered.
No Information Filed

11. Do you and the *related person* share any *supervised persons*? ○ ◉

12. Do you and the *related person* share the same physical location? ◉ ○

Item 7 *Private Fund* Reporting

Yes No

B. Are you an adviser to any *private fund*? ○ ◉

If "yes," then for each private fund that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If you are registered or applying for registration with the SEC or reporting as an SEC exempt reporting adviser, and another SEC-registered adviser or SEC exempt reporting adviser reports this information with respect to any such private fund in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You must, instead, complete Section 7.B.(2) of Schedule D.

In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.

SECTION 7.B.(1) *Private Fund* Reporting

No Information Filed

SECTION 7.B.(2) *Private Fund* Reporting

No Information Filed

Item 8 Participation or Interest in *Client* Transactions

In this Item, we request information about your participation and interest in your *clients*' transactions. This information identifies additional areas in which conflicts of interest may occur between you and your *clients*. Newly-formed advisers should base responses to these questions on the types of participation and interest that you expect to engage in during the next year.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

Proprietary Interest in *Client* Transactions

	Yes	No
A. Do you or any *related person*:		
(1) buy securities for yourself from advisory *clients*, or sell securities you own to advisory *clients* (principal transactions)?	◉	○
(2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory *clients*?	○	◉
(3) recommend securities (or other investment products) to advisory *clients* in which you or any *related person* has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))?	○	◉

Sales Interest in *Client* Transactions

	Yes	No
B. Do you or any *related person*:		
(1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory *client* securities are sold to or bought from the brokerage customer (agency cross transactions)?	◉	○
(2) recommend to advisory *clients*, or act as a purchaser representative for advisory *clients* with respect to, the purchase of securities for which you or any *related person* serves as underwriter or general or managing partner?	◉	○
(3) recommend purchase or sale of securities to advisory *clients* for which you or any *related person* has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)?	◉	○

Investment or Brokerage Discretion

	Yes	No
C. Do you or any *related person* have *discretionary authority* to determine the:		
(1) securities to be bought or sold for a *client's* account?	◉	○
(2) amount of securities to be bought or sold for a *client's* account?	◉	○
(3) broker or dealer to be used for a purchase or sale of securities for a *client's* account?	◉	○
(4) commission rates to be paid to a broker or dealer for a *client's* securities transactions?	◉	○
D. If you answer "yes" to C.(3) above, are any of the brokers or dealers *related persons*?	◉	○
E. Do you or any *related person* recommend brokers or dealers to *clients*?	◉	○
F. If you answer "yes" to E. above, are any of the brokers or dealers *related persons*?	◉	○
G. (1) Do you or any *related person* receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with *client* securities transactions?	◉	○
(2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any *related persons* receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange Act of 1934?	◉	○
H. (1) Do you or any *related person*, directly or indirectly, compensate any *person* that is not an *employee* for *client* referrals?	◉	○
(2) Do you or any *related person*, directly or indirectly, provide any *employee* compensation that is specifically related to obtaining *clients* for the firm (cash or non-cash compensation in addition to the *employee's* regular salary)?	◉	○

I. Do you or any *related person*, including any *employee*, directly or indirectly, receive compensation from any *person* (other than you or any *related person*) for *client* referrals? — No

In your response to Item 8.I., do not include the regular salary you pay to an employee.

In responding to Items 8.H. and 8.I., consider all cash and non-cash compensation that you or a related person gave to (in answering Item 8.H.) or received from (in answering Item 8.I.) any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals.

Item 9 Custody

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

A. (1) Do you have *custody* of any advisory *clients'*:

	Yes	No
(a) cash or bank accounts?		⦿
(b) securities?	⦿	

If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisory fees directly from your clients' accounts, or (ii) a related person has custody of client assets in connection with advisory services you provide to clients, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-2(d)(5)) from the related person.

(2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount	Total Number of *Clients*
(a) $ 0	(b) 0

If you are registering or registered with the SEC and you have custody solely because you deduct your advisory fees directly from your clients' accounts, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). If your related person has custody of client assets in connection with advisory services you provide to clients, do not include the amount of those assets and number of those clients in your response to 9.A.(2). Instead, include that information in your response to Item 9.B.(2).

B. (1) In connection with advisory services you provide to *clients*, do any of your *related persons* have *custody* of any of your advisory *clients'*:

	Yes	No
(a) cash or bank accounts?	⦿	
(b) securities?	⦿	

You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have *custody*:

U.S. Dollar Amount	Total Number of *Clients*
(a) $ 259,766,257,459	(b) 518,642

C. If you or your *related persons* have *custody* of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:

- (1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage. ☑
- (2) An *independent public accountant* audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools. ☐
- (3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities. ☑
- (4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities. ☑

If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the private funds you advise in Section 7.B.(1) of Schedule D).

D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?

	Yes	No
(1) you act as a qualified custodian		⦿
(2) your *related person(s)* act as qualified custodian(s)	⦿	

If you checked "yes" to Item 9.D.(2), all related persons that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced:
07/2020

F. If you or your *related persons* have *custody* of *client* funds or securities, how many *persons*, including, but not limited to, you and your *related persons,* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients?*
2

SECTION 9.C. *Independent Public Accountant*

You must complete the following information for each *independent public accountant* engaged to perform a surprise examination, perform an audit of a pooled investment vehicle that you manage, or prepare an internal control report. You must complete a separate Schedule D Section 9.C. for each *independent public accountant*.

(1) Name of the *independent public accountant*:
PRICEWATERHOUSECOOPERS LLP

(2) The location of the *independent public accountant's* office responsible for the services provided:

Number and Street 1:		Number and Street 2:	
2001 MARKET STREET		SUITE 1800	
City:	State:	Country:	ZIP+4/Postal Code:
PHILADELPHIA	Pennsylvania	United States	19103-7042

	Yes	No
(3) Is the *independent public accountant* registered with the Public Company Accounting Oversight Board?	◉	○
If "yes," Public Company Accounting Oversight Board-Assigned Number: 238		
(4) If "yes" to (3) above, is the *independent public accountant* subject to regular inspection by the Public Company Accounting Oversight Board in accordance with its rules?	◉	○

(5) The *independent public accountant* is engaged to:
A. ☐ audit a pooled investment vehicle
B. ☑ perform a surprise examination of *clients'* assets
C. ☑ prepare an internal control report

(6) Since your last *annual updating amendment*, did all of the reports prepared by the *independent public accountant* that audited the pooled investment vehicle or that examined internal controls contain unqualified opinions?

◉ Yes

○ No

○ Report Not Yet Received

If you check "Report Not Yet Received", you must promptly file an amendment to your Form ADV to update your response when the accountant's report is available.

Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you. If you are filing an *umbrella registration*, the information in Item 10 should be provided for the *filing adviser* only.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

	Yes	No
A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?	○	◉

If yes, complete Section 10.A. of Schedule D.

B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

SECTION 10.A. *Control Persons*

No Information Filed

SECTION 10.B. *Control Person* Public Reporting Companies

No Information Filed

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below. In accordance with General Instruction 5 to Form ADV, "you" and "your" include the *filing adviser* and all *relying advisers* under an *umbrella registration*.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

	Yes	No
Do any of the events below involve you or any of your *supervised persons*?	◉	○

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any *advisory affiliate*:	Yes	No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?	◉	○
(2) been *charged* with any *felony*?	○	◉

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any *advisory affiliate*:	Yes	No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a *misdemeanor* involving: investments or an *investment-related* business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	◉	○
(2) been *charged* with a *misdemeanor* listed in Item 11.B.(1)?	○	◉

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes	No
(1) *found* you or any *advisory affiliate* to have made a false statement or omission?	○	◉
(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of SEC or CFTC regulations or statutes?	○	◉
(3) *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?	○	◉
(4) entered an *order* against you or any *advisory affiliate* in connection with *investment-related* activity?	○	◉
(5) imposed a civil money penalty on you or any *advisory affiliate*, or *ordered* you or any *advisory affiliate* to cease and desist from any activity?	○	◉

D. Has any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority*:		
(1) ever *found* you or any *advisory affiliate* to have made a false statement or omission, or been dishonest, unfair, or unethical?	○	◉
(2) ever *found* you or any *advisory affiliate* to have been *involved* in a violation of *investment-related* regulations or statutes?	◉	○
(3) ever *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?	○	◉
(4) in the past ten years, entered an *order* against you or any *advisory affiliate* in connection with an *investment-related* activity?	◉	○
(5) ever denied, suspended, or revoked your or any *advisory affiliate's* registration or license, or otherwise prevented you or any *advisory affiliate*, by *order*, from associating with an *investment-related* business or restricted your or any *advisory affiliate's* activity?	○	◉

E. Has any *self-regulatory organization* or commodities exchange ever:		
(1) *found* you or any *advisory affiliate* to have made a false statement or omission?	○	◉
(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a "*minor rule violation*" under a plan approved by the SEC)?	◉	○
(3) *found* you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?	○	◉
(4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities?	○	◉

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended? ○ ◉

G. Are you or any *advisory affiliate* now the subject of any regulatory *proceeding* that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.? ○ ◉

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

	Yes	No
H. (1) Has any domestic or foreign court:		
(a) in the past ten years, *enjoined* you or any *advisory affiliate* in connection with any *investment-related* activity?	○	◉
(b) ever *found* that you or any *advisory affiliate* were *involved* in a violation of *investment-related* statutes or regulations?	○	◉
(c) ever dismissed, pursuant to a settlement agreement, an *investment-related* civil action brought against you or any *advisory affiliate* by a state or *foreign financial regulatory authority*?	○	◉
(2) Are you or any *advisory affiliate* now the subject of any civil *proceeding* that could result in a "yes" answer to any part of Item 11.H.(1)?	○	◉

Item 12 Small Businesses

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC **and** you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than $25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- *Control* means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

	Yes	No
A. Did you have total assets of $5 million or more on the last day of your most recent fiscal year?	○	○
If "yes," you do not need to answer Items 12.B. and 12.C.		
B. Do you:		
(1) *control* another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of $25 million or more on the last day of its most recent fiscal year?	○	○
(2) *control* another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	○
C. Are you:		
(1) *controlled* by or under common *control* with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of $25 million or more on the last day of its most recent fiscal year?	○	○
(2) *controlled* by or under common *control* with another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	○

Schedule A

Direct Owners and Executive Officers

1. Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.
2. Direct Owners and Executive Officers. List below the names of:
   (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer(Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
   (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);
   Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
   (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
   (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
   (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.
3. Do you have any indirect owners to be reported on Schedule B? ◉ Yes ○ No
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.

5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are: NA - less than 5%; A - 5% but less than 10%; B - 10% but less than 25%; C - 25% but less than 50%; D - 50% but less than 75%; E - 75% or more
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
   (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
   (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Title or Status	Date Title or Status Acquired MM/YYYY	Ownership Code	*Control Person*	PR	*CRD* No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
GOLIATH, INC, A WHOLLY OWNED SUBSIDIARY OF THE VANGUARD GROUP INC	DE	STOCKHOLDER	06/1995	E	Y	N	
BUCKLEY, MORTIMER, JOSEPH	I	PRESIDENT AND CEO	02/2018	NA	Y	N	2167630
RISI, KARIN, ANN	I	DIRECTOR	05/2015	NA	Y	N	3209445
RAMPULLA, THOMAS, MARK	I	DIRECTOR	05/2015	NA	Y	N	1816948
ROLLINGS, MICHAEL, THOMAS	I	DIRECTOR	09/2016	NA	Y	N	1592402
BURKE, CLAIRE, GRACE	I	CHIEF COMPLIANCE OFFICER	06/2017	NA	Y	N	6528991
BENDL, JOHN	I	CHIEF FINANCIAL OFFICER	02/2018	NA	Y	N	6931980
Cosby, Mary, Caroline	I	DIRECTOR AND GENERAL COUNSEL	05/2019	NA	Y	N	7114773
BRANCATO, MATTHEW, CLARK	I	DIRECTOR	05/2020	NA	Y	N	6220380
BENCHENER, MATTHEW, JOHN	I	DIRECTOR	12/2020	NA	Y	N	5569805

Schedule B

Indirect Owners

1. Complete Schedule B only if you are submitting an initial application or report. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
   (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;

   For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
   (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
   (c) in the case of an owner that is a trust, the trust and each trustee; and
   (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are: C - 25% but less than 50%; D - 50% but less than 75%; E - 75% or more; F - Other (general partner, trustee, or elected manager)
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
   (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
   (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Entity in Which Interest is Owned	Status	Date Status Acquired MM/YYYY	Ownership Code	*Control Person*	PR	*CRD* No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
THE VANGUARD GROUP, INC.	DE	GOLIATH, INC	STOCKHOLDER	06/1995	E	Y	N	105958
VANGUARD INDEX FUNDS	DE	THE VANGUARD GROUP, INC.	STOCKHOLDER	08/1976	C	Y	N	

Schedule D - Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

We have foreign affiliates that are not listed because we've met one or more of the exceptions of the SEC's guidance provided regarding omitting related persons. A list of those foreign affiliates can be provided upon request.

Schedule R

No Information Filed

DRP Pages

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.A. or 11.B. of Form ADV.

Criminal

Check item(s) being responded to:

☑ 11.A(1) ☐ 11.A(2) ☐ 11.B(1) ☐ 11.B(2)

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

Multiple counts of the same charge arising out of the same event(s) should be reported on the same DRP. Unrelated criminal actions, including separate cases arising out of the same event, must be reported on separate DRPs. Use this DRP to report all charges arising out of the same event. One event may result in more than one affirmative answer to the items listed above.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

○ You (the advisory firm)

○ You and one or more of your *advisory affiliates*

◉ One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - *ADVISORY AFFILIATE*

CRD Number: 6896803 This *advisory affiliate* is ○ a Firm ◉ an Individual

Registered: ◉ Yes ○ No

Name: Schmidt, Jacob, Louis
(For individuals, Last, First, Middle)

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.

☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

◉ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. If charge(s) were brought against an organization over which you or an *advisory affiliate* exercise(d) *control*: Enter organization name, whether or not the organization was an *investment-related* business and your or the *advisory affiliate's* position, title, or relationship.

2. Formal Charge(s) were brought in: (include name of Federal, Military, State or Foreign Court, Location of Court - City or County and State or Country, Docket/Case number).

3. Event Disclosure Detail (Use this for both organizational and individual charges.)

   A. Date First *Charged* (MM/DD/YYYY):

   ○ Exact ○ Explanation

   If not exact, provide explanation:

B. Event Disclosure Detail (include Charge(s)/Charge Description(s), and for each charge provide: (1) number of counts, (2) *felony* or *misdemeanor,* (3) plea for each charge, and (4) product type if charge is *investment-related*).

C. Did any of the Charge(s) within the Event involve a *felony*? ○ Yes ○ No

D. Current status of the Event? ○ Pending ○ On Appeal ○ Final

E. Event Status Date (complete unless status is Pending) (MM/DD/YYYY):

○ Exact ○ Explanation

If not exact, provide explanation:

4. Disposition Disclosure Detail:
Include for each charge (a) Disposition Type (e.g., convicted, acquitted, dismissed, pretrial, etc.), (b) Date, (c) Sentence/Penalty, (d) Duration (if sentence - suspension, probation, etc.), (e) Start Date of Penalty, (f) Penalty/Fine Amount, and (g) Date Paid.

5. Provide a brief summary of circumstances leading to the charge(s) as well as the disposition. Include the relevant dates when the conduct which was the subject of the charge(s) occurred. (Your response must fit within the space provided.)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.A. or 11.B. of Form ADV.

Criminal

Check item(s) being responded to:

☐ 11.A(1) ☐ 11.A(2) ☑ 11.B(1) ☐ 11.B(2)

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

Multiple counts of the same charge arising out of the same event(s) should be reported on the same DRP. Unrelated criminal actions, including separate cases arising out of the same event, must be reported on separate DRPs. Use this DRP to report all charges arising out of the same event. One event may result in more than one affirmative answer to the items listed above.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

○ You (the advisory firm)

○ You and one or more of your *advisory affiliates*

◉ One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - *ADVISORY AFFILIATE*

CRD Number:	6853911	This *advisory affiliate* is ○ a Firm ◉ an Individual
Registered:	◉ Yes ○ No	
Name:	Keefer, Joseph, Edward (For individuals, Last, First, Middle)	

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.

☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

◉ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. If charge(s) were brought against an organization over which you or an *advisory affiliate* exercise(d) *control*: Enter organization name, whether or not the organization was an *investment-related* business and your or the *advisory affiliate's* position, title, or relationship.

2. Formal Charge(s) were brought in: (include name of Federal, Military, State or Foreign Court, Location of Court - City or County and State or Country, Docket/Case number).

3. Event Disclosure Detail (Use this for both organizational and individual charges.)

A. Date First *Charged* (MM/DD/YYYY):

○ Exact ○ Explanation

If not exact, provide explanation:

B. Event Disclosure Detail (include Charge(s)/Charge Description(s), and for each charge provide: (1) number of counts, (2) *felony* or *misdemeanor,* (3) plea for each charge, and (4) product type if charge is *investment-related*).

C. Did any of the Charge(s) within the Event involve a *felony*? ○ Yes ○ No

D. Current status of the Event? ○ Pending ○ On Appeal ○ Final

E. Event Status Date (complete unless status is Pending) (MM/DD/YYYY):

○ Exact ○ Explanation

If not exact, provide explanation:

4. Disposition Disclosure Detail:
Include for each charge (a) Disposition Type (e.g., convicted, acquitted, dismissed, pretrial, etc.), (b) Date, (c) Sentence/Penalty, (d) Duration (if sentence - suspension, probation, etc.), (e) Start Date of Penalty, (f) Penalty/Fine Amount, and (g) Date Paid.

5. Provide a brief summary of circumstances leading to the charge(s) as well as the disposition. Include the relevant dates when the conduct which was the subject of the charge(s) occurred. (Your response must fit within the space provided.)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.A. or 11.B. of Form ADV.

Criminal

Check item(s) being responded to:

☑ 11.A(1) ☐ 11.A(2) ☐ 11.B(1) ☐ 11.B(2)

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

Multiple counts of the same charge arising out of the same event(s) should be reported on the same DRP. Unrelated criminal actions, including separate cases arising out of the same event, must be reported on separate DRPs. Use this DRP to report all charges arising out of the same event. One event may result in more than one affirmative answer to the items listed above.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

○ You (the advisory firm)

○ You and one or more of your *advisory affiliates*

◉ One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - *ADVISORY AFFILIATE*

CRD Number: 6803810 This *advisory affiliate* is ○ a Firm ◉ an Individual

Registered: ◉ Yes ○ No

Name: Jones, Austin, Shipley
(For individuals, Last, First, Middle)

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.
☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

◉ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. If charge(s) were brought against an organization over which you or an *advisory affiliate* exercise(d) *control*: Enter organization name, whether or not the organization was an *investment-related* business and your or the *advisory affiliate's* position, title, or relationship.

2. Formal Charge(s) were brought in: (include name of Federal, Military, State or Foreign Court, Location of Court - City or County and State or Country, Docket/Case number).

3. Event Disclosure Detail (Use this for both organizational and individual charges.)

   A. Date First *Charged* (MM/DD/YYYY):

      ○ Exact ○ Explanation

      If not exact, provide explanation:

   B. Event Disclosure Detail (include Charge(s)/Charge Description(s), and for each charge provide: (1) number of counts, (2) *felony* or *misdemeanor,* (3) plea for each charge, and (4) product type if charge is *investment-related*).

   C. Did any of the Charge(s) within the Event involve a *felony*? ○ Yes ○ No

   D. Current status of the Event? ○ Pending ○ On Appeal ○ Final

   E. Event Status Date (complete unless status is Pending) (MM/DD/YYYY):

      ○ Exact ○ Explanation

      If not exact, provide explanation:

4. Disposition Disclosure Detail:
   Include for each charge (a) Disposition Type (e.g., convicted, acquitted, dismissed, pretrial, etc.), (b) Date, (c) Sentence/Penalty, (d) Duration (if sentence - suspension, probation, etc.), (e) Start Date of Penalty, (f) Penalty/Fine Amount, and (g) Date Paid.

5. Provide a brief summary of circumstances leading to the charge(s) as well as the disposition. Include the relevant dates when the conduct which was the subject of the charge(s) occurred. (Your response must fit within the space provided.)

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.C., 11.D., 11.E., 11.F. or 11.G. of Form ADV.

Regulatory Action

Check item(s) being responded to:

☐ 11.C(1)	☐ 11.C(2)	☐ 11.C(3)	☐ 11.C(4)	☐ 11.C(5)
☐ 11.D(1)	☐ 11.D(2)	☐ 11.D(3)	☐ 11.D(4)	☐ 11.D(5)
☐ 11.E(1)	☑ 11.E(2)	☐ 11.E(3)	☐ 11.E(4)	
☐ 11.F.	☐ 11.G.			

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Items 11.C., 11.D., 11.E., 11.F. or 11.G. Use only one DRP to report details related to the same event. If an event gives rise to actions by more than one regulator, provide details for each action on a separate DRP.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

   ○ You (the advisory firm)

   ○ You and one or more of your *advisory affiliates*

   ◉ One or more of your *advisory affiliates*

   If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
   If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

   ADV DRP - *ADVISORY AFFILIATE*

CRD Number:	7452	This *advisory affiliate* is ◉ a Firm ○ an Individual
Registered:	◉ Yes ○ No	
Name:	VANGUARD MARKETING	

CORPORATION
(For individuals, Last, First, Middle)

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority* , you may remove a DRP for an event you reported only in response to Item 11.D(4), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

◉ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. Regulatory Action initiated by:
○ SEC ○ Other Federal ○ State ◉ *SRO* ○ Foreign
(Full name of regulator, *foreign financial regulatory authority*, federal, state, or *SRO*)
FINRA

2. Principal Sanction:
Other
Other Sanctions:
NA

3. Date Initiated (MM/DD/YYYY):
03/06/2016 ◉ Exact ○ Explanation
If not exact, provide explanation:

4. Docket/Case Number:
2013038325801

5. *Advisory Affiliate* Employing Firm when activity occurred which led to the regulatory action (if applicable):

6. Principal Product Type:
No Product
Other Product Types:
NA

7. Describe the allegations related to this regulatory action (your response must fit within the space provided):
WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH AND MAINTAIN AN ADEQUATE SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, TO ENSURE THAT IT DISCLOSE UNSATISFIED JUDGMENTS AND LIENS OF REGISTERED REPRESENTATIVES ON UNIFORM APPLICATIONS FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER ("FORM U4S"), IN INSTANCES WHERR THE FIRMS' PAYROLL DEPARTMENT HAD NOTICE OF SUCH LIENS AND JUDGMENTS AS A RESULT OF GARNISHMENT ORDERS IT HAD RECEIVED. THE FINDINGS STATED THAT THE FIRM DID NOT HAVE ANY SUPERVISORY PROCEDURES IN PLACE TO ENSURE THAT THE PAYROLL DEPARTMENT NOTIFIED THE COMPLIANCE DEPARTMENT OF GARNISHMENTS, AND THE FIRM DID NOT REVIEW THE GARNISHMENTS TO DETERMINE WHETHER THEY TRIGGERED A REPORTABLE EVENT FOR REGISTERED REPRESENTATIVES. AS A RESULT, THE FIRM FAILED TO DISCLOSE OR TIMELY DISCLOSE UNSATISFIED JUDGMENTS AND LIENS OF WHICH IT HAD NOTICE BY REASON OF THE GARNISHMENT ORDERS. ALSO THE FIRM BECAME AWARE OF THE DEFICIENCY IN ITS SUPERVISORY SYSTEM AND VOLUNTARILY UNDERTOOK STEPS TO AMEND ITS WRITTEN SUPERVISORY PROCEDURES AND PUT A PROCESS IN PLACE FOR ITS PAYROLL DEPARTMENY TO NOTIFY ITS COMPLIANCE DEPARTMENT OF GARNISHMENT ORDERS. HOWEVER, THE FIRM FAILED TO PROPERLY IMPLEMENT THE AMENDED PROCEDURES. AS A RESULT, THE FIRM CONTINUED TO NOT DISCLOSE OR TIMELY DISCLOSE JUDGMENTS AND LIENS OF WHICH IT HAD RECEIVED NOTICE. IN TOTAL THE FIRM RECEIVED 80 GARNISHMENT ORDERS THAT TRIGGERED REPORTABLE EVENTS ON THE FORM U4. IT FAILED TO FILE AMENDMENTS TO ITS REGISTERED REPRESENTATIVES' FORM U4S FOR 60 OF THESE REPORTABLE EVENTS AND FAILED TO TIMELY FILE FORM U4 AMENDMENTS FOR 20 REPORTABLE EVENTS.

8. Current Status? ○ Pending ○ On Appeal ◉ Final

9. If on appeal, regulatory action appealed to (SEC, *SRO,* Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved:

Acceptance, Waiver & Consent(AWC)

11. Resolution Date (MM/DD/YYYY):

03/06/2016 ◉ Exact ○ Explanation

If not exact, provide explanation:

12. Resolution Detail:

A. Were any of the following Sanctions *Ordered* (check all appropriate items)?

☑ Monetary/Fine Amount: $ 350,000.00

☐ Revocation/Expulsion/Denial

☑ Censure

☐ Bar

☐ Disgorgement/Restitution

☑ Cease and Desist/Injunction

☐ Suspension

B. Other Sanctions *Ordered:*

UNDERTAKING

Sanction detail: if suspended, *enjoined* or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against you or an *advisory affiliate*, date paid and if any portion of penalty was waived:

THE FIRM WAS CENSURED, FINED $350,000 AND REQUIRED TO RETAIN AN INDEPENDENT CONSULTANT TO REVIEW AND SUGGEST REVISIONS TO ITS POLICIES, PROCEDURES, AND INTERNAL CONTROLS RELATING TO REPORTING DISCLOSURES ON FORM U4S FOR ITS REGISTERED REPRESENTATIVES. FINE PAID IN FULL ON MARCH 23, 2015.

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates (your response must fit within the space provided).

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OR FINDINGS, VMC (AFFILIATE) AGREED TO THE IMPOSITION OF A CENSURE, A FINE IN THE AMOUNT OF $350,000, THE PRODUCTION OF A VMC RETAINED INDEPENDENT CONSULTANT'S REPORT, AND THE CERTIFICATION OF VMC'S IMPLEMENTATION OF THE IMPROVEMENTS OUTLINED IN THE INDEPENDENT CONSULTANT'S REPORT. VMC'S LETTER OF ACCEPTANCE, WAIVER AND CONSENT WAS ACCEPTED BY FINRA ON 03/06/2015.

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.C., 11.D., 11.E., 11.F. or 11.G. of Form ADV.

Regulatory Action

Check item(s) being responded to:

☐ 11.C(1)	☐ 11.C(2)	☐ 11.C(3)	☐ 11.C(4)	☐ 11.C(5)
☐ 11.D(1)	☑ 11.D(2)	☐ 11.D(3)	☑ 11.D(4)	☐ 11.D(5)
☐ 11.E(1)	☐ 11.E(2)	☐ 11.E(3)	☐ 11.E(4)	
☐ 11.F.	☐ 11.G.			

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Items 11.C., 11.D., 11.E., 11.F. or 11.G. Use only one DRP to report details related to the same event. If an event gives rise to actions by more than one regulator, provide details for each action on a separate DRP.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

◉ You (the advisory firm)

○ You and one or more of your *advisory affiliates*

○ One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - *ADVISORY AFFILIATE*

No Information Filed

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.

☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority* , you may remove a DRP for an event you reported only in response to Item 11.D(4), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

○ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. Regulatory Action initiated by:

   ○ SEC ○ Other Federal ◉ State ○ *SRO* ○ Foreign

   (Full name of regulator, *foreign financial regulatory authority*, federal, state, or *SRO*)
   COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF BANKING AND SECURITIES

2. Principal Sanction:
   Other
   Other Sanctions:
   ADMINISTRATIVE ASSESSMENT

3. Date Initiated (MM/DD/YYYY):

   10/10/2017 ○ Exact ◉ Explanation
   If not exact, provide explanation:
   DATE INITIAL INQUIRY RELATED TO THIS MATTER WAS RECEIVED.

4. Docket/Case Number:
   17-0077

5. *Advisory Affiliate* Employing Firm when activity occurred which led to the regulatory action (if applicable):

6. Principal Product Type:
   No Product
   Other Product Types:

7. Describe the allegations related to this regulatory action (your response must fit within the space provided):

   FROM FEBRUARY 2017 UNTIL DECEMBER 2017, VANGUARD ADVISERS, INC., DUE TO ADMINISTRATIVE ERROR, EMPLOYED AN INVESTMENT ADVISER REPRESENTATIVE WHO, ALTHOUGH REGISTERED AS AN INVESTMENT ADVISER REPRESENTATIVE IN ARIZONA, WAS NOT REGISTERED AS AN INVESTMENT ADVISER REPRESENTATIVE IN PENNSYLVANIA.

8. Current Status? ○ Pending ○ On Appeal ◉ Final

9. If on appeal, regulatory action appealed to (SEC, *SRO,* Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved:
    Consent

11. Resolution Date (MM/DD/YYYY):

    12/20/2017 ◉ Exact ○ Explanation
    If not exact, provide explanation:

12. Resolution Detail:

    A. Were any of the following Sanctions *Ordered* (check all appropriate items)?

    ☑ Monetary/Fine Amount: $ 23,480.00
    ☐ Revocation/Expulsion/Denial ☐ Disgorgement/Restitution
    ☐ Censure ☐ Cease and Desist/Injunction

☐ Bar ☐ Suspension

B. Other Sanctions *Ordered:*

Sanction detail: if suspended, *enjoined* or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against you or an *advisory affiliate*, date paid and if any portion of penalty was waived:
AN ADMINISTRATIVE ASSESSMENT OF $23,480 WAS LEVIED AGAINST VAI. PAYMENT WAS MADE JANUARY 9, 2018.

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates (your response must fit within the space provided).
AN INVESTMENT ADVISER REPRESENTATIVE ("IAR") CHANGED HIS PERSONAL RESIDENCE FROM ARIZONA TO PENNSYLVANIA. AS A RESULT OF AN ADMINISTRATIVE ERROR, VANGUARD ADVISERS, INC. DID NOT IMMEDIATELY UPDATE HIS REGISTRATION TO REFLECT PENNSYLVANIA AS HIS NEW PLACE OF EMPLOYMENT. VANGUARD ADVISERS, INC. SELF IDENTIFIED THE ISSUE.

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an ○ INITIAL ***OR*** ◉ AMENDED response used to report details for affirmative responses to Items 11.C., 11.D., 11.E., 11.F. or 11.G. of Form ADV.

Regulatory Action

Check item(s) being responded to:

☐ 11.C(1)	☐ 11.C(2)	☐ 11.C(3)	☐ 11.C(4)	☐ 11.C(5)
☐ 11.D(1)	☑ 11.D(2)	☐ 11.D(3)	☑ 11.D(4)	☐ 11.D(5)
☐ 11.E(1)	☐ 11.E(2)	☐ 11.E(3)	☐ 11.E(4)	
☐ 11.F.	☐ 11.G.			

Use a separate DRP for each event or *proceeding* . The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Items 11.C., 11.D., 11.E., 11.F. or 11.G. Use only one DRP to report details related to the same event. If an event gives rise to actions by more than one regulator, provide details for each action on a separate DRP.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

○ You (the advisory firm)

○ You and one or more of your *advisory affiliates*

◉ One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).
If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - *ADVISORY AFFILIATE*

CRD Number: 105958 This *advisory affiliate* is ◉ a Firm ○ an Individual

Registered: ◉ Yes ○ No

Name: VANGUARD GROUP INC
(For individuals, Last, First, Middle)

☐ This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
☐ This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC or reporting as an *exempt reporting adviser* with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority* , you may remove a DRP for an event you reported only in response to Item 11.D(4), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

☐ This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

◉ Yes ○ No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records.

PART II

1. Regulatory Action initiated by:
   ○ SEC ○ Other Federal ○ State ○ *SRO* ○ Foreign
   (Full name of regulator, *foreign financial regulatory authority*, federal, state, or *SRO*)

2. Principal Sanction:

   Other Sanctions:

3. Date Initiated (MM/DD/YYYY):
   ○ Exact ○ Explanation
   If not exact, provide explanation:

4. Docket/Case Number:

5. *Advisory Affiliate* Employing Firm when activity occurred which led to the regulatory action (if applicable):

6. Principal Product Type:

   Other Product Types:

7. Describe the allegations related to this regulatory action (your response must fit within the space provided):

8. Current Status? ○ Pending ○ On Appeal ○ Final

9. If on appeal, regulatory action appealed to (SEC, *SRO,* Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved:

11. Resolution Date (MM/DD/YYYY):
    ○ Exact ○ Explanation
    If not exact, provide explanation:

12. Resolution Detail:
    A. Were any of the following Sanctions *Ordered* (check all appropriate items)?
       ☐ Monetary/Fine Amount: $
       ☐ Revocation/Expulsion/Denial
       ☐ Disgorgement/Restitution
       ☐ Censure
       ☐ Cease and Desist/Injunction
       ☐ Bar
       ☐ Suspension
    B. Other Sanctions *Ordered:*

       Sanction detail: if suspended, *enjoined* or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against you or an *advisory affiliate*, date paid and if any portion of penalty was waived:

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates (your response must fit within the space provided).

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

Part 2

Exemption from brochure delivery requirements for SEC-registered advisers

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

	Yes	No
Are you exempt from delivering a brochure to all of your clients under these rules?	○	◉

If no, complete the ADV Part 2 filing below.

Amend, retire or file new brochures:

Brochure ID	Brochure Name	Brochure Type(s)
349282	VANGUARD SITUATIONAL ADVISOR BROCHURE	Individuals, Financial Planning Services

Part 3

CRS	Type(s)	Affiliate Info	Retire
	Investment Advisor		

Execution Pages

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: CLAIRE G. BURKE	Date: MM/DD/YYYY 10/20/2021
Printed Name: CLAIRE G. BURKE	Title: VAI CHIEF COMPLIANCE OFFICER
Adviser *CRD* Number: 106715	

NON-RESIDENT **INVESTMENT ADVISER EXECUTION PAGE**

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

1. Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a *notice filing*.

2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

3. *Non-Resident* Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any *person* subject to your written irrevocable consents or powers of attorney or any of your general partners and *managing agents*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the *non-resident* investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:	Date: MM/DD/YYYY
Printed Name:	Title:
Adviser *CRD* Number: 106715	

Anti-Predatory Lending Pledge*
for Municipal Depositories

We pledge that we are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code of Chicago. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code of Chicago. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of our designation as a municipal depository.

Zions Bancorporation
Name of Financial Institution

Signature of Authorized Officer

Vice President, Zions Bank Division
Title

Vice President
Name of Authorized Officer (Print or Type)

(312) 763-4257
Business Telephone Number

Subscribed and sworn to before me this

15th day of November, 2021

Notary Public exp 12/6/2024

OFFICIAL SEAL
STEPHANIE R KONRATH
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/06/2024

Date: 11/15/2021

Name of transaction for which this certificate is submitted: 2022 Muncipal Depository

Contact Person: Robert Cafarelli
Address: 111 West Washington, Suite 1860
Chicago, IL 60602

Telephone: (312) 763-4257

*The definitions of certain terms set forth in Chapter 2-32 of the Municipal Code of Chicago and used in the Anti-Predatory Lending Pledge are reproduced on the attached pages.

Loan Policy Pledge and Consumer Protection Statement for Municipal Depositories

We pledge not to arbitrarily reject mortgage loans for residential properties within a specific geographic area in Chicago because of the location and/or age of the property, or in the case of proposed borrower to arbitrarily vary the terms of those loans or the application procedures for those loans on the basis of race, color, religion, national origin, age, sex, gender identity, marital status, ancestry, sexual orientation, parental status, source of income, disability or military status. In addition, we pledge to make loans available to low- and moderate-income residential property in the neighborhoods of the City of Chicago within the limits of our legal restriction and prudent financial practices.

We understand that arbitrarily rejecting or varying the terms and/or application procedures of mortgage loans on the basis of the factors listed above may result in the loss of our designation as a municipal depository.

We certify on information and belief that we are in substantial compliance with consumer financial protection laws, subject to any previous disclosures made by us or by regulatory agencies.

Name of Financial Institution: **Zions Bancorporation, National Association**

Signature of Authorized Officer ______________ Title: **Vice President**

Name of Authorized Officer (Print or Type) **Robert Cafarelli**

Subscribed and sworn to before me this 15th day of November, 2021.

Notary Public ______________ {stamp/SEAL}
Expires 12/6/2024

OFFICIAL SEAL
STEPHANIE R KONRATH
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/06/2024

Name of transaction for which this certificate is submitted: Designation as a Municipal Depository for 2022.

Compliance with Vacant Buildings Code Pledge
For Municipal Depositories

We are in compliance with the reporting requirements in regard to vacant property as defined in Section 13-12-125 of the Municipal Code of Chicago. We further pledge we will maintain vacant properties in compliance with the Chicago Building Code as defined in Section 13-12-135 of the Municipal Code of Chicago. We understand that failing to adhere to these requirements or becoming an affiliate of an offender of these requirements may result in the loss of our designation as a municipal depository.

Zions Bancorporation, National Association
Name of Financial Institution

Signature of Authorized Official

Vice President
Title

Robert Cafarelli
Name of Authorized Officer
(Print or Type)

(312) 763-4257
Business Telephone Number

Subscribed and sworn to before me this

15TH day of NOVEMBER, 2021

Notary Public expires 12/6/2024

OFFICIAL SEAL
STEPHANIE R KONRATH
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/06/2024

11/15/2021
Date

Contact Person: Robert Cafarelli
Address: 111 West Washington, Suite 1860
Chicago, IL 60602

Telephone: (312) 763-4257

QUESTIONNAIRE

To facilitate the City's analysis of the data that you have provided on Disclosure Forms A(1) - G, please provide the information requested below:

1. List all credit instruments or types of credit that you have included within or under the following lending categories:

Consumer Lending:

Credit Cards, Consumer Loans, Consumer Credit Lines

Commercial Lending:

Commerical ER

2. List all types of accounts that you have included as:

Savings Accounts:

Business IB Savings, Personal Money Market, Business Savings, Business Money Market Premium, Personal IB Money Market, Personal IB Savings, Personal Savings, Personal Money Market, Marketplace IRA,Personal IB Regular CD, Personal IRA CD, Personal Jumbo CD, Personal Non-Interest Savings, Regular IB IRA

Checking Accounts:

Business Checking, Personal Checking

AFFIDAVIT OF COMMITMENT TO COMMUNITY REINVESTMENT, RESPONSIBILITY AND TRANSPARENCY
CITY OF CHICAGO OFFICE OF THE COMPTROLLER

Zions Bancorporation, National Association certifies that we do not have a Retail and Commercial lending business in the State of Illinois. So therefore, we cannot Certify the Affidavit of Commitment to Community Reinvestment.

That for the purpose of becoming an eligible depository for active deposits of the City of Chicago, the undersigned Affiant states that it will use reasonable efforts to provide lending, financing, and banking opportunities as a commitment of community reinvestment to Chicago's low and moderate income (LMI) communities; Affiant states that such reasonable efforts shall include, but are not limited to:

A. Assignment of identifiable personnel to answer and respond to questions, concerns and inquiries by the citizens of Chicago, City Treasurer, City Comptroller, and the City Council regarding financial services, investment and lending products, services and related issues, including the Community Reinvestment Act (CRA) of 1977;

B. Cooperate with and support non-profit neighborhood development/redevelopment organizations in the implementation of "neighborhood economic development" strategies that focus on revitalization of communities that are more locally focused where an institution has a branch or market presence;

C. Commit to affirmatively market and make available banking services throughout Chicago's low and moderate income communities, by not meeting this commitment only through the installation of ATM distribution centers, but also by opening and/or maintaining branch locations within those communities;

D. Prepare an annual report of CRA activities, presented to the Comptroller, the Treasurer, and the City Council, that is made publicly available, demonstrating investment in all Chicago Communities, as well as reinvestment in LMI communities of Chicago, by community area that includes the number of loans and amount of loans in the following (6) categories:

    1. Home Purchase within LMI communities;
    2. Refinancing within LMI communities;
    3. Home Improvement;
    4. Small Business Loans (to companies with revenues under $1 Million);
    5. Community Development Loans including multi-family lending; and
    6. Community Development Investments to eligible Community Development Financial Institutions (CDFI) and other community intermediaries to further the goals of an institution to meet its obligations to the Community Reinvestment Act of 1977 and this Affidavit.

    Such a Municipal Depository annual CRA report will include, by community area, the number of mortgage loans originated and other strategies to minimize the impact of foreclosure and neighborhood instability.

E. An institution acknowledges that failure to comply with this Affidavit may result in discontinued status as a municipal depository.

Signed: ______________________________ Dated: ________________________

Print Name:___________________________

Title: ________________________________

DEMOGRAPHICS AFFIDAVIT

Name of Applicant firm:

Description of Matter: **Designation as a 2022 Municipal Depository for City of Chicago and Chicago Board of Education Funds**

Role of Applicant: **Municipal Depository**

Fill out below (and attach additional sheets using the same format, if necessary), the following information for each person in the Applicant's firm who will directly provide professional services to the City in connection with the Matter described above: the individual's position in the Applicant's firm and their role in the Matter, gender, and race or ethnicity. Individuals' names need not be disclosed.

Count	Position and Role	Gender	Race/Ethnicity
1	Daryl Pomykala, Vice President	F	White
2	Stephanie Konrath, Trust Administrator	F	Black
3	April Lepic, Assistant Vice President	F	White
4	Sally Tokich, Trust Specialist	F	White
5	Robert Cafarelli, Group Manager	M	White

(If needed, please use additional sheets to identify additional personnel.)

By signing below, I represent under penalty of perjury that: (1) I am authorized to act on behalf of the Applicant; (2) the information in this Affidavit (and associated attachment, if applicable) are true, complete, and correct; and (3) failure to accurately and completely provide the information requested herein may result in a declaration of ineligibility to participate in future Matters for the City of Chicago.

Printed Name: Robert Cafarelli

Signature: ______________________

Title: Vice President

Date: November 15, 2021

FIRMWIDE

PLEASE POPULATE THE HIGHLIGHTED PORTIONS ONLY

Firm Name:	Zions Bancorporation, National Association
Primary Representative:	Char Valestin
Primary Representative Email and Telephone:	Charlene.Valestin@zionsbancorp.com
Headquarters Address:	One South Main, Salt Lake City UT 84133
Chicago Public Finance Office Address:	111 West Washington, Suite 1860, Chicago, IL 60602
Total Number of Employees:	9,864
Number of Employees in Illinois:	25
Number of Employees in Chicago:	4
Capital Position:	
Minority Designation:	No

		4,124						5,740					
		Male						Female					
Job Categories	Overall Totals	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races
Officials and Managers	2,309	896	20	111	79	3	14	791	65	203	102	6	19
Professionals	3,419	1,463	54	169	225	3	47	971	88	173	187	5	34
Technicians	12	3	0	6	1	0	2	0	0	0	0	0	0
Sales Workers	12	11	0	0	1	0	0	0	0	0	0	0	0
Office and Clerical	4,112	568	66	243	101	6	32	1,719	270	754	255	23	75
Craft Workers (Skilled)	0	0	0	0	0	0	0	0	0	0	0	0	0
Operatives (Semi-Skilled)	0	0	0	0	0	0	0	0	0	0	0	0	0
Laborers	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	9,864	2,941	140	529	407	12	95	3,481	423	1,130	544	34	128

Job Categories	Overall Totals	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races
Officials and Managers	23%	17%	1%	3%	2%	0%	0%
Professionals	35%	25%	1%	3%	4%	0%	1%
Technicians	0%	0%	0%	0%	0%	0%	0%
Sales Workers	0%	0%	0%	0%	0%	0%	0%
Office and Clerical	42%	23%	3%	10%	4%	0%	1%
Craft Workers (Skilled)	0%	0%	0%	0%	0%	0%	0%
Operatives (Semi-Skilled)	0%	0%	0%	0%	0%	0%	0%
Laborers	0%	0%	0%	0%	0%	0%	0%
Service Workers	0%	0%	0%	0%	0%	0%	0%
Total	100%	65%	6%	17%	10%	0%	2%

Male	Female	Total
42%	58%	100%

ZIONS BANK®
Corporate Trust

Robert Cafarelli
Vice President

November 17, 2021

City of Chicago
Reshma Soni
City Controller

Re: City of Chicago Department of Finance - Request for Proposal - Specification Number: 1231948
Designation as a 2022 Municipal Depository for City of Chicago and Chicago Board of Education Funds

Dear Reshma:

On behalf of Zions Bank, we thank you for the opportunity to provide a proposal for Depository services for the City of Chicago (the "City").

Our Corporate Trust department utilizes a unique Single Point of Contact service delivery model which provides our clients with one local, accessible and convenient Account Manager. If awarded the opportunity to continue to serve the City, Daryl Pomykala would be designated as your Single Point of Contact on all matters. Further, our Chicago office is locally managed and staffed by knowledgeable and experienced members of the Midwest municipal finance community. These important factors, combined with our state-of-the-art technological tools, allow us to be flexible and responsive to the ever-changing needs of our customers. It also creates a higher level of quality and service that has become rare in our increasingly fragmented and centralized Corporate Trust market. We are proud of the unmatched level of personal and professional service that we can provide and are truly thankful for the customers that continue to select us as their Corporate Trust services provider.

Thank you again for the opportunity to submit our proposal. We believe that the proposal will provide overall value to the City based on the experience of our staff and our firm commitment to provide exceptional customer service. Should you have any questions concerning our response or any related matters, please do not hesitate to contact me at (312) 763-4257.

Sincerely,

Robert Cafarelli
Vice President

CORPORATE TRUST ● 111 W. Washington Street - Suite 1860, Chicago, IL 60602 **Direct** 312-763-4256 **E-mail** robert.cafarelli@zionsbank.com

City of Chicago Department of Finance
Request for Proposal
Designation as a 2022 Municipal Depository for City of Chicago and Chicago Board of Education Funds
Specification Number: 1231948

Item 29 - Executive Summary

Experienced Chicago Based Team

Your current Chicago based Zions Bank Corporate Trust administrative team will remain intact and each has significant experience providing the City of Chicago the trust products and services as outlined in City of Chicago's Request for Proposal. The team, comprised of Daryl Pomykala, Account Administrator; Bob Cafarelli, Regional Manager; April Lepic, Backup Account Administrator; along with Sally Tokich & Stephanie Konrath, Trust Administrator Specialists, have effectively managed numerous debt offerings issued by the City since opening our Chicago Office in 2014.

Our Firm – Organization and Experience

Founded in 1873, Zions Bank is a division of Zions Bancorporation, National Association. Headquartered in Salt Lake City, Utah, Zions Bancorporation provides a full range of banking and related services through its locally managed divisions operating throughout the country. We are a public company whose common stock is registered with the U.S. Securities & Exchange Commission, are listed on the NASDAQ Exchange (stock symbol ZION) and is a member of the S&P 500 Index.

Staffed by over 100 trust professionals, including our own in-house counsel, Zions Bank Corporate Trust is comprised of fourteen locally managed offices located in Atlanta, Boise, Chicago, Cleveland, Dallas, Denver, Houston, Los Angeles, Phoenix, Pittsburgh, Portland, Salt Lake City, St. Louis and Seattle. Each office provides local administration of trust and escrow accounts under the direct management of longtime members of the Corporate Trust community. In addition, we have a team of risk management and compliance officers fully dedicated to monitoring the trust activities we provide to our customers.

Having grown our business from the ground up without acquiring other Corporate Trust providers, our staff of Corporate Trust professionals now manages over 5,200 financings with over $110 billion of outstanding debt and have broad experience with a wide array of financing structures. Further, and demonstrating our leadership as a national Corporate Trust service provider, Refinitiv has ranked Zions Bank as one of the "Top 5" bond trustees and paying agents in the country based on the number of transactions awarded to our Corporate Trust professionals. On a local level, Account Managers in our Chicago office average over 20 years of experience in debt and account administration and have grown their book of business organically by onboarding more than 1,000 financings since opening the office in 2014.

In the end, our experience and expertise translate into faster, more informed responsiveness and enables us to help our customers navigate the complex world of financial transactions while ensuring that each trust account operates to its maximum efficiency. By employing highly qualified and experienced personnel who utilize proven policies and procedures, we provide what we believe to be the best service in the industry.

Our Approach In Providing Trust Services

We take great pride in providing exceptional, local and personalized customer service to our valued clients. Zions Bank Corporate Trust has, and will continue to, utilize our stable, local and efficient service delivery model which was designed solely to benefit our customers.

Regardless of the nature of your inquiry, the City will only have to make one telephone call or send one email to their Single Point of Contact in our Chicago office. There is no confusion as to who City staff should contact related to a specific function or service – you and your finance team will have one accessible and experienced Chicago based Corporate Trust professional serving as your Account Manager and Single Point of Contact. This approach guarantees you a knowledgeable and responsive Account Administrator who is familiar with your financings and allows for timely and accurate communication with your staff and your finance team.

We are committed to proving quality, consultative services from the very beginning of a financing's lifecycle. Our Chicago staff welcomes the opportunity to attend and participate in all meetings regarding your transactions and will provide insightful, timely and accurate document negotiations and deliver a seamless closing process to you and your entire financing team. This experience also allows your Account Manager to gain a strong working knowledge of every aspect of the transaction and they will have built strong relationships with every member working on the financing team and can be viewed as a valuable resource and trusted advisor on all matters related to bond governing documents, guidelines and procedures.

On a post-closing basis, and ss part of our comprehensive onboarding procedure of new financings, all functions required of the Trustee/Paying Agent as dictated by the respective governing documents are carefully reviewed and entered in our sophisticated tickler and cash management system and subsequently audited by internal review staff to guarantee accuracy. In doing so, we ensure compliance with all requirements in the financing documents, including setting up accounts, accurate cash analysis of funds required to be deposited, transferring and payment of funds, and recording transactions. Our approach ensures that all processing such as debt service payments, bond redemptions, monitoring and valuations of reserve funds, all general cash and payment processing, and receipt and monitoring of all compliance items will be timely and accurately processed by your dedicated and experienced Zions Bank Corporate Trust account servicing team. We also understand the importance of making timely payment of principal and interest to your bondholders. For DTCC book-entry issues, we electronically confirm principal and interest payment amounts through DTCC's FAST and DRS systems. Actual payment of principal and interest to DTCC is made via wire transfer on the payment date or are paid as specified in the governing documents.

Leveraging our technological resources, Zions Bank provides complete trust accounting services through TrustPortal, an on-line database system built on the Windows platform, for ease of use and flexible reporting capability and allows for real-time posting of all account transactions. TrustPortal also retains all account history on-line throughout the life of the arrangement which allows us to quickly produce, within minutes and in PDF format, ad-hoc statements setting forth the requisite flow of funds, investments, yield tracking information, asset holdings, and cash balances for any requested time frame. TrustPortal also allows us to efficiently and accurately track cash balances to ensure that all balances are invested on the day such funds are received (within prescribed investment settlement timelines).

We also offer our clients, at no additional charge, our web-based reporting tool, TrustReporter. This system has been designed to provide up-to-date, complete account data and allows the user to view holdings and transactions as well as download items to selected applications, including Excel. It also allows users to run selected standardized reports on various cycles as chosen by the user, including reproducing online statements that are in the same format that would be sent via mail. Your staff may elect to receive monthly statements solely in electronic format and these statements may be downloaded via TrustReporter, in PDF format, within 24 to 48 hours after month end.

Zions Bank Corporate Trust – Chicago Officer Biographies

Robert Cafarelli, Vice President and Regional Manager
111 W. Washington Street, Suite 1860
Chicago, IL 60602
Phone: (312) 763-4257 - Fax: (855) 216-8162
Email: robert.cafarelli@zionsbancorp.com

Bob joined Zions Bank in August 2014 with the opening of the Chicago Office and brings over a decade of Corporate Trust administration and management experience to the team. He brings strong administrative skills and a detail-oriented attitude to Zions Bank and currently works with numerous municipalities, school corporation districts and housing agencies throughout the country and is also an active member of the Illinois, Wisconsin and Minnesota Government Finance Associations as well as an active member of the Illinois and Indiana Association of School Corporation Business Officials. Bob graduated from the Saint Xavier University (SXU) with a Bachelor of Science degree in Business with emphasis in finance and also earned an MBA from SXU focusing on finance and financial planning.

Daryl Pomykala, Vice President
111 W. Washington Street, Suite 1860
Chicago, IL 60602
Phone: (312) 763-4255 - Fax: (855) 216-8162
Email: daryl.pomykala@zionsbancorp.com

Daryl is a Vice President in our Chicago office and will be responsible for all matters relating to your relationship and accounts. Sample duties include reviewing documents associated with debt financings and municipal escrow arrangements, attending closings, ensuring accounts are properly established on all systems, and performing administrative oversight for the account relationship.

During her 30 + years of experience in the Corporate Trust industry she has worked her way up to Vice President from her start as a clerk in the operations group at LaSalle National Bank. Daryl has also worked at the Corporate Trust division of BNY Mellon, JP Morgan Trust Worldwide Securities Services, Harris Bank, and LaSalle National Bank. Daryl is a skilled and knowledgeable corporate trust professional and her portfolio of clients includes many large and complex Midwest municipal accounts. She attended DePaul University (SNL), Chicago and has also earned the professional designation of Certified Corporate Trust Specialist. Daryl is dedicated to serving her community and continues to be involved in numerous organizations throughout the Chicagoland area.

April Lepic, Assistant Vice President and Account Manager
111 W. Washington Street, Suite 1860
Chicago, IL 60602
Phone: (312) 763-4262, Fax: (855) 216-8162
Email: april.lepic@zionsbancorp.com

April joined Zions Bank in August 2019 and brings over 13 years of public finance experience to the team. Her public finance background includes working as a registered Municipal Advisor and Trustee and brings strong administrative skills and technical knowledge to the Zions team as she has worked with many municipalities, school corporation districts and park districts throughout the Midwest in providing each with excellent client service. April graduated from Roosevelt University with a Bachelor of Science degree in Business Administration with an emphasis in finance and management.

Summary - The Zions Bank Corporate Trust Difference

We believe that our unique Single Point of Contact approach to account administration provides the City an accessible, responsive Account Manager who has the combination of detailed knowledge and experience that allows for timely and accurate communication with your staff and other members of the City's finance team. Zions Bank strives to respond to all our client inquiries immediately and no later than the same day of initial contact, be it via telephone call, voice message or email. Our motto is that "We Haven't Forgotten Who Keeps Us in Business" and this is the core belief that we institute in our daily performance of Corporate Trust services.

Further, Zions Bank believes the best way we differentiate ourselves from other Corporate Trust providers is by delivering high quality customer service and being recognized as a top service provider at a reasonable price. Our highest priority is ongoing, consultative communication with our clients to thoroughly understand their business issues to pro-actively address their needs and provide guidance as it relates to the ongoing administration of your financings and also believe that prompt, accurate communication and responsiveness to customer needs and demands are the keys to customer satisfaction.

Zions Bancorporation, N.A.

1 S Main Street
Salt Lake City, UT 84133

FDIC Certificate #: 2270 **Bank Charter Class:** N

Definition	*Dollar figures in thousands*	**ZIONS BANCORPORATION, N.A. Salt Lake City, UT June 30, 2021**	**ZIONS BANCORPORATION, N.A. Salt Lake City, UT June 30, 2020**
	Assets and Liabilities		
1	Total employees (full-time equivalent)	9,727	9,859
2	**Total assets**	**87,208,406**	**76,447,348**
3	Cash and due from depository institutions	10,611,582	2,148,089
4	Interest-bearing balances	9,769,696	1,255,471
5	Securities	18,790,311	14,888,778
6	Federal funds sold and reverse repurchase agreements	1,713,907	265,510
7	Net loans and leases	50,929,835	54,374,247
8	Allowance for loan and lease losses **	534,593	859,772
9	Trading account assets	448,480	623,260
10	Bank premises and fixed assets	1,174,556	1,113,312
11	Other real estate owned	1,382	5,214
12	Goodwill and other intangibles	1,054,102	1,041,527
13	All other assets	2,484,251	1,987,411
14	**Total liabilities and capital**	87,208,406	76,447,348
15	**Total liabilities**	**79,175,904**	**68,872,616**
16	Total deposits	76,105,815	65,684,105
17	Interest-bearing deposits	37,977,404	34,970,368
18	Deposits held in domestic offices	76,105,815	65,684,105
19	% insured	43.86%	48.25%
20	Federal funds purchased & repurchase agreements	678,617	817,549
21	Trading liabilities	105,337	75,900
22	Other borrowed funds	931,801	939,032
23	Subordinated debt	601,411	647,857
24	All other liabilities	752,923	708,173
25	**Total equity capital**	**8,032,502**	**7,574,732**
26	Total bank equity capital	8,032,502	7,574,732
27	Perpetual preferred stock	439,630	565,851
28	Common stock	162	163
29	Surplus	2,564,572	2,675,107
30	Undivided profits	5,028,138	4,333,611
31	Noncontrolling interests in consolidated subsidiaries	0	0
	Memoranda:		
32	Noncurrent loans and leases	312,645	354,585
33	Noncurrent loans that are wholly or partially guaranteed by the U.S. government	23,820	26,135
34	Income earned, not collected on loans	227,903	229,266
35	Earning assets	81,383,881	70,944,336
36	Long-term assets (5+ years)	30,298,648	25,923,671
37	Average Assets, year-to-date	84,602,883	72,361,916
38	Average Assets, quarterly	86,164,636	73,957,099
39	Total risk weighted assets	56,339,192	55,877,532
40	Adjusted average assets for leverage capital purposes	84,859,848	74,770,420
41	Life insurance assets	535,141	530,428
42	General account life insurance assets	503,281	498,289
43	Separate account life insurance assets	31,860	32,139
44	Hybrid life insurance assets	0	0
45	Volatile liabilities	1,642,665	1,561,047
46	Insider loans	5,044	3,792
47	FHLB advances	0	0
48	Loans and leases held for sale	66,325	105,212
49	Unused loan commitments	24,935,243	23,498,053
50	Tier 1 (core) risk-based capital	6,822,691	6,262,218
51	Tier 2 risk-based capital	1,157,149	1,283,381
52	Total unused commitments	24,935,243	23,498,053
53	Derivatives	19,058,173	16,477,946
	Total assets and liabilities in foreign offices		
	Restructured Loans and leases		

Past due and nonaccrual assets

Fiduciary and related services

Carrying amount of assets covered by FDIC loss-share agreements

***Note: For institutions that have adopted CECL Methodology (ASU 2016-13), securities are reported net of allowances for credit losses.**
**** Note : For institutions that have adopted CECL methodology (ASU 2016-13), this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.**

Zions Bancorporation, N.A.

1 S Main Street
Salt Lake City, UT 84133

FDIC Certificate #: 2270 **Bank Charter Class:** N

Definition	*Dollar figures in thousands*	ZIONS BANCORPORATION, N.A. Salt Lake City, UT March 31, 2021	ZIONS BANCORPORATION, N.A. Salt Lake City, UT March 31, 2020
	Assets and Liabilities		
1	Total employees (full-time equivalent)	9,682	9,879
2	**Total assets**	**85,120,866**	**71,466,849**
3	Cash and due from depository institutions	9,003,027	1,954,783
4	Interest-bearing balances	8,141,535	1,001,233
5	Securities	17,226,535	14,815,705
6	Federal funds sold and reverse repurchase agreements	1,314,944	549,738
7	Net loans and leases	52,902,718	49,337,048
8	Allowance for loan and lease losses **	645,954	730,402
9	Trading account assets	426,776	614,785
10	Bank premises and fixed assets	1,142,986	1,093,652
11	Other real estate owned	3,484	5,987
12	Goodwill and other intangibles	1,051,196	1,039,029
13	All other assets	2,049,200	2,056,122
14	**Total liabilities and capital**	85,120,866	71,466,849
15	**Total liabilities**	**77,187,831**	**63,994,424**
16	Total deposits	73,853,256	57,518,139
17	Interest-bearing deposits	37,970,836	33,138,407
18	Deposits held in domestic offices	73,853,256	57,518,139
19	% insured	45.16%	50.75%
20	Federal funds purchased & repurchase agreements	889,390	1,547,556
21	Trading liabilities	211,949	53,735
22	Other borrowed funds	934,405	3,568,049
23	Subordinated debt	592,340	662,426
24	All other liabilities	706,491	644,519
25	**Total equity capital**	**7,933,035**	**7,472,425**
26	Total bank equity capital	7,933,035	7,472,425
27	Perpetual preferred stock	565,851	565,851
28	Common stock	164	164
29	Surplus	2,652,977	2,668,348
30	Undivided profits	4,714,043	4,238,062
31	Noncontrolling interests in consolidated subsidiaries	0	0
	Memoranda:		
32	Noncurrent loans and leases	332,457	282,736
33	Noncurrent loans that are wholly or partially guaranteed by the U.S. government	20,975	25,788
34	Income earned, not collected on loans	242,827	213,972
35	Earning assets	79,775,284	65,863,533
36	Long-term assets (5+ years)	28,679,788	25,845,759
37	Average Assets, year-to-date	83,300,121	70,319,201
38	Average Assets, quarterly	83,300,121	70,319,201
39	Total risk weighted assets	55,402,109	56,860,544
40	Adjusted average assets for leverage capital purposes	81,906,288	69,160,482
41	Life insurance assets	533,737	527,287
42	General account life insurance assets	501,859	495,200
43	Separate account life insurance assets	31,878	32,087
44	Hybrid life insurance assets	0	0
45	Volatile liabilities	1,922,009	4,560,503
46	Insider loans	6,037	3,744
47	FHLB advances	0	2,200,000
48	Loans and leases held for sale	76,632	140,200
49	Unused loan commitments	24,654,487	22,040,695
50	Tier 1 (core) risk-based capital	6,771,394	6,232,475
51	Tier 2 risk-based capital	1,276,203	1,294,083
52	Total unused commitments	24,654,487	22,040,695
53	Derivatives	18,559,813	16,241,104
	Total assets and liabilities in foreign offices		
	Restructured Loans and leases		

Past due and nonaccrual assets

Fiduciary and related services

Carrying amount of assets covered by FDIC loss-share agreements

***Note: For institutions that have adopted CECL Methodology (ASU 2016-13), securities are reported net of allowances for credit losses.**
**** Note : For institutions that have adopted CECL methodology (ASU 2016-13), this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.**

MAXIMIZE YOUR FDIC INSURANCE

Important Information about Your FDIC Insurance Coverage

As a depositor at Zions Bank, we want you to know how your deposits are insured and how you can increase your amount of insurance protection.

Zions Bank is one of many trade names used by a single bank with the official corporate title, “Zions Bancorporation, National Association”, which is sometimes abbreviated as “Zions Bancorporation, N.A.” Other trade names used by Zions Bancorporation, N.A. include, “Amegy Bank”, “California Bank & Trust”, “The Commerce Bank of Oregon”, “The Commerce Bank of Washington”, “National Bank of Arizona”, “Nevada State Bank” and “Zions Bank”, or closely similar variations thereof. These are all simply business divisions of Zions Bancorporation, N.A., but it is important for you to know that Zions Bancorporation, N.A. is one bank regardless which division(s) or trade name(s) you may conduct business with. Specifically, for purposes of your FDIC insurance coverage, all Zions Bancorporation, N.A. divisions and trade names are viewed together as a single bank. Accounts held in more than one of these divisions are seen as accounts at a single bank and restricted to the standard insurance amount of $250,000 per depositor, per insured bank, for each account ownership category. Hereinafter, when we refer to Zions Bancorporation, N.A., we are referring to just one single bank no matter which trade names you do business with or know it as.

SPECIAL RULE FOR SWEEP INVESTMENTS

If you have a checking account that “sweeps” funds into another account, funds swept into FDIC-insured accounts are subject to the $250,000 FDIC insurance limit. Funds swept into accounts that aren’t FDIC-insured don’t include FDIC insurance coverage.

HOW TO INCREASE THE AMOUNT OF FDIC INSURANCE FOR YOUR ACCOUNTS BEYOND $250,000

The FDIC provides separate coverage for deposits held in different account ownership categories. Depositors may qualify for coverage over $250,000 if they have funds in different ownership categories and all FDIC requirements are met.

Talk with your banking representative for details on how you might be able to increase your FDIC insurance coverage or call 877-932-3342. The following questions and answers provide information to help you make informed decisions regarding your deposits. For more information, use the FDIC's Electronic Deposit Insurance Estimator (EDIE).

FREQUENTLY ASKED QUESTIONS

Show All | Hide All

What is the basic amount of FDIC insured protection for each depositor?

The standard insurance amount is $250,000 per depositor, per insured bank, for each account ownership category. Some examples of FDIC-insured deposits include:

- Savings accounts
- Checking accounts
- NOW accounts
- Cashier's checks
- Official checks
- Letters of credit
- Certificates of deposit (CDs)
- Money orders

How can I increase the amount of FDIC insurance beyond $250,000?

If your combined Zions Bancorporation, N.A. account balances exceed $250,000, there are several quick and easy ways to increase or maximize your insurance coverage.

Deposits maintained in different categories of legal ownership and meeting the FDIC's requirements are separately insured. So you can have more than $250,000 insurance coverage at Zions Bancorporation, N.A. through a combination of different categories of ownership. The most common categories of ownership are single accounts, joint accounts, and revocable trust accounts.

In addition to the FDIC insurance on your other deposits, each depositor is separately insured up to $250,000 for funds held in certain retirement accounts.

For example, FDIC deposit insurance could increase to $500,000 for funds in joint accounts for two depositors. Each of those depositors could also have up to $250,000 of deposit insurance for funds in each of their single accounts, and another $250,000 of deposit insurance for funds in each of their IRAs.

You can't increase FDIC insurance by dividing funds in the same ownership category among different accounts. The type of account–whether checking, savings, CD, or outstanding cashier's check or other form of deposit–has no bearing on the amount of insurance coverage. So, having $250,000 in both a single ownership savings account and a single ownership CD, doesn't result in more than $250,000 total insurance coverage.

The examples provided below are for demonstration purposes only and should not be relied upon as they may not directly apply to every account holder. Account holders should speak with a Zions Bank representative for additional information and may need to contact the FDIC (as the provider of the insurance) depending on the specific situation.

Examples

#1 $2,000,000 FDIC–Insured Deposits for a Family or Group of Two

Customer 1's single account	$250,000
Customer 2's single account	$250,000
Joint account	$500,000
Customer 1's IRA	$250,000
Customer 2's IRA	$250,000
Customer 1's payable on death to Customer 2*	$250,000
Customer 2's payable on death to Customer 1*	$250,000

#2 $3,500,000 FDIC Insured Deposits for a Family or Group of Four

Customer 1's single account	$250,000

Customer 2's single account	$250,000
Joint account	$500,000
Customer 3's aggregate joint account funds	$250,000
Customer 4's aggregate joint account funds	$250,000
Customer 1's IRA	$250,000
Customer 2's IRA	$250,000
Customer 1's payable on death to Customer 2*	$250,000
Customer 2's payable on death to Customer 1*	$250,000
Customer 1's payable on death to Customer 3*	$250,000
Customer 1's payable on death to Customer 4*	$250,000
Customer 2's payable on death to Customer 3*	$250,000
Customer 2's payable on death to Customer 4*	$250,000

How is FDIC insurance calculated for my family's living trust?

Accounts in the name of a living trust–often referred to as testamentary, payable on death, or revocable trusts–are insured separately from any individual or jointly–owned funds of the owner(s). For the purposes of FDIC–insurance coverage, a beneficiary is defined as a living natural person, charity (valid under IRS rules), or non–profit organization (valid under IRS rules). Assuming all FDIC requirements are met, the funds are insured to $250,000 for each eligible beneficiary. See the following example.

The Family Trust

Owners: Owner 1 and Owner 2

Beneficiaries: Beneficiary 1 and Beneficiary 2

Owner 1 in trust for Beneficiary 1*	$250,000
Owner 1 in trust for Beneficiary 2*	$250,000
Owner 2 in trust for Beneficiary 1*	$250,000
Owner 2 in trust for Beneficiary 2*	$250,000

Note: The FDIC requirements for funds in the "Revocable Trust Accounts" category are complex, and include more requirements than listed in this example. Consider contacting the FDIC for support.

IMPORTANT DETAILS

*These illustrations also apply to other beneficiaries. A beneficiary is defined as a natural person, a charitable organization, or a non–profit entity properly organized under IRS code.

For other possible ways to increase your FDIC deposit insurance, check with a Zions Bank representative or ask for the FDIC brochure, "Your Insured Deposit".

Customer Service
888-307-3411

Routing Number
124000054

NMLS Registry
#467014

A Division of Zions Bancorporation, N.A. Member FDIC

Equal Housing Lender

ZIONS BANK®
Corporate Trust

Liquidity Management Options

Zions Bank will invest City funds in the previously designated short-term investment vehicles as directed in writing by the City. Of the many funds we have on our platform, we present a sampling as follows:

- Treasury Only Money Market Mutual Funds:
  - MSUXX – Morgan Stanley Institutional Treasury Securities Portfolio
  - FTIXX – Goldman Sachs FS Institutional Treasury Institutional Fund
  - TISXX – Federated Hermes Institutional Trust for US Treasury Obligations

- Treasury and Repo Money Market Mutual Funds:
  - MISXX – Morgan Stanley Institutional Treasury Portfolio
  - FTOXX – Goldman Sachs FS Institutional Treasury Obligations Fund
  - FISXX – Fidelity Investments Money Market Treasury Portfolio Class I

- Government Money Market Mutual Funds
  - MVRXX – Morgan Stanley Institutional Government Portfolio
  - FGTXX – Goldman Sachs FS Institutional Government Fund
  - FIGXX – Fidelity Investments Money Market Government Portfolio Class I

We utilize an automated sweep platform thus ensuring the City's funds are efficiently accurately invested in the designated short-term vehicle within prescribed fund deadlines

Zions Bank recognizes that banking is a “local” business, and that to be successful, we must have very strong ties to the communities we serve and strong relationships with our clients. We want to be actively engaged in important community issues and to help provide creative solutions to community needs.

As a result, Zions Bank strives to be a community leader in all communities we serve. By working on a local level, we have a faster response time to needs than banks headquartered halfway across the country. We have local management that understands the markets. And we have strong connections to community organizations that help us in achieving our goal of economic inclusion.

Our commitment to CRA is seen in innovative products and services like our product for first-time low-income homebuyers and our dedication to ensuring access to affordable housing through the Utah Center for Neighborhood Stabilization and NeighborWorks. Our Business Resource Centers ensure that all small business owners and entrepreneurs across our footprint have access to free, confidential guidance. And our commitment to asset-building programs like Individual Development Accounts, BankOn, and Volunteer Income Tax Assistance helps low- and moderate- income individuals find assistance in getting out of poverty once and for all.

While Zions is a full-service bank that offers a wide variety of commercial and consumer products and services, its primary focus is on lending to small and middle-size businesses. More than 97 percent of companies in Idaho and Utah are considered small businesses, employing less than 500 people. Nationally, Idaho and Utah are ranked as two of the top ten states with the fastest growing percentage of small businesses.

Zions Bank has been the top lender of SBA 7(a) loans in Utah since 1993 and has been one of the top 5 lenders in Southern and Eastern Idaho (SBA’s Boise District) since 2001. In addition to its ranking as an overall leader in SBA lending, Zions Bank also leads all other financial institutions in Utah and Idaho in marketing SBA loans to women- and minority-owned businesses.

Zions Bank’s combined financial advisory business has ranked among the nation’s top ten municipal financial advisors for the past 12 years. Zions Bank supports a variety of SBICs, including vSpring Capital, EPIC Ventures, Lewis & Clark SBIC, UTFC Lending Solutions, and Zions SBIC.

In addition, Zions Agricultural Finance has been ranked as the nation's largest originator of Secondary Market Agricultural Real Estate Mortgage Loans sold through the Federal Agricultural Mortgage Corporation since 2000. Zions Ag loans provide financing for capital expansion, farm and ranch land acquisitions, and refinancing existing debt.

In an effort to promote and assist businesses within Utah and Idaho, Zions Bank has initiated or participated in the following programs and services:

- Utah’s leading SBA 7(a) lender since 1993 and Idaho’s top 5 leading lender since 2001;
- SBA Express Loans and Patriot Express Loans;
- Leader in SBA “New Market” lending;
- Zions Bank Small Business Resource Centers in Salt Lake City, Utah and Boise, Idaho;
- Zions Bank Family Business Services;
- Zions Bank Practice Pathways;
- Zions Bank Small Business Diversity Banking Program;
- Free small business workshops;
- Founding member and strong supporter of the Pete Suazo Center for Business Development and Entrepreneurship;
- Founding member and strong supporter of the Idaho Women’s Business Center; and
- Zions Agricultural Finance Website.

Community Engagement and Responsibility

Zions Bank's Community Development Department officially changed its name in November 2020 to Community Engagement & Responsibility. This change reflects the evolution of the department's mission since 2015, when it officially took on responsibility for managing the Bank's outreach to all nonprofit organizations (not just CRA-qualified), managing all of the bank's large-scale employee volunteerism efforts, and managing the Bank's outward-facing Diversity, Equity, and Inclusion efforts (AKA Diverse Markets).

At the same time, the department rebranded Diverse Markets and changed the name to Inclusive Communities. This change acknowledges the importance of serving not only our diverse communities but also special groups such as the LGBTQIA+ Community and groups focusing on people with disabilities, women, or the military.

The change acknowledges the fact that all four areas work together to foster Economic Inclusion, while at the same time continues to honor the bank's commitment to Community Development and CRA. It further solidifies the Bank's commitment to ensuring that all communities it serves has the opportunity to thrive.

Community Development Lending

In 2020, Zions Bank made 125 Community Development loans totaling more than $260 million in Utah and Idaho. These loans provided capital to build and retain affordable housing for low-income individuals and seniors; start and sustain small businesses; upgrade city and county infrastructure; build new schools; bring new retail to revitalize neighborhoods; provided working capital for numerous nonprofits; and created or retained jobs.

Federal Home Loan Bank Affordable Housing Program (AHP) Grants

The Federal Home Loan Bank of Des Moines' competitive Affordable Housing Program (AHP) is one of the nation's largest sources of grants for affordable housing projects. In 2020, Zions Bank was awarded four AHP grants totaling just under $1.4 million. Together, these grants will create or maintain 105 units of affordable housing across the state. These projects include:

- The Magnolia, a permanent supportive housing facility in Salt Lake City;
- Central Village Condominiums, affordable housing in Park City;
- Neighborhood Improvement Project Phase 4, a program helping low-income homeowners in designated areas of Brigham City make improvements to their homes; and
- Canal Commons, affordable apartments in Green River.

In 2020, FHLB Des Moines approved 42% of affordable housing applications it received, awarding nearly $41.3 million in aid for projects. As a member of FHLB Des Moines, Zions Bank was the sponsoring financial institution for each of the four Utah grant recipients.

Since becoming a member of FHLB Des Moines in 2017, Zions Bank has helped secure more than $5.7 million in affordable housing awards to build or rehabilitate 440 housing units in Utah. Projects are awarded funds based on a ranking, eligibility and feasibility criteria determined by an internal review team at FHLB Des Moines.

Utah Housing Preservation Fund

According to the Kem C. Gardner Policy Institute report, Utah has an estimated 50,000+ unit shortage of housing units versus households. Since 1991, Utah housing prices have outpaced every state but Colorado, Oregon, and Montana. And a household with income below the median has a one in five chance of a severe housing cost burden, paying at least 50% of their income toward housing – a situation faced by one in eight households in Utah. Housing instability is directly linked to severely negative health, education, and opportunity outcomes for children. Rising housing prices affect every household in Utah. The overall housing shortage is causing instability for Utah families in communities statewide.

It is nearly economically impossible to construct enough housing units needed for those that are at or below 60% Area Median Income. Therefore, keeping the existing affordable units is of paramount importance. Often, preservation will require acting quickly and competitively to preserve naturally occurring affordable housing. There are many opportunities for preservation to complement other housing solutions, but without a concerted effort and scalable approach, all efforts are siloed.

Zions Bank, Intermountain Healthcare, Utah Non Profit Housing Corporation, and the Clark and Christine Ivory Foundation began meeting in 2019 to discuss possible ways to address this issue. The result was the creation of the Utah Housing Preservation Fund, which officially launched in March 2020. This unique model partners foundations, healthcare systems and community centric banks with an established nonprofit organization. Its goal is to preserve roughly 100 of the state's most affordable housing opportunities using $20 million and keep them affordable. Its long-term goal is to expand the fund to $100 million by the end of 2022.

Addressing the COVID-19 Pandemic

The effects of COVID-19 haven't been easy for businesses and nonprofits, but Zions Bank is committed to helping them recover. In addition to being the Number 1 PPP lender in Utah, Zions has supported innovative marketing campaigns, funded efforts to ease economic burdens, and encouraged our clients to support local businesses. Employees also stepped up to volunteer on their own to support their communities during the pandemic. They sewed masks, delivered meals, cleaned up yards and did grocery runs for those that needed it most.

Zions Bank Employees worked more than 9,878 hours on the PPP program, and an additional 67,578 hours were clocked by our Enterprise Services team during the first two funding rounds. Many employees worked more than 100 hours during the initial round of PPP in the spring of 2020. All were committed to ensuring that as many businesses as possible would get the money they needed to stay in business.

Payroll Protection Program Loans

When the country effectively shut down in March 2020, thousands of businesses, entertainment venues and nonprofit organizations also shut down. And when they shut down, they needed a lifeline to help them stay in business.

In addition to booking loans, Zions Bank waived overdraft, loan, and ATM fees; deferred payment on loans; booked new SBA and consumer loans; deferred interest and principal on existing loans; refunded fees on deposit and treasury accounts; provided technical assistance on PPP loans; and cashed non-client stimulus checks as part of the PPP.

Numbers matter to a bank. Especially when those numbers represent all of the intrepid small businesses able to access the PPP and retain their employees amid challenging times. For the first round of PPP funding:

- Zions Bank booked 14,203 Paycheck Protection Program loans across Utah, Idaho and Wyoming. Overall, Zions Bancorporation booked 47,649 loans.

- Zions Bancorporation ranked as the Number 9 bank in the US for PPP approvals in the first round (14th overall) and is ranked as the 39th-largest bank holding corporation in the country by asset size.
- Loans preserved payrolls for more than 618,125 workers across the footprint. Of that, more than 202,047 jobs were retained for LMI workers.
- More than 70% of the loans were made to businesses with fewer than 10 employees.
- More than 82% of the loans approved were for amounts less than $150,000.
- 60% of the loans approved were for amounts less than $50,000. The median loan amount approved was $33,200.
- 35% of the loans were made to businesses in majority Minority census tracts.
- 31% of the loans were made to businesses in low- and moderate- income census tracts.
- In Illinois, Zions Bancorporation booked 24 PPP loans totaling more than $20.5 million and saved 3,473 jobs. Of that, 13% were booked in LMI tracts.

Providing a Lifeline to Restaurants

To encourage support of restaurants during the pandemic, Zions Bank ran a marketing campaign that promoted a 10% cash back bonus to clients using any Zions Bank credit card for any purchase made to restaurants between March 27, and May 31, 2020. The campaign helped incentivize clients to support restaurants by ordering curbside pickup and delivered meals. Each time customers used their card at a restaurant or catering company, they received the attractive bonus.

During the nine-week promotion, cardholders forked over nearly $4.8 million eating out, supporting both national chains and mom-and-pop shops. The effort also put extra dollars in the pockets of consumers. Over the course of the campaign, the bank paid restaurant patrons $480,000 in the form of cash-back bonuses. Overall, combined weekly credit dining sales volume during the campaign reflected a 72% increase compared to pre-campaign volumes.

Harnessing the Power of Social Media and Digital Accessibility During a Pandemic

Zions Bank ran a social media campaign during the early summer of 2020 to support local gems. Tips such as shopping small, supporting local restaurants, and writing online reviews and social media posts for local businesses were provided on all the bank's social media channels.

The bank has numerous employees that act as Brand Ambassadors across social media platforms such as LinkedIn, Facebook, Instagram, and Twitter. The ambassadors promoted the local gems campaign, the cash back campaign and the PPP campaign in general to their followers. Brand ambassadors also highlighted various articles about ways to remain resilient during the pandemic, job searches, smart money moves for small businesses, money management, and much more.

Small Business Resilience Fund

Zions Bank donated $10,000 for a small business resilience fund for businesses in St. George, UT. It provided zero-interest, short-term bridge financing for small businesses in Washington County experiencing economic hardship.

The Greater Together Small Business Resilience Fund was a public-private partnership between county and city official and private industry and awarded nearly $1 million in loans to small businesses in need. The loans enabled businesses to bridge the gap between when the businesses received funding and when federal state funds became available. Funding could be used for payroll, inventory, utilities, or any new tools that would help them pivot into a new business model or approach to stay open and maintain jobs.

The vast majority of businesses in the area are considered small with 50 or fewer employees. In fact, nearly 90% of the businesses in St. George fall into the small business category.

Small Business Diversity Banking Program

Zions Bank launched its Small Business Diversity Banking Program in 2021. It is designed to provide additional access to capital to women-, minority- and veteran-owned businesses.

Zions Bank is one of only a few banks in the country to create a Special Purpose Credit Program under the Equal Credit Opportunity Act designed to help historically disadvantaged groups of business owners. Small Business Diversity Banking leverages our traditional business loans and lines of credit; however, the credit guidelines have been modified to enable greater access to credit for women, minority and veteran business owners who have often struggled to get bank financing.

Individual Development Accounts

Individual Development Accounts (IDAs) are matched savings accounts that assist LMI individuals in acquiring assets such as home ownership, assistive technology, college education or starting a business. Zions Bank partners with two local nonprofit organizations in offering and maintaining these accounts and is the only bank in Utah to hold these accounts.

Inclusive Communities

As mentioned earlier, Zions Bank's Inclusive Communities program is housed within the Community Engagement & Responsibility Department. By supporting local community events, activities, and initiatives, our employees focus on providing financial services and technical assistance to our market's diverse ethnic and cultural communities. Employees serve on various boards and committees that support community efforts. In addition, many of our branches and departments have employees that understand various cultures and offer them financial information in their native language.

Some of the many organizations Zions Bank supports (financially and/or through community service) include:

- 22-Reach
- Adopt a Native Elder
- All Poly Sports
- American Indian Services
- American Warfighters, Inc.
- Asian Association of Utah
- Association for Latino Professionals of America
- Best Buddies International
- Boise Pride
- Brigham Young University Black Alumni Society
- Bruce Bastian Foundation Diversity Lecture Series
- Catholic Community Services
- Chabad Lubavitch of Utah
- Chinese Senior United Association of Utah
- College of Eastern Idaho ESL Program
- College of Western Idaho ESL Program
- Columbus Community Center
- Communidades Unidas
- Congreation Kol Ami
- CREW Utah

- Davis Education Foundation – Davis Community Learning Center
- Disability:IN Utah
- Dress for Success
- Encircle Family & Youth Resource Center
- Equality Utah
- Gina Quesenberry Foundation
- Global Talent Idaho
- Go Lead Idaho
- Governor's Challenge to Prevent Suicide Among Service Members, Veterans, and their Families
- Haloti Ngata Family Foundation
- Hellenic Orthodox Church of the Assumption Greek Orthodox Church
- Holy Cross Ministries
- Honorary Colonels Corps of Utah
- Human Rights Campaign Utah
- I.J. & Jeanne Wagner Jewish Community Center
- Idaho Hispanic Chamber of Commerce
- Idaho Latino Scholarship Foundation
- Idaho Veteran Entrepreneur Alliance
- Idaho Women's Business Center
- International Rescue Committee of Salt Lake City
- Jannus, Inc.
- La Posada
- Latinos United Promoting Education and Civic Engagement
- Living Traditions Festival
- Martin Luther King Civil Rights Commission
- Mexican Consulate in Salt Lake City
- Millcreek Economic Wellbeing
- NAACP
- National Ability Center
- Northwest Association of Blind Athletes
- Ogden Pride
- Omega Phi Si
- ONE Refugee
- Pacific Island Knowledge 2 Action Resources (PIK2AR)
- Pastor France A. Davis Scholarship Fund
- Peace House
- People Helping People
- Polynesian Heritage Youth Association
- Provo Girls Summit
- RISE Treasure Valley
- Rising Star Outreach
- Salt Lake City Human Rights Commission
- San Juan County School District
- Seekhaven
- Southern Utah University ESL Program
- Steve Smith Family Foundation
- Suazo Center for Business Development
- Taiwanese Association of Utah
- Telugu Association of Utah
- The Advocates
- The Somos Foundation
- The Lorenzo Alexander Aces Foundation
- Tony Finau Foundation
- Ulhaas – The Bengali Association of Utah
- University of Utah Community Partners
- University of Utah English Language Institute
- University of Utah MLK Week
- University of Utah Office of Equity and Diversity
- Urban Indian Center
- Utah African American Chamber of Commerce Charitable Foundation

- Utah AIDS Foundation
- Utah Asian Chamber of Commerce and Utah Asian Chamber Foundation
- Utah Asian Festival
- Utah Black Chamber of Commerce
- Utah Coalition of La Raza
- Utah Community Action Head Start
- Utah Financial Empowerment Coalition
- Utah Governor's Native American Summit
- Utah Hispanic Chamber of Commerce
- Utah Hispanic Leadership Committee
- Utah Juneteenth Heritage Festival/Utah Arts Alliance
- Utah LGBTQ+ Chamber of Commerce
- Utah Pacific Island Business Alliance
- Utah Pacific Islander Festival
- Utah Parent Center
- Utah Pride Center
- Utah State Veterans Home Advisory Board
- Utah Women's Business Center
- Warrior Rising
- Wassmuth Center for Human Rights
- WeROC/Venturecapital.org
- Westminster College Office of Diversity, Equity and Inclusion
- Women's and Children's Alliance
- Women's Leadership Institute of Utah
- Wyakin Foundation
- YWCA of Lewiston Clarkston
- YWCA of Utah

Utah Compact on Racial Equity, Diversity and Inclusion

Zions Bank played a key role in coordinating with Utah Gov. Gary Herbert and other prominent community leaders to formalize a commitment to creating equal opportunity in late 2020. The compact invites Utahns to commit to five anti-racist principles and actions:

1. **Acknowledgement and action:** We acknowledge that racism exists, and our actions make a difference. We call out racism wherever we see it and take purposeful steps to stop it.
2. **Investment:** We invest our time and resources to create greater opportunity for people of color. Eliminating racial and ethnic disparities requires our significant effort and investment.
3. **Public policies and listening:** We advance solutions to racial ills by listening and creating policies that provide equal opportunity and access to education, employment, housing, and health care.
4. **Engagement:** We engage to effect change. Broader engagement, equitable representation, and deeper connection across social, cultural, and racial lines will uphold the principle, "nothing about us, without us."
5. **Movement, not a moment:** Utahns unite behind a common goal to create equal opportunity. We affirm our commitment will not just be a passing moment, but a legacy movement of social, racial and economic justice.

University of Utah: Zions Evening ELI Program Advanced English as a Second Language Classes

Zions Bank partners with the University of Utah's English Language Institute to offer a unique service to the local immigrant population. This program is for those who have gone through other English as a Second Language programs throughout the area and are interested in enhancing their English language skills and employment opportunities.

Started in 2005, the cost for each student is $200, plus an additional $45 for the textbook. All other program costs, totaling $1,800 per student, are paid for by Zions.

During the program, students regularly attend classes for 16 weeks, meeting for two hours Mondays through Thursdays. At the end of the program, a graduation ceremony is held, complete with the graduates wearing caps and gowns and receiving diplomas.

Each student is given the opportunity to take the Test of English as a Foreign Language (TOEFL) after completion of the course, although it is not a requirement. The TOEFL Exam is required for admission to universities and colleges across the country. Many of the graduates of this program have gone on to higher education, including one who completed his PhD in the College of Education at the University of Utah.

To date, more than 612 students have graduated from the University of Utah's program. The most recent class included students from Brazil, Colombia, Israel, Mexico, and Peru.

Community Service

Volunteers are vital to the success of community organizations. They need individuals who can provide experience and expertise to help them leverage their services. Zions Bank has always valued the importance of volunteerism. In fact, all employees are encouraged to play an active role in their communities through the bank's Guiding Principles. From the Bancorporation's CEO and Executive Vice Presidents to employees found at the branch level, community service is a valued endeavor.

Employees provided more than 1,98 hours of community development service to more than 52 different organizations, 2 schools, and 26 committees for the first half of 2021. Services ranged from serving on boards and committees to teaching low-income students how to manage their finances. Employees support organizations that build affordable housing, provide essential services to low- and moderate-income individuals, foster economic development, improve health outcomes in low-income neighborhoods, and aim to revitalize or stabilize low-income neighborhoods. Of those services, employees held more than 55 leadership positions.

Community Awards

Since 2019, Zions Bank has been awarded the following:

- 2019 Greenwich Excellence Award in Overall Satisfaction – Greenwich Associates
- 2019 Shatter List Award – Women Tech Council
- 2019 Utah Business Hall of Fame: Scott Anderson – Junior Achievement
- 2019 Top SBA Lender – SBA Region VIII and Utah District Office
- 2019 Top SBA Lender – SBA Region X and Boise District Office
- 2019 "Next" List: Chantel Chase – American Banker Magazine
- 2019 Best of State: Community Development – Best of State
- 2019 Best of State: Best Bank – Best of State
- 2019 CXO of the Year: Jennifer Smith – Utah Business Magazine
- 2019 Corporate Partner of the Year – Utah Hispanic Chamber of Commerce
- 2019 Utah Ethical Leadership Award
- 2019 Chamber Champion: Bountiful Branch Manager Nancy Pearce – Salt Lake Chamber of Commerce
- 2019 Top Banking Teams – American Banker Magazine's Most Powerful Women in Banking

- 2020 Best of Canyon County: Best Bank – Best of Canyon County
- 2020 “Next List”: Kristiane Koontz – American Banker Magazine
- 2020 Best of State: Best Bank – Utah Best of State
- 2020 Best of State: Mortgage Banking – Utah Best of State
- 2020 Champion Award: Mike Hanson – Salt Lake Area Chamber of Commerce
- 2020 CXO of the Year: Cory Gardiner – Utah Business Magazine
- 2020 Greenwich Excellence Award in Best Brands for Trustworthiness: Middle Market – Greenwich Associates
- 2020 Greenwich Excellence Award in Best Brands for Trustworthiness: Small Business – Greenwich Associates
- 2020 Greenwich Excellence Award in Overall Satisfaction: Middle Market – Greenwich Associates
- 2020 Greenwich Excellence Award in Overall Satisfaction: Small Business – Greenwich Associates
- 2020 Icon Award: Toni Nielsen – Idaho Business Review
- 2020 Most Powerful Women in Banking: Top Banking Teams – American Banker Magazine
- 2020 Shatter List Award: Jennifer Smith – Women Tech Council
- 2020 Top SBA Lender – SBA Region VIII and Utah District Office
- 2020 Women to Watch: Jennifer Smith – American Banker Magazine
- 2020 Citizen of the Year: Robert Rendon – Iota Iota Iota Chapter of Omega Phi Psi
- 2021 CIO 100 Award – IDG Communications
- 2021 Shatter List Award – Women Tech Council
- 2021 Golden Key Award: Krysti Meyer – Disability:IN Utah
- 2021 Most Powerful Women in Banking: Jennifer Smith – American Banker Magazine
- 2021 Most Powerful Women to Watch: Olga Hoff – American Banker Magazine
- 2021 Women of the Year: Becky Fowers, Cari Miller, and Colette Chester – Idaho Business Review
- 2021 Utah Ethical Leadership Award – The Daniels Fund Ethics Initiative and The Community Foundation of Utah
- 2021 Living Color Award – Utah Business Magazine and Living Color Utah
- 2021 Best of State: Best Bank – Utah Best of State
- 2021 CXO of the Year: Rob Brough – Utah Business Magazine

ZIONS® | INSTITUTIONAL LIQUIDITY MANAGEMENT

CITY OF CHICAGO

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Director of Fixed Income
801-844-7740
scott.burnett@zionswm.com

A service of Zions Capital Advisors, Inc. and Zions Wealth Management

Institutional Liquidity Management is provided to non-municipal customers through Zions Bancorporation, N.A.'s Wealth & Fiduciary Services Group, and Municipal Customers through Zions Capital Advisors, Inc. (ZCA), an SEC Registered Investment Advisor and a non-bank subsidiary of Zions Bancorporation, N.A.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

INTRODUCTION to INSTITUTIONAL LIQUIDITY MANAGEMENT

- Provides individually customized portfolio management of money market, short- and intermediate-term fixed-income securities, either taxable, tax exempt or tax advantaged.
- Customized portfolios may include US Treasuries, US agencies, high-grade corporate obligations and high-grade municipal obligations – as well as investment-grade asset-backed securities and other asset types selected on an opportunistic basis.
- Portfolios are structured to earn income while providing safety of principal by operating within a “buy and hold to maturity” investment structure.
- Investment policy is customized taking into consideration cash flow and liquidity needs.
- Service features a low client to portfolio manager ratio.
- Our comprehensive reporting includes reconciliation, amortization, interest accruals, and performance by security.

CASH MANAGEMENT TEAM

Scott Burnett, Senior Vice President, Director, Fixed-Income Strategies

- More than 36 years trading, sales and managerial experience in capital markets and the financial services industry
- Extensive experience in municipal securities underwriting and trading
- BS in Business Management, Brigham Young University

Peter Kelson

Fixed-Income Portfolio Manager

- 20 years of experience in the financial services industry
- Formerly a manager with Zions Direct on-line fixed income brokerage service
- MBA University of Utah.

John Byerly, Fixed Income Portfolio Manager

- 20 years of experience in investment management.
- Focused experience in credit analysis, compliance, and portfolio management for large municipalities.
- BS in Finance from California Polytechnic University, Pomona, California.

REPORTING

- Comprehensive online performance reporting
- Rigorous auditing standards
- Monthly statements
- Marked to market daily
- Monthly reporting package includes:
  - Reconciliation, summary and performance
  - Performance by security, including accrued interest
  - Amortization and accretion
  - Interest accruals

SAMPLE REPORTING 1

Balance Sheet Classification

Base Currency: USD As of 10/09/2014

Identifier	Description	Current Units	Rating	Coupon	Effective Maturity	Book Yield	Yield	Base Book Value	Base Net Total Unrealized Gain/Loss	Market Price	Base Accrued Balance	Base Market Value + Accrued
06048WHU7	BANK OF AMERICA CORP	75,000.00	A	4.00	10/30/2015	1.09	0.727	77,287.40	291.10	103.438	583.33	78,161.83
06048WLP3	BANK OF AMERICA CORP	400,000.00	A	1.735	04/27/2016	1.008	1.584	404,459.18	-3,535.18	100.231	1,407.28	402,331.28
06048WLP3	BANK OF AMERICA CORP	207,000.00	A	1.735	04/27/2016	1.016	1.584	209,282.48	-1,804.31	100.231	728.27	208,206.44
06048WLP3	BANK OF AMERICA CORP	40,000.00	A	1.735	04/27/2016	1.002	1.584	40,449.33	-356.93	100.231	140.73	40,233.13
06048WLP3	BANK OF AMERICA CORP	250,000.00	A	1.735	04/27/2016	1.285	1.584	251,720.59	-1,143.09	100.231	879.55	251,457.05
06740PDW3	BARCLAYS BANK PLC	88,000.00	A	3.25	07/28/2016	1.03	2.107	91,479.38	-1,707.76	102.013	572.00	90,343.62
CCYUSD	Cash	0.00	AAA	0.00	10/09/2014	0.00	0.00	0.00	0.00	1.00	0.00	0.00
3136G24J3	FANNIE MAE	250,000.00	AAA	1.10	08/28/2017	1.096	1.195	250,000.00	-672.50	99.731	320.83	249,648.33
3136G26D4	FANNIE MAE	300,000.00	AAA	1.65	09/24/2015	1.65	1.587	300,000.00	177.00	100.059	220.00	300,397.00
3135G0XX6	FANNIE MAE	250,000.00	AAA	1.50	05/25/2018	1.506	1.504	249,950.72	16.78	99.987	1,406.25	251,373.75
3136G22Z9	FANNIE MAE	250,000.00	AAA	1.50	08/15/2018	1.50	1.629	250,000.00	-1,202.50	99.519	572.92	249,370.42
3130A14J4	FEDERAL HOME LOAN BANK	500,000.00	AAA	1.15	12/26/2017	1.15	1.353	500,000.00	-3,185.00	99.363	1,661.11	498,476.11
3130A2RD0	FEDERAL HOME LOAN BANK	250,000.00	AAA	2.05	11/21/2014	2.071	0.599	249,756.48	666.02	100.169	697.57	251,120.07
3130A0NR7	FEDERAL HOME LOAN BANK	1,000,000.00	AAA	1.43	01/29/2016	1.456	1.244	999,170.54	3,219.46	100.239	2,820.28	1,005,210.28
3130A3B86	FEDERAL HOME LOAN BANK	250,000.00	AAA	1.25	10/30/2017	1.25	1.25	250,000.00	0.00	100.00	0.00	250,000.00
3130A2Q25	FEDERAL HOME LOAN BANK	500,000.00	AAA	1.20	11/21/2014	1.20	0.992	500,000.00	120.00	100.024	816.67	500,936.67
3130A2DN3	FEDERAL HOME LOAN BANK	200,000.00	AAA	1.375	03/26/2018	1.403	1.469	199,813.82	-449.82	99.682	106.94	199,470.94
3130A0QE3	FEDERAL HOME LOAN BANK	350,000.00	AAA	1.25	11/14/2014	1.265	0.744	349,857.18	314.32	100.049	680.56	350,852.06
3130A2RW8	FEDERAL HOME LOAN BANK	500,000.00	AAA	1.25	11/28/2014	1.245	0.896	500,000.00	240.00	100.048	729.17	500,969.17
3130A24Z6	FEDERAL HOME LOAN BANK	250,000.00	AAA	1.20	12/19/2017	1.20	1.339	250,000.00	-1,082.50	99.567	925.00	249,842.50
3130A0PF1	FEDERAL HOME LOAN BANK	750,000.00	AAA	1.50	10/30/2014	1.50	1.098	750,000.00	172.50	100.023	5,000.00	755,172.50
3130A1VJ4	FEDERAL HOME LOAN BANK	300,000.00	AAA	1.25	11/28/2017	1.25	1.29	300,000.00	-369.00	99.877	1,375.00	301,006.00
3130A2E36	FEDERAL HOME LOAN BANK	250,000.00	AAA	1.55	06/29/2018	1.55	1.559	250,000.00	-82.50	99.967	1,076.39	250,993.89
3130A2SU1	FEDERAL HOME LOAN BANK	250,000.00	AAA	1.10	05/26/2017	1.10	1.108	250,000.00	-50.00	99.98	336.11	250,286.11
3130A2BQ8	FEDERAL HOME LOAN BANK	100,000.00	AAA	1.50	06/29/2018	1.50	1.559	100,000.00	-213.00	99.787	416.67	100,203.67
3130A2KP0	FEDERAL HOME LOAN BANK	250,000.00	AAA	2.00	07/30/2019	2.00	2.00	250,000.00	-7.50	99.997	972.22	250,964.72
3130A2NN2	FEDERAL HOME LOAN BANK	250,000.00	AAA	2.00	11/14/2014	2.005	1.552	249,939.35	168.15	100.043	777.78	250,885.28
3134G5AF2	FREDDIE MAC	500,000.00	AAA	2.00	07/09/2019	2.00	2.003	500,000.00	-75.00	99.985	2,527.78	502,452.78
3134G5BJ3	FREDDIE MAC	600,000.00	AAA	1.125	07/17/2017	1.125	1.126	600,000.00	-24.00	99.996	1,556.25	601,532.25
3134G55J0	FREDDIE MAC	200,000.00	AAA	1.67	11/28/2014	1.663	1.402	200,000.00	72.00	100.036	389.67	200,461.67
3134G47G7	FREDDIE MAC	250,000.00	AAA	1.40	06/26/2018	1.41	1.554	249,906.42	-1,296.42	99.444	1,011.11	249,621.11
3134G3M31	FREDDIE MAC	250,000.00	AAA	1.00	09/27/2017	1.25	1.01	248,185.99	1,741.51	99.971	90.28	250,017.78
3134G4VE5	FREDDIE MAC	250,000.00	AAA	1.80	02/27/2015	1.80	1.451	250,000.00	330.00	100.132	537.50	250,867.50
3134G54P7	FREDDIE MAC	500,000.00	AAA	1.375	11/28/2014	1.375	1.295	500,000.00	50.00	100.01	2,520.83	502,570.83
3134G4L30	FREDDIE MAC	250,000.00	AAA	1.70	11/26/2014	1.70	1.095	250,000.00	195.00	100.078	1,581.94	251,776.94
3134G54F9	FREDDIE MAC	350,000.00	AAA	1.00	05/26/2017	1.007	1.107	349,938.44	-911.44	99.722	1,283.33	350,310.33
3134G5HJ7	FREDDIE MAC	100,000.00	AAA	2.02	12/24/2014	2.02	1.067	100,000.00	198.00	100.198	89.78	100,287.78
3134G57G4	FREDDIE MAC	250,000.00	AAA	1.02	06/30/2017	1.02	1.14	250,000.00	-802.50	99.679	708.33	249,905.83
3134G54A0	FREDDIE MAC	200,000.00	AAA	1.25	11/21/2017	1.265	1.256	199,910.82	49.18	99.98	965.28	200,925.28
3134G5BR5	FREDDIE MAC	100,000.00	AAA	2.00	10/24/2014	2.00	1.298	100,000.00	29.00	100.029	422.22	100,451.22
3134G5BR5	FREDDIE MAC	250,000.00	AAA	2.00	10/24/2014	2.00	1.298	250,000.00	72.50	100.029	1,055.56	251,128.06
3134G54S1	FREDDIE MAC	500,000.00	AAA	1.50	05/29/2015	1.50	1.297	500,000.00	640.00	100.128	2,729.17	503,369.17
3134G52P9	FREDDIE MAC	500,000.00	AAA	1.70	04/23/2015	1.70	0.652	500,000.00	2,815.00	100.563	3,943.06	506,758.06
3134G47M4	FREDDIE MAC	250,000.00	AAA	1.50	06/26/2018	1.50	1.554	250,000.00	-490.00	99.804	1,083.33	250,593.33
3134G5GR0	FREDDIE MAC	500,000.00	AAA	1.125	09/15/2017	1.125	1.249	500,000.00	-1,780.00	99.644	390.62	498,610.62
3134G5DJ1	FREDDIE MAC	500,000.00	AAA	1.48	07/17/2018	1.48	1.586	500,000.00	-1,935.00	99.613	1,706.11	499,771.11

Please note: These reports do not reflect any actual portfolio, the returns are fictitious.

SAMPLE REPORTING 2

Risk Summary

10/01/2014 - 10/09/2014

Balance Sheet

Book Value + Accrued	19,787,852.88
Net Unrealized Gain/Loss	-10,290.01
Market Value + Accrued	19,777,562.87

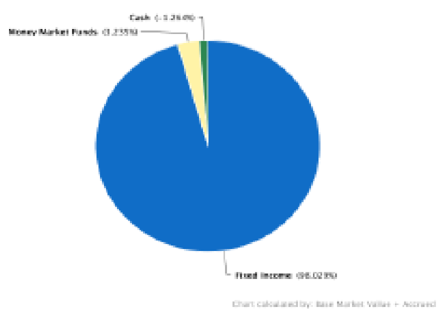
Cash and Fixed Income Summary

Risk Metric	*Value*
Cash	-250,000.00
MMFund	639,784.01
Fixed Income	19,387,778.86
Duration	1.534
Convexity	-2.717
WAL	1.718
Years to Final Maturity	3.006
Years to Effective Maturity	1.716
Yield	1.183
Book Yield	1.323
Avg Credit Rating	AA+/Aa1/AA+

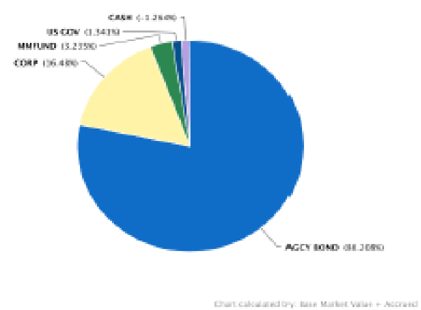
Issuer Concentration

Issuer Concentration	*% of Base Market Value + Accrued*
Federal Home Loan Mortgage Corp	44.727%
Federal Home Loan Banks Office of Finance	28.903%
Federal National Mortgage Association	5.313%
The Goldman Sachs Group, Inc.	5.147%
Bank of America Corporation	4.957%
Morgan Stanley	4.672%
(654080001) UT St Treasurer's Public Inv Pool A	3.235%
Government of the United States	1.341%
Federal Home Loan Banks	1.264%
JPMorgan Chase & Co.	1.248%
Other	-0.807%
---	100.00%

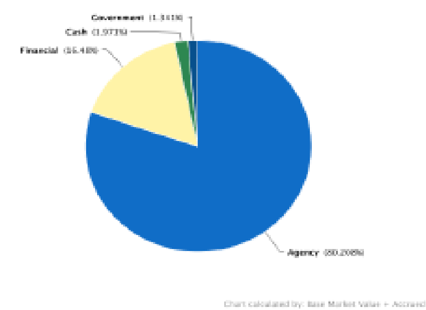
Asset Class



Security Type



Market Sector



Please note: These reports do not reflect any actual portfolio, the returns are fictitious.

SAMPLE REPORTING 3

GAAP Financials

09/01/2014 - 09/30/2014

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Balance Sheet

		Utah Muni Demo	
	As of:	08/31/2014	09/30/2014
Original Cost		19,760,909.34	19,745,362.64
Net Accumulated Amortization/Accretion		-26,683.88	-30,596.50
Net Accumulated OTTI		0.00	0.00
Book Value		19,734,225.46	19,714,766.14
Accrued Balance		51,849.02	72,197.86
Book Value + Accrued		19,786,074.48	19,786,963.99
Net Unrealized Gain/Loss		17,222.18	-28,388.50
Market Value + Accrued		19,803,296.65	19,758,575.49

Income Statement

	Utah Muni Demo	
	Begin Date End Date	09/01/2014 09/30/2014
Net Amortization/Accretion Income		-3,912.62
Interest Income	24,684.23	
Dividend Income	0.00	
Misc Income	0.00	
Income Subtotal		24,684.23
Net Realized Gain/Loss	0.00	
Impairment Loss	0.00	
Net Gain/Loss		0.00
Expense	-1,777.61	
Net Income		18,994.00
Transfers In/Out		-18,104.48
Change in Unrealized Gain/Loss		-45,610.68

Statement of Cash Flows

	Utah Muni Demo	
	Begin Date End Date	09/01/2014 09/30/2014
Net Income		18,994.00
Amortization/Accretion on MS	3,912.62	
Change in Accrued on MS	-19,848.34	
Net Gain/Loss on MS	0.00	
Change in Unrealized G/L on CE	0.00	
Subtotal		-15,935.72
Purchases of MS	-91,527.04	
Purchased Accrued of MS	-500.50	
Sales of MS	0.00	
Sold Accrued of MS	0.00	
Maturities of MS	500,000.00	
Net Purchases/Sales		407,972.46
Transfers of Cash & CE		-18,104.48
Total Change in Cash & CE		392,926.26
Beginning Cash & CE		405,471.70
Ending Cash & CE		798,397.96

Please note: These reports do not reflect any actual portfolio, the returns are fictitious.

FEE SCHEDULE

Fees are calculated and charged to your account monthly in arrears, based on the average time-weighted daily balance of the assets under management.

Fees include:

- Investment management of money market and fixed-income securities.
- Complete financial reporting, including valuation, earnings and reconciliation reports.
- Custody and safekeeping through Zions Bank, a Division of ZB, N.A.
- All transaction costs, with no limitations on wire transfers out of the account.

WHY WE OFFER INSITUTIONAL LIQUIDITY MANAGEMENT

- Our customized, active management approach aims to enhance returns.
- Our investment professionals have many years of experience working in the fixed-income markets.
- Regularly Scheduled Investment & Performance Reviews
- We maintain a low portfolio manager-to-client ratio.
- Our fees are competitive.
- Our reporting capabilities are state of the art.

DISCLOSURES

Institutional Liquidity Management is offered to non-municipal customers through Zions Wealth Management, a division of ZB, N.A., and municipal customers through Zions Capital Advisors, Inc., an SEC registered investment advisor and a non-bank subsidiary of ZB, N.A.

For municipal clients, see Zions Capital Advisors ADV Part II for details on the Institutional Liquidity Management Team, advisory business and brokerage practices, fees and disclosure information. Or access the document online at www.adviserinfo.sec.gov.

When constructing portfolios, Institutional Liquidity Management may use certain components that are subject to quarterly, semi-annual or annual redemption provisions. This may affect the liquidity of the portfolio and availability of funds. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

Information in this presentation is not intended to be and should not be construed to be tax advice. Clients should consult their tax advisor regarding their individual tax situations including the tax effects of any investment recommendation.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. No strategy assures success or protects against loss.

The economic forecasts set forth in the presentation may not develop as predicted and there can be no guarantee that strategies promoted will be successful.

Office of the
Comptroller of the Currency
Washington, DC 20219

LARGE BANK

PUBLIC DISCLOSURE

June 4, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Zions Bancorporation, N.A. (Zions)
Charter Number 4341
One South Main Street
Salt Lake City, UT 84133

Office of the Comptroller of the Currency
Midsize Bank Supervision
425 South Financial Place, Suite 2700
Chicago, IL 60605

NOTE: This document is an evaluation of this bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the bank. This evaluation is not, and should not be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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Overall CRA Rating

Bank's CRA Rating: This bank is rated Satisfactory.

The following table indicates the performance level of Zions with respect to the Lending, Investment, and Service Tests:

Performance Levels	Zions Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		X	X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

* The lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending levels reflect good responsiveness to assessment area (AA) credit needs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of borrowers, given the product lines offered by the bank, reflects poor penetration among retail customers of different income levels, and business customers of different size.
- The bank has made an adequate level of community development loans.
- The bank has a significant level of qualified community development investments and grants, and exhibits good responsiveness to credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and in low-and moderate-income geographies and/or to low- and moderate-income (LMI) individuals.
- The bank provides an adequate level of community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of $1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under the Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder' and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the bank as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units**.**

Other Products: Includes any unreported optional category of loans for which the bank collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data a bank may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: Any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A state or multi-state metropolitan area. For a bank with domestic branches in only one state, the bank's CRA rating would be the state rating. If a bank maintains domestic branches in more than one state, the bank will receive a rating for each state in which those branches are located. If a bank maintains domestic branches in two or more states within a multi-state metropolitan area, the bank will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings, and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Description of Bank

Zions Bancorporation, N.A. (“Zions” or “the bank”), formerly known as Zions First National Bank (ZFNB), is a midsize, interstate bank headquartered in Salt Lake City, Utah. Zions was a subsidiary of Zions Bancorporation (ZBC), the bank holding company that was also headquartered in Salt Lake City. As of September 30, 2018, the holding company was successfully merged into the operating bank entity, which has no impact on the bank’s evaluation. As of December 31, 2017, Zions had total assets of $66.3 billion, total loans of $44.3 billion, and Tier 1 Capital of $6.7 billion.

Zions operates 438 branches and 508 deposit-taking automated teller machines (ATMs) throughout 11 western states. Zions is comprised of seven banks that consolidated into the Zions First National Bank charter on January 1, 2016. Prior to December 31, 2015, ZBC operated five, separate national chartered banks and two separate state chartered banks, which included Amegy Bank of Texas (ABT), National Bank of Arizona (NBAZ), Vectra Bank Colorado (VBC), The Commerce Bank of Washington (TCBW), ZFNB, California Bank & Trust (CBT), and Nevada State Bank (NSB). Six of the other bank charters were dissolved and are now divisions of Zions (formerly ZFNB). Each bank charter maintained their local brand in the states they are located; ZFNB is located in Utah, Idaho, and Wyoming; ABT is located in Texas; CBT is located in California; NBAZ is located in Arizona; NSB is located in Nevada; VBC is located in Colorado and New Mexico; and TCBW is located in Washington and Oregon. Zions defined 46 AAs across 11 states; refer to appendix B for a summary of the AAs and respective counties. The bank’s most significant presence is in California, Texas, and Utah, where the bank operates 265 branches and 317 ATMs.

As of December 31, 2017, the bank reports total deposits of $52.9 billion, with 72.79 percent of deposits coming from customers in California, Texas, and Utah. Performance in these three states were more heavily weighted as they represent over 66.85 percent of the Zions’ total HMDA lending and 69.48 percent of the Zions’ small business lending. The Woodlands-Sugar Land MSA, Los Angeles-Long Beach-Anaheim MSA, and Salt Lake City MSA AAs provide Zions nearly half of the bank’s total deposits. Of the 19 full-scope markets, these three AAs represent 30.82 percent of the Zions’ total number of branches. These three AAs also represent 31.94 percent of the Zions’ total HMDA lending and 30.89 percent of the Zions’ small business lending in the full scope markets. Please refer to the rating section of this PE for further information.

Zions is a full-service financial institution that offers a comprehensive array of banking, trust, investment, leasing, mortgage, and cash management products and services to commercial enterprises of all sizes and individual customers. Zions is the only locally headquartered bank in Utah, with a statewide network of branches. Zion’s primary focus is commercial banking with an emphasis on small business lending.

Zions competes with many national banks, state banks, and credit unions for deposit market share. Zions offers a variety of deposit products to businesses and individuals. Deposit products include checking, savings, and money market deposit accounts, certificates of deposits, and other time deposits. Zions offers additional retail services including check cashing, direct deposit, online bill payment and funds transfer, mobile banking, and telephone banking.

Consumer loan products include conventional mortgages, home equity loans, lines of credit, credit cards, personal loans, and automobile loans. Business loan products include term loans, lines of credit, SBA loans, loans for equipment leases, and credit cards. The bank has ranked first in Small Business Administration (SBA) lending 7(a) loans for several years in Utah and Idaho. Zions also leads all other financial institutions in Utah and Idaho in marketing SBA loans to women- and minority-owned businesses. Home mortgage lending, while part of the bank's lending strategy, is not a primary emphasis.

Zions offers trust, wealth, fiduciary, investment, and capital market services to customers through Zions affiliates. Zions Trust provides issuing and paying agent and trust account services. Zions Direct specializes in providing security services to customers who invest in mutual funds, exchange-trading funds, stocks, and options online or through financial representatives. Zions Direct customers can open brokerage, IRAs, margin, and trust accounts. Zions Capital Markets provides U.S. Treasuries, securities (government sponsored, guaranteed, and mortgage backed), municipal bonds, corporate bonds, and money market products.

There are no known legal, financial, or other factors impeding Zions' ability to meet the credit needs within its AAs.

The previous CRA Evaluations were conducted before the charter consolidation in January 2016. Therefore, each bank received a CRA Evaluation. Previous CRA Evaluation ratings are reflected below:

Bank Affiliate	**States**	**Last Evaluation**	**Rating**	**Regulator**
Amegy Bank of Texas	TX	2014	Satisfactory	OCC
California Bank & Trust	CA	2015	Outstanding	FDIC
National Bank of Arizona	AZ	2012	Satisfactory	OCC
Nevada State Bank	NV	2014	Satisfactory	FDIC
The Commerce Banks	WA & OR	2010/2011	Satisfactory	OCC
Vectra Bank Colorado	CO & NM	2012	Satisfactory	OCC
Zions First National Bank	UT, ID & WY	2015	Satisfactory	OCC

Scope of the Evaluation

Evaluation Period/Products Evaluated

For the Lending Test, we analyzed home purchase, home improvement, and home refinance mortgage loans that the bank reported under the HMDA, and small loans made to businesses and small loans to farms the bank reported under the CRA. All loan types were reviewed for the period of January 1, 2015 through December 31, 2017. Due to the bank's consolidation activity during the examination cycle, the state ratings for Arizona, California, Colorado, Nevada, New Mexico, Oregon, Texas, and Washington have an evaluation period start date of January 1, 2016 through December 31, 2017 for all CRA reportable activity. Multifamily loans were not a primary loan product; therefore, we did not evaluate this product separately. However, we did consider multifamily loans meeting the CD definition as part of the evaluation of CD lending. Primary loan products, for purposes of this review, were products in which the bank originated at least 20 loans within an AA during one or more of the analysis periods within the overall evaluation period.

In our evaluation under the Lending Test geographic distribution and borrower income criteria, we performed separate analyses of 2015 through 2016 data and 2017 data. This was due to changes between the 2015 U.S. Census American Community Survey. Performance Tables 1 through 12 in appendix D include only data covered by the analysis period receiving the greatest weight, namely 2017. The evaluation period for CD loans, the Investment Test, and the Service Test was July 28, 2015 through December 31, 2017.

Home purchase loans were not a primary loan product in the states of New Mexico, Oregon, Washington, and Wyoming. Home improvement loans were not a primary product in the states of Arizona, California, Colorado, New Mexico, Oregon, Washington, and Wyoming. Home refinance loans were not a primary product in the states of New Mexico, Oregon, Washington, and Wyoming. Small loans to farms were not a primary loan product in the states of California, Colorado, Nevada, New Mexico, Oregon, Texas, and Washington.

We used deposit information for the bank, reported to the FDIC, as of June 30, 2017.

Inside/Outside Ratio

The ratio is a bank-wide calculation and not calculated by individual rating area or AA. The analysis is limited to bank originations and purchases and does not include any affiliate data. For the combined three-year evaluation period, Zions originated a substantial majority of all loan products inside the bank's AAs (95.8 percent). The percentages of loans made inside the AAs, by loan type, are as follows: home mortgage loans (94.2 percent), small loans to businesses (96.8 percent) and small loans to farms (80.2 percent).

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of AAs was selected for full-scope reviews. Full-scope reviews consider quantitative and qualitative factors, as well as performance context factors. Limited-scope reviews consider quantitative factors only. Refer to the “Scope” section under each State Rating section for details regarding how the areas were selected.

Ratings

The bank’s overall rating is a blend of the state ratings. The state ratings are based primarily on those areas that received full-scope reviews. Refer to the “Scope” section under each State Rating section for details regarding how ratings were determined. The California, Texas, and Utah State rating areas carried the greatest weight in our conclusions because these states represented the bank’s most significant market in terms of deposit concentration, branch distribution, and reportable loans. As of June 30, 2017, deposits in California, Texas, and Utah comprised 72.79 percent of Zions’ total deposits and 60.50 percent of the bank’s branch locations. Additionally, 68.17 percent of reportable loan originations were generated in these states.

For the Lending Test, this evaluation analyzed performance from 2015 through 2016 and 2017. We placed more emphasis on performance in 2017 for the AAs impacted by the 2015 U.S. Census American Community Survey changes to reach our performance conclusions. The 2017 time period is more reflective of the bank’s current performance considering the charter consolidations occurred during the 2015 through 2016 time period. When evaluating the bank’s lending, we placed the most weight on small business lending. Small business lending accounted for 81.10 percent of total bank originations throughout the evaluation period. An emphasis on small business lending is consistent with the bank’s strategic focus.

Other Performance

Retail Banking Services

Our analysis of retail branches was primarily focused on the current distribution of the bank’s branches in low- and moderate-income geographies. For some AAs, we also considered branch locations in middle- or upper-income areas that were in close proximity to a low- or moderate-income geography. Proximity ranged from across the street to two miles away. We evaluated several factors to determine that these branches served individuals in these geographies. This included the likelihood that the areas surrounding the branches offered residents and businesses of the nearby low- or moderate-income geographies additional amenities or public services, such as post offices, grocery stores, strip malls, or “big box” stores. We confirmed whether the locations were along major transportation routes readily accessible by car in rural areas, or public transportation in urban areas. Finally, we reviewed maps comparing branch locations to Zions retail and small business customer locations to demonstrate these branches were serving individuals and businesses in the low- and moderate-income geographies.

Community Development Services

Zions’ officers and employees provided approximately 2,630 hours to Junior Achievement, a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program are low-income. This program was provided in the following AAs: Boise MSA, Las Vegas MSA, Los Angeles MSA, Phoenix MSA, Reno MSA, Riverside MSA, Sacramento MSA, Salt Lake MSA, San Diego MSA, and Denver MSA. A significant number of the bank's officers and employees participated as financial literacy instructors.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this bank has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this bank engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC, before the end of the bank's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Arizona

CRA Rating for Arizona[1]: **Satisfactory**
The lending test is rated: **Low Satisfactory**
The investment test is rated: **High Satisfactory**
The service test is rated: **High Satisfactory**

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- Overall distribution reflects poor penetration. Given the product lines offered by the bank, the distribution of borrowers reflects adequate penetration among retail customers of different income levels and poor penetration of business customers of different size.
- The bank has made an adequate level of community development loans.
- The bank has made a significant level of qualified community development investments and grants, which exhibits good responsiveness to credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of low- and moderate-income income levels.
- The level of community development services is adequate.

Description of Bank's Operations in Arizona

Zions has eight AAs comprised of 15 counties within the state of Arizona. This includes; Coconino County in the Flagstaff MSA; Mohave County in the Lake Havasu City-Kingman MSA; Maricopa and Pinal Counties comprised the Phoenix-Mesa-Scottsdale MSA; Yavapai County in the Prescott MSA; Cochise County in the Sierra Vista-Douglas MSA; Pima County in the Tucson MSA; and Yuma County in the Yuma MSA. The AZ Non-MSA is comprised of seven counties that include Apache, Gila, Graham, Greenlee, La Paz, Navajo, and Santa Cruz counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $4.7 billion in deposits in Arizona, which represented 9.03 percent of the bank's total deposits. The bank made 7.98 percent of its total evaluation period HMDA and CRA loans in Arizona.

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Zions had 59 office locations and 61 deposit-taking ATMs within the state. The bank ranked fifth in deposit market share with 3.82 percent. Primary competitors include JP Morgan Chase Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, and Western Alliance Bank. There were 67 FDIC insured depository institutions within the state of Arizona.

Refer to the community profiles for the state of Arizona in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Arizona

The Flagstaff MSA was selected for analysis using full-scope procedures because the AA has not had a full-scope review in previous evaluations. In addition, the deposit market share indicates the bank is important to this area. The Phoenix-Mesa-Scottsdale MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Lake Havasu City-Kingman MSA, Prescott MSA, Sierra Vista-Douglas MSA, Tucson MSA, Yuma MSA, and AZ Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF ARIZONA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Arizona is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Scottsdale MSA is good and in the Flagstaff MSA is adequate.

Lending Activity

Overall lending activity in the state of Arizona is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's lending activity.

Flagstaff MSA

Zions' overall lending activity in the Flagstaff MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, the bank had $315.7 million in deposits with a deposit market share of 17.23 percent. Zions ranked second in total deposits out of eight banks in the AA and in the top 25 percent of banks in deposit market share. The bank originated 95 home mortgage loans and 698 small business loans during the evaluation period. Small business lending represented 88.02 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 14.51 percent of lenders (28 out of 193 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.58 percent is less than their overall deposit market share. The bank ranked in the top 10 percent of lenders (20 out of 200 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 1.22 percent is less than their overall deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.27 percent of small business loan originations in the AA. Zions ranked fourth out of 55 lenders originating small business loans in the AA. Zions' 10.91 percent market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 67.11 percent of all small business loan originations.

Phoenix MSA

Zions' overall lending activity performance in the Phoenix MSA is good. Based on FDIC market share data as of June 30, 2017, Zions had $1.8 billion in deposits with a deposit market share of 1.97 percent. The bank ranked ninth in total deposits out of 60 banks in the AA. Zions ranked in the top 15 percent of banks in deposit market share. Zions originated 544 mortgage loans and 3,219 small business loans in through the evaluation period. Small business lending represented 85.54 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, the bank ranked in the top 18.51 percent of lenders (129 out of 697 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.08 percent is less than their overall deposit market share. The bank ranked in the top 18.89 percent of lenders (116 out of 614 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 0.11 percent is less than their overall deposit market share.

According to 2016 peer small business data, the bank ranked in the top 6.40 percent of small business loan originations in the AA. Zions ranked 13th out of 203 lenders originating small business loans. Zions had a 1.22 percent market share of small business loan originations. Zions' market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 73.81 percent of all small business loan originations. Many of the banks ranked ahead of Zions for small business loan originations are nationwide lenders with large credit card portfolios.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

Refer to Tables 2, 3, and 5 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

<u>Flagstaff MSA</u>

In evaluating the geographic distribution of home loans in the AA, it is important to note that there are no low-income census tracts in the 2010 U.S. Census; however, changes were made in the income designation of the CTs in 2017 and a tract was designated as low-income.

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of home purchase loans in moderate-income CTs was near to the aggregate. However, the percentage of these loans in these CTs was significantly below the percentage of owner-occupied units. Furthermore, the bank's geographic distribution of home purchase loans during 2015 through 2016 was poor. The bank did not originate any home purchase loans in moderate-income CTs during this review period.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the bank did not originate or purchase a sufficient number of home refinance loans to perform a meaningful analysis. In 2015 through 2016, the percentage of loans in moderate-income CTs exceeded the aggregate and was well below the percentage of owner-occupied units.

<u>Phoenix-Mesa-Scottsdale MSA</u>

The overall geographic distribution of home purchase loans was poor. The bank did not make any loans in low-income CTs. In 2017, the distribution of loans in moderate-income CTs was below both the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was weaker than that in 2017. During the 2015 through 2016 review period, the bank did not originate any home purchase loans in low-income CTs. The percentage of loans in moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units, which was very poor.

The overall geographic distribution of home improvement loans was adequate. In 2017, the percentage of loans in low- and moderate income CTs exceeded the aggregate. The distribution of loans was below the percentage of owner-occupied units in low-income CTs and near to the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not originate or purchase any home improvement loans in low-income CTs. However, the distribution of home improvement loans in moderate-income CTs exceeded the aggregate and was below the percentage of owner-occupied units.

The overall geographic distribution of home refinance loans was adequate. In 2017, the distribution of home refinance loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans was below the percentage of owner-occupied units in low-income CTs, but was near to the percentage of owner-occupied units in moderate-income CTs. The distribution of home refinance loans in 2015 through 2016 was weaker than in 2017. The bank did not originate or purchase any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs was below the aggregate and significantly below the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was excellent.

Refer to Table 6 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Flagstaff MSA

In evaluating the geographic distribution of small loans to businesses in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses exceeded both the aggregate and the percentage of small businesses for both the 2017 and 2015 through 2016 review periods.

Phoenix-Mesa-Scottsdale MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. The bank's geographic distribution of small business loans in 2015 and 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms (farms with gross annual revenues of $1 million or less) was adequate.

Refer to Table 7 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Flagstaff MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Phoenix-Mesa-Scottsdale MSA

The geographic distribution of small loans to farms was adequate. In 2017, the percentage of loans exceeded the aggregate in low-income CTs and was near to the aggregate in moderate-income CTs. In addition, the percentage of loans exceeded the percentage of small farms and was below the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was weaker than 2017. The percentage of loans in low-income CTs was below the aggregate in low-income CTs and was well below the aggregate in moderate-income CTs. In addition, the percentage of loans in both low- and moderate-income CTs was below the percentage of farms in those CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans was adequate.

Refer to Tables 8, 9, and 10 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Flagstaff MSA

The overall borrower distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers was significantly below both the aggregate and the percentage of moderate-income families. In 2015 through 2016, performance was stronger than in 2017. The bank did not make any home purchase loans to moderate-income borrowers. The percentage of home purchase loans to low-income borrowers exceeded the aggregate; however, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was very poor. In 2017, the bank did not originate or purchase any home refinance loans. In 2015 through 2016, the percentage of home refinance loans to low- and moderate-income borrowers was well below the aggregate and significantly below the percentage of moderate-income families.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans to both low- and moderate-income borrowers exceeded the aggregate. However, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families, while the percentage of loans to moderate-income families exceeded the percentage of moderate-income families. In 2015-2016, performance was significantly weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers and the percentage of loans to moderate-income borrowers was significantly below both the aggregate and the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. However, the percentage of loans originated to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans originated to moderate-income families exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans to low-income borrowers exceeded the aggregate and the percentage of loans to moderate-income borrowers was below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families.

The overall borrower distribution of home refinance loans is adequate. In 2017, the percentage of home refinance loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015-2016 was significantly weaker than in 2017. The percentage of home refinance loans to low-income borrowers was significantly below the aggregate and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Flagstaff MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses. Performance during 2015 through 2016 was better than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses in this AA.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was better than in 2017. The percentage of small loans to businesses was below the aggregate, and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms (farms with gross annual revenues of $1 million or less) was very poor.

Refer to Table 12 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Flagstaff MSA

The bank did not originate or purchase a sufficient number of small loans to farms during either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of loans to small farms in the Phoenix-Mesa-Scottsdale MSA was very poor. In 2017, the percentage of small loans to small farms was significantly below the aggregate and the percentage of small farms in the AA. In 2015 through 2016, the percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Arizona. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Flagstaff MSA

The volume of CD lending was poor and had an overall neutral impact on the overall lending test performance in the AA. During the evaluation period, Zions originated one CD loan totaling $100 thousand, or 0.25 percent of Tier 1 Capital allocated to the AA.

Zions' CD loan was dedicated to community service. The loan was a revolving line of credit provided to a nonprofit health center, which provides services to uninsured and underinsured families on a sliding scale based on federal poverty levels.

Phoenix-Mesa-Scottsdale MSA

The volume of CD lending was excellent and had a positive impact on the lending performance in the AA. During the evaluation period, Zions originated 11 CD loans totaling $30.9 million, or 69. percent of Tier 1 Capital allocated to the AA. Zions originated four CD loans totaling $13.7 million dedicated to affordable housing, which was responsive to identified community needs in the AA.

Examples of CD loans originated during the evaluation period include:

- $13 million loan to rehabilitate a 332-unit apartment complex. This apartment complex provides 295 units of affordable housing. This apartment complex has 89 percent of units considered for affordable housing.
- Two revolving lines of credit totaling $650 thousand to meet working capital needs of an organization that provides 217 units of affordable housing for low-income seniors, which is located within a moderate-income CT.
- $2 million loan to a nonprofit serving the homeless population, veterans, and low-income persons. This organization provides temporary shelter for homeless individuals and families. The organizations also provides job training for the homeless, including an outreach program targeted to veterans. This organization also provides early childhood development services to low-income families. This organization is located within a moderate-income CT.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Yuma MSA is consistent with the bank's overall Satisfactory performance under the Lending Test in Arizona. In the Tucson MSA the bank's performance is stronger than the bank's overall performance in the state. The CD lending performance was significantly positive in the Yuma MSA and Tucson MSA. In the Lake Havasu City-Kingman MSA, Prescott MSA, Sierra Vista-Douglas MSA, and AZ Non-MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Arizona is rated High Satisfactory. Zions' performance in the full-scope Flagstaff MSA is excellent, and good in the Phoenix-Mesa-Scottsdale MSA. Investments across Arizona had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Flagstaff MSA

Zions made an excellent dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $4.3 million, with current period investments totaling $3.3 million and prior period investments of $972 thousand. Investments benefiting the AA during the evaluation represented 10.62 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $3.3 million in Qualified Zone Academy Bond for energy conservation measures benefiting school districts serving low- and moderate-income students.

Zions also made six grants totaling $32 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects their commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- $18 thousand in grants to a nonprofit housing agency, which provides temporary shelter and affordable rental housing for LMI individuals as well as homebuyer pre-purchase assistance, credit counseling, and foreclosure prevention assistance.
- $6 thousand grant to a nonprofit organization, which provided small business education and grants.

Phoenix-Mesa-Scottsdale MSA

Zions made a good dollar volume of qualified investments. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $12.6 million, with current period investments totaling $347 thousand and prior period investments of $12.3 million. Investments benefiting the AA during the evaluation represented 5.57 percent of allocated Tier 1 Capital.

During the evaluation period, Zions made 58 grants totaling $347 thousand to various organizations within the AA that provide community services, affordable housing, economic development, and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects their commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- $39 thousand in grants to a nonprofit organization, which serves as an intermediary between local nonprofit partners and the resources. The partners transform underserved neighborhoods into thriving communities of opportunity and choice.
- $35 thousand in grants to an organization, which serves homeless families by providing temporary shelter and social programs to assist families with transitioning out of poverty and homelessness.
- $20 thousand in grants to a nonprofit organization, which is a self-help developer of affordable homeownership opportunities for low- and moderate-income individuals and families. The organization provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.

Arizona Statewide

In addition to the $58.1 million in qualified investments in the bank's AAs, Zions made six statewide qualified investments totaling $563 thousand during the evaluation period in activities that had a purpose, mandate or function that serves one or more of the bank's AAs. In addition, the bank made 18 prior period statewide investments that serve one or more of the bank's AAs with a book value of $16.7 million outstanding through the evaluation period. Statewide investments included qualifying mortgage-backed securities, small business investment corporation (SBIC) securities benefiting LMI borrowers or small businesses across the state, and an investment in a Community Development Financial Institution's (CDFI) affording housing loan fund. When considering these and other investments in the full- and limited-scope areas, the $75.3 million of qualified investments in the AAs and across the state represented 12.40 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. This is an investment in a CDFI's loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Tucson MSA and the Yuma MSA is stronger than Arizona's overall High Satisfactory Investment Test performance due to significantly higher levels of current period or outstanding prior period investments. Performance in the AZ Non-MSA, Lake Havasu City-Kingman-MSA, and the Prescott MSA is consistent with the bank's overall Investment Test performance. Performance in the Sierra Vista-Douglas MSA is weaker than the state's overall Investment Test performance due to the lack of investment or grants, and is considered very poor.

Refer to the Table 14 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Arizona is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Flagstaff MSA and Phoenix-Mesa-Scottsdale MSA is good.

Retail Banking Services

Refer to Table 15 in the state of Arizona section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Flagstaff MSA

Branch distribution in the AA is adequate when considering near to branches. Branches are readily accessible to all portions of the AA. Zions operates four branches in the Flagstaff MSA with no branches located in low- or moderate-income CTs. Two branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. Analysis reflects that 26 percent of bank customers in these two branches reside in low- and moderate-income CTs. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Phoenix-Mesa-Scottsdale MSA

Branch distribution in the AA is good when considering near to branches. Branches are readily accessible to all portions of the AA. Zions operates 19 branches in the Phoenix-Mesa-Scottsdale MSA, with no branches located in low-income CTs. Four of the 19 branches are located in a moderate-income CT. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Six branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate- income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. The bank closed five branches during the evaluation period; the branches were located in one middle-income, one moderate income, two upper income, and one non-income CT. The moderate-, middle-, two upper-, and a non-income CT branches closed due to minimal transaction volumes and poor profitability. In addition, poor visibility contributed to the bank’s decision to close the moderate-income branch closed.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Flagstaff MSA

Zions’ performance in providing community development services in the Flagstaff MSA is adequate. During the evaluation period, two employees provided their expertise to one organization for a total of 196 hours. Both employees served as board members for the organization. The organization provides building opportunities for sustainable, affordable housing in Northern Arizona.

Phoenix-Mesa-Scottsdale MSA

Zions’ performance in providing community development services in the Phoenix-Mesa-Scottsdale MSA is adequate. During the evaluation period, 51 employees provided their expertise to 20 organizations for a total of 1,282 hours. Zions’ employees participated as either board or committee members, or financial instructors.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a committee member for a nonprofit whose purpose is to connect small business owners with the financing and support to create and grow healthy businesses. The organization economically empowers micro-entrepreneurs and low-income earners by providing financial services.
- An employee served as a board member for an organization that provides shelter for abused children. The organization also provides daycare, administers foster care matching and instruction and provides education for low-income families.
- An employee served as a board member for an organization dedicated to building, renovating, and repairing simple and affordable homes for LMI individuals and families.

- An employee served as a board member of a nonprofit organization dedicated to improving economic and personal financial literacy to low income individuals and families in Arizona.
- Bank employees taught financial education to various schools located in low- and moderate-income throughout the AA. The majority of students in this program participate in free or reduced lunch programs. Over 400 hours were dedicated to this program to teach young people about the importance of money management, workforce readiness, and entrepreneurial thinking.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the service test in the Prescott MSA, Sierra Vista-Douglas MSA, and Yuma MSA is consistent with Arizona’s overall High Satisfactory performance. In the AZ Non-MSA, Lake Havasu City-Kingman MSA, and Tucson MSA the bank’s performance is weaker than the bank’s overall performance in the state. The branch distribution was poor in the Lake Havasu City-Kingman MSA, and Tucson MSA. The branch distribution was very poor in the AZ Non-MSA.

Refer to Table 15 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

State of California

CRA Rating for California[2]: Satisfactory
The lending test is rated: High Satisfactory
The investment test is rated: Low Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and business customers of different size.
- The bank has made a relatively high level of community development loans.
- The bank has made an adequate level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is adequate.

Description of Bank's Operations in California

Zions has 10 AAs comprised of 14 counties within the state of California. The bank included Kern County in the Bakersfield MSA. The bank included Fresno County in the Fresno MSA. The Los Angeles-Long Beach-Anaheim MSA was comprised of Los Angeles and Orange Counties. The bank included Ventura County in the Oxnard-Thousand Oaks-Ventura MSA. The Sacramento-Roseville-Arden-Arcade MSA consists of the Riverside and San Bernardino Counties. The bank included San Diego County in the San Diego- Carlsbad MSA. The San Francisco-Oakland-Hayward MSA is comprised of the following counties, Alameda, Contra Costa, San Francisco, San Mateo, and Marin. The bank included the Santa Clara County in the San Jose-Sunnyvale-Santa Clara MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $10.8 billion in deposits in California, which represented 20.53 percent of the bank's total deposits. The bank made 10.28 percent of its total evaluation period HMDA and CRA loans in California.

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[2]

Zions had 92 office locations and 99 deposit-taking ATMs within the state. The bank ranked 16th in deposit market share with 0.80 percent. Primary competitors include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, MUFG Union Bank National Association, and Citibank National Association. There were 217 FDIC insured depository institutions within the state of California.

Refer to the community profiles for the state of California in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in California

The Los Angeles-Long Beach-Anaheim MSA was selected for analysis using full-scope procedures because it had the largest percent of the bank's deposits, loans, and branches within the rating area. The San Diego-Carlsbad MSA was chosen for full-scope procedures due to the high percentage of bank deposits and large volume of reportable loans generated in the rating area. The San Francisco-Oakland-Hayward MSA was selected for full-scope procedures, as it had not been reviewed as full-scope in most recent evaluation. The AA was chosen due to the high percentage of bank deposits and large volume of reportable loans generated in the rating area.

The Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, San Jose-Sunnyvale-Santa Clara MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF CALIFORNIA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in California is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the San Diego- Carlsbad MSA is excellent. Lending performance in the Los Angeles-Long Beach-Anaheim MSA and San Francisco-Oakland-Hayward MSA is good.

Lending Activity

Overall lending activity in the state of California is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of California section of appendix D for the facts and data used to evaluate the bank's lending activity.

Los Angeles-Long Beach-Anaheim MSA

Zions' overall lending activity in the Los Angeles-Long Beach-Anaheim MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $4.8 billion in deposits, with a deposit market share of 0.91 percent. Zions ranked 19th out of 125 banks in the AA. Zions ranked in the top 15.20 percent of banks in deposit market share. Zions originated 646 home mortgage loans and 4,153 small business loans through the evaluation period. Small business lending represented 86.54 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 29 percent of lenders (212 out of 731 lenders) originating home purchase loans. Zions' home purchase market share of 0.05 was less than their deposit market share. The bank ranked in the top 16.20 percent of lenders (133 out of 821 lenders) originating home refinance loans in the AA. Zions had a 0.09 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 6.82 percent of lenders (15 out of 220 lenders) originating small business loans in the AA. Zions had a 0.36 percent market share of originations of small business loans. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 76.52 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

San Diego-Carlsbad MSA.

Zions' overall lending activity in the San Diego-Carlsbad MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $3.3 billion in deposits with a deposit market share of 3.89 percent. Zions ranked seventh in total deposits out of 53 banks in the AA. Zions ranked in the top 13.21 percent of banks in deposit market share. Zions originated 313 home mortgage loans and 3,680 small business loans in throughout the evaluation period. Small business lending represented 92.16 of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 23.43 percent of lenders (134 out of 572 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.09 percent was less than their deposit market share. The bank ranked in the top 24.58 percent of lenders (145 out of 590 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 0.08 percent was less than their deposit market share.

According to 2016 peer small business data, Zions ranked tenth out of 162 lenders originating small business loans in the AA. Zions had a 1.37 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 72.82 percent of all small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

San Francisco-Oakland-Hayward MSA

Zions' overall lending activity in the San Francisco-Oakland-Hayward MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $1.2 billion in deposits with a deposit market share of 0.32 percent. Zions' deposit market share ranked 21 out 71 banks in the AA. Zions ranked in the top 29.58 percent of banks in deposit market share. Small business lending represented the majority of lending through the evaluation period. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 51.17 of lenders (133 out of 508 lenders) originating home purchase loans. Zions' market share of 0.01 percent of home purchase originations is less than their deposit market share. Zions ranked in the top 25.82 percent of lenders (166 out of 643 lenders) originating home refinance loans in the AA. Zions' market share of 0.06 percent of home refinance originations is less than their deposit market share.

According to 2016 peer small business data, Zions ranked nineteenth of 180 lenders originating small business loans in the AA. The bank is ranked in the top 10.56 percent of small business loan originations in the AA. Zions had a 0.23 percent market share of small business loan originations. Zions' market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 81.02 percent of all small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

Refer to Tables 2, 3, 4, and 5 in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Los Angeles-Long Beach-Anaheim MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was significantly weaker than in 2017. The bank made one home purchase loan in a low-income CT. The percentage of home purchase loans was well below the aggregate for loans originated in low-income CTs and significantly below the aggregate for loans originated in moderate-income CTs. The percentage of loans in low-income CTs was well below the percentage of owner-occupied units in low-income CTs and significantly below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase sufficient home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans was near to the aggregate in both low- and moderate-income CTs. The percentage of home refinance loans was well below the percentage of owner-occupied units in low-income CTs and below the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was significantly weaker than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units in these CTs.

San Diego-Carlsbad MSA

The overall geographic distribution of home purchase loans was good. In 2017, the percentage of home purchase loans in low-income CTs was significantly below the aggregate. However, the percentage of home purchase loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was well below the percentage of occupied units in low-income CTs and exceeded the percentage of owner-occupied units in moderate-income CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans exceeded the aggregate in low-income CTs and was near to the aggregate in moderate-income CTs. The percentage of bank loans exceeded the percentage of owner-occupied units in low-income CTs and was below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of loans in low-income CTs was near to both the aggregate and the percentage of owner-occupied units. The percentage of home refinance loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

San Francisco-Oakland-Hayward MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low- and moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate and the percentage of owner-occupied units. However, the percentage of loans in moderate-income CTs was significantly below both the aggregate the percentage of owner-occupied units in these CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was very poor. In 2017, the percentage of home refinance loans in low- and moderate-income CTs was well below the aggregate and significantly below the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was weaker than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was excellent.

Refer to Table 6 in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

<u>Los Angeles-Long Beach-Anaheim MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>San Diego-Carlsbad MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>San Francisco-Oakland-Hayward MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in both low- and moderate-income CTs exceeded both the aggregate and the businesses in these CTs. Performance in 2015 through 2016 was consistent with mirrored 2017 performance.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, borrower distribution of home mortgage loans was poor.

Refer to Tables 8, 9, and 10 in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of home purchase loans in the Los Angeles-Long Beach-Anaheim MSA was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers exceeded the aggregate, but was significantly below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers was below the aggregate and significantly below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans to both low- and moderate-income borrowers exceeded the aggregate, but was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was significantly weaker than in 2017. The bank did not make any home refinance loans to low-income borrowers. The percentage of home refinance loans to moderate-income borrowers was significantly below the aggregate and the percentage of moderate-income families.

San Diego-Carlsbad MSA

The overall borrower distribution of home purchase loans in the San Diego-Carlsbad MSA was adequate. In 2017, the percentage of home purchase loans exceeded the aggregate for loans to both low- and moderate-income borrowers. The percentage of these loans was significantly below the percentage of low-income families, but was near to the percentage of moderate-income families. In 2015 through 2016, performance was weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers substantially exceeded the aggregate and was below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans to low-income borrowers was well below the aggregate, but the percentage of loans to moderate-income borrowers exceeded the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; the bank made one loan to a low-income borrower. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home refinance loans to low-income borrowers and the percentage of these loans to moderate-income borrowers was significantly below the aggregate and the percentage of moderate-income families.

San Francisco-Oakland-Hayward MSA

The overall borrower distribution of home purchase loans in the San Francisco-Oakland-Hayward MSA was very poor. In 2017, the bank did not make any loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers exceeded the aggregate and was below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The bank did not make any home purchase loans to either low- or moderate-income borrowers.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans was below the aggregate for loans to low-income borrowers and significantly below the aggregate for loans to moderate-income families. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to low-income borrowers exceeded the aggregate. The percentage of these loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination and purchase of small loans to businesses.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses in this AA.

San Diego-Carlsbad MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses in this AA.

San Francisco-Oakland-Hayward MSA

The overall geographic distribution of loans to small businesses was poor. In 2017, the percentage of small loans to businesses below both the aggregate and the percentage of businesses. Performance in 2015 through 2016 mirrored 2017 performance.

Community Development Lending

Zions' CD lending performance had a significantly positive impact on the overall evaluation of its lending performance in the state of California, and elevates the overall rating to High Satisfactory. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of California section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Los Angeles-Long Beach-Anaheim MSA

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 41 CD loans totaling $100.2 million, or 16.43 percent of Tier 1 Capital allocated to the AA. Zions originated 16 loans totaling $57.7 million dedicated to affordable housing, which were responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- $4.5 million loan dedicated to affordable housing. The loan was used to construct a 20 unit affordable housing complex located in a low-income CT.
- $7.7 million for the acquisition of property and construction of an 82 unit affordable housing complex located in a moderate-income CT. This project, in consideration for federal tax credits, will have rent restrictions for 55 years based on the Area Median Income (AMI) for Orange County.
- $1.1 million loan to refinance an 18-unit apartment complex considered for affordable housing by HUD and located in a low-income CT.

San Diego-Carlsbad MSA

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 36 CD loans totaling $98.1 million, or 23.20 percent of Tier 1 Capital allocated to the AA. Zions originated six loans totaling $15.3 million dedicated to affordable housing, which was responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- $13.1 million participation loan dedicated to affordable housing. The proceeds from the loan went to build a 92-unit affordable housing complex, which is located in a low-income CT.
- $1.1 million dollar loan dedicated to affordable housing. The bank participated on a larger project that developed 55-units of affordable housing, which is located in a moderate-income CT.
- Seven SBA 504 loans totaling $10.1 million, which were dedicated towards economic development.
- $39.1 million loan dedicated to community service. This loan was for a federally qualified nonprofit health center. This project is dedicated to improving the health and well-being of the most impoverished communities throughout San Diego County. The project is located in a moderate-income CT.

San Francisco-Oakland-Haywood

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 19 CD loans totaling $56.4 million, or 38.33 percent of Tier 1 Capital allocated to the AA. Zions originated 10 CD loans totaling $36.8 million dedicated to affordable housing, which was responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- Zions participated in seven loans with the City and County of San Francisco to convert public housing to the HUD pilot Rental Assistance Demonstration Program. The bank's participations totaled $35.3 million. These loans will help with the acquisition and rehabilitation of 657 affordable housing units within the AA. One of these projects totaling 89 units is located in a low-income CT.
- $1.5 million loan to refinance a 16-unit apartment building considered for affordable housing by HUD. This project is located in a low-income CT.
- Seven SBA 504 loans in the AA. The loans' primary purpose was economic development. Proceeds from the seven loans totaled $18.6 million. Two loans totaling $3.5 million originated in moderate-income CTs.

Broader Statewide

Zions also originated two loans totaling $800 thousand that were originated in the broader statewide area. These loans had a neutral impact on the overall statewide rating.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, and San Jose-Sunnyvale-Santa Clara MSA is weaker than the overall High Satisfactory performance under the lending test in California. The overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in California is rated Low Satisfactory. Zions' performance in the full-scope Los Angeles-Long Beach-Anaheim MSA and San Diego-Carlsbad MSA is adequate, and good in the San Francisco-Oakland-Hayward MSA. Investments across California, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of California section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

<u>Los Angeles-Long Beach-Anaheim MSA</u>

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $19.7 million, with current period investments totaling $11.9 million and prior period investments of $7.8 million. Investments benefiting the AA during the evaluation represented 3.23 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $6.6 million in three Low-Income Housing Tax Credit (LIHTC) funds benefitting affordable housing needs of the AA. This includes a $4 million contribution to a $94.3 million fund that will finance two affordable housing projects in the AA:

- A 12-unit property in for veterans and seniors. The project will operate under the HUD Section 8 and LIHTC programs, with HUD vouchers available on six units. These six units will serve homeless veterans, who will also have access to various supportive services through a nonprofit and the local Veteran's Administration (VA) office.
- Renovation of a 70-unit apartment project, which targeted to low- and moderate-income seniors. More than half of the units operate under the HUD Section 8 program, or as affordable units financed through the City.

Zions invested $5 million in a private equity vehicle that provides capital to developers, or directly acquires projects nearing the tax credit compliance period. This investment involved a

59unit affordable housing project for low-income seniors, which was originally financed with LIHTC equity proceeds in 1995.

Zions also made 78 grants totaling $308 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- $33 thousand in grants to a nonprofit organization, which serves as an intermediary between local nonprofit partners and the resources these partners, need to transform underserved neighborhoods into thriving communities of opportunity and choice.
- $43 thousand in grants to a nonprofit housing agency that develops, maintains, and preserves affordable homeownership opportunities for low- and moderate-income individuals. The organization also provides financial education to enable access to financing and ensure long-term success of homeownership.
- $15 thousand in grants to four different Habitat for Humanity (HFH) affiliates serving the AA. HFH is a self-help developer of affordable homeownership opportunities for low- and moderate-income individuals and families. HFH provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.

San Diego-Carlsbad MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $9.4 million, with current period investments totaling $8.7 million and prior period investments of $731 thousand. Investments benefiting the AA during the evaluation represented 2.23 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $8.5 million in two LIHTC funds benefitting affordable housing needs of the AA:

- The bank contributed $3.8 million in a $10.7 million fund to develop a 52-unit affordable housing project for individuals with special needs. Thirty-eight units will be available for homeless persons/families with disabilities or serious illnesses, of which 26 units will be targeted to veterans.
- The bank contributed $4 million in an $87 million fund for the development or rehabilitation of affordable housing.
- The construction of a 32-unit apartment complex, which will be targeted to low-income special needs families. Twenty-five units will have a HUD Section 8 voucher. Residents will have access to an array of services and resources that will be provided by the nonprofit sponsor.
- Rehabilitation of an 80-unit senior apartment complex. The renovation will convert single room only units to studio units. The property benefits from a Section 8 contract on all revenue-producing units.

Zions also made 43 grants totaling $194 thousand to various organizations within the AA that provide affordable housing, community services, economic development and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- A $15 thousand grant to a nonprofit micro lending organization serving Southern California, which provides access to capital and educational resources for local entrepreneurs.
- A $15 thousand grant to the San Diego Habitat for Humanity Funds, a self-help affordable housing developer.

<u>San Francisco-Oakland-Hayward MSA</u>

Zions made a good dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $6.5 million in current period investments and grants. Investments benefiting the AA during the evaluation represented 4.38 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $3.8 million in two LIHTC funds benefitting affordable housing needs of the AA:

- The bank contributed $2.9 million in an $87 million fund for the development of a 75 unit building for LMI seniors.
- The bank contributed $950 thousand in a $115 million LIHTC fund benefitting affordable housing needs.
- A 115-unit apartment complex targeting low- and moderate-income families.
- A 126-unit apartment complex, which currently operates under a Section 8 voucher for all units.

Zions invested $2.5 million in a Small Business Investment Company (SBIC) security for small business development.

Zions also made 25 grants totaling $121 thousand to various organizations within the AA that provide affordable housing, community services and economic development.

Examples of grants during the evaluation period include:

- $11 thousand in grants to an organization which advocates for the right of low-income communities and communities of color to have fair and equal access to banking and other financial services.
- $8 thousand in grants to a nonprofit organization that serves as an intermediary between local non-profit partners and the resources. These partners need to transform underserved neighborhoods into thriving communities of opportunity and choice.

<u>California Statewide</u>

Zions made statewide qualified investments totaling $5 thousand during the evaluation period in activities that had a purpose, mandate or function that serves one or more of the bank's

AAs. In addition, the bank made 33 prior period statewide investments that serves one or more of the bank's AAs with a book value of $33.6 million outstanding through the evaluation period. Statewide investments included qualifying mortgage backed securities, SBIC securities, and LIHTCs benefiting LMI individuals or small businesses across California. When considering these and other investments in the full- and limited-scope areas, the $79.3 million of qualified investments in the AAs and across the state represented 5.74 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. This is an investment in a CDFI loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Riverside-San Bernardino-Ontario MSA and San Jose-Sunnyvale-Santa Clara MSA is stronger than California's overall Low Satisfactory Investment Test performance due to higher levels of current period or outstanding prior period investments. Performance in the Sacramento-Roseville-Arden-Arcade MSA is consistent with the bank's overall Investment Test performance. Performance in the Bakersfield MSA, Fresno MSA, and Oxnard-Thousand Oaks-Ventura MSA is weaker than the state's overall Investment Test performance due to limited investment or grants, and is considered poor.

Refer to the Table 14 in the state of California section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in California is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach-Anaheim MSA, San Diego-Carlsbad MSA, and San Francisco-Oakland-Hayward MSA is good.

Retail Banking Services

Refer to Table 15 in the state of California section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Los Angeles-Long Beach-Anaheim MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Three of the 39 branches are located in low-income CTs. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Three of the 39 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is well below the percentage of population in moderate-income CTs. Nine branches located in middle- and upper-income CTs are near to or directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed two branches that were located in middle- and one branch located in an upper-income CTs. The middle-income branch was closed due to minimal transaction volumes and poor profitability, and the upper-income branch was closed because the property was acquired by eminent domain for a subway. The bank also opened a new branch in an upper-income tract.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

<u>San Diego-Carlsbad MSA</u>

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 24 branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Four of the 24 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is below the percentage of population in moderate-income CTs. Six branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in an upper-income CT due to an expiring lease.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

San Francisco-Oakland-Hayward MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Two of the 11 branches are located in low-income CTs. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Two of the 11 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Three branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Los Angeles-Long Beach-Anaheim MSA

Zions' performance in providing community development services in the AA is good. During the evaluation period, 45 employees provided their expertise to 28 organizations for a total of 1,133 hours. The majority of the employees participated as either board or committee members, or financial instructors. The bank employees' focus was affordable housing, community service, and economic development.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees provided over 580 hours to a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs.
- An employee served as a board member of an organization that provides neighborhood stabilization programs, affordable housing projects, and a homeless initiative programs.
- Two employees served as board members of an organization focused on establishing broad-based coalitions of financial institutions, community-based organizations, and other partners. The organization works to bring all unbanked and underserved populations into the financial mainstream.

- Two employees served as board members of an organization dedicated to improving and restoring neighborhoods. The organization promotes affordable housing to LMI individuals, reinvestment in communities, and economic development opportunities.
- A bank employee served as a board member of an organization that provides after school programs for LMI students, including homework assistance and tutoring.

San Diego-Carlsbad MSA

Zions' performance in providing community development services in the AA is adequate. During the evaluation period, 26 employees provided their expertise to 25 organizations for a total of 594 hours. The CD services provided were diverse.

Examples of CD services provided by employees during the evaluation period include:

- Employees provided over 40 hours of service to an organization dedicated to creating access to jobs and increasing income for LMI families and self-employed individuals. The organization also provides small loans and business support services to the community.
- An employee provided over 134 hours as a board member of an organization which goal is to help abused and at-risk children.
- Bank employees provided over 190 hours to an organization located in three counties that works with youth in low-income communities. The organization provides recreation, cultural and physical education, leadership development, and personal adjustment and enrichment programs.
- An employee served a board member of an organization that manages a loan guarantee program. The program assists small businesses that need additional support, in the form of a guarantee, to induce a bank to lend. The program places special emphasis on women and minority-owned businesses, and businesses located in the enterprise zones.

San Francisco-Oakland-Hayward MSA

Zions' performance in providing community development services in the AA is poor. During the evaluation period, three employees provided their expertise to three organizations for a total of 40 hours. The bank's focus was only community service.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a member of an organization's small business working group, planned a meeting for a small business outreach event. The organization promotes sound public policies, addresses risk in the financial system, and advocates for consumer protection.
- An employee served in the advisory services position of an organization that gives small business owners access to an integrated suite of resources to help their businesses grow.
- An employee served as the treasurer and executive board member of an organization that works to build the community that is primarily comprised of LMI families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, and San Jose-Sunnyvale-Santa Clara MSA is weaker than California's overall High Satisfactory performance. The branch distribution was very poor in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, and San Jose- Sunnyvale-Santa Clara MSA. Community development services were poor in the Fresno MSA and San Jose-Sunnyvale-Santa Clara MSA

Refer to Table 15 in the state of California section of appendix D for the facts and data that support these conclusions.

State of Colorado

CRA Rating for Colorado[3]: Satisfactory
The lending test is rated: Low Satisfactory
The investment test is rated: Needs to Improve
The service test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The geographic distribution of loans reflects adequate penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among retail customers of different income levels and business customers of different size.
- The bank has made an adequate level of community development loans.
- The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is adequate.

Description of Bank's Operations in Colorado

Zions has six AAs comprised of 19 counties within the state of Colorado. Zions included Boulder County in the Boulder MSA. The bank included El Paso and Teller Counties in the Colorado Springs MSA. The Denver-Aurora-Lakewood MSA was comprised of the Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties. The bank included Mesa County in the Grand Junction MSA. The bank included Pueblo County in the Pueblo MSA. The CO Non-MSA consists of Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, and Routt Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $2.6 billion in deposits in Colorado, which represented 5.01 percent of the bank's total deposits. The bank made 5.29 percent of its total evaluation period HMDA and CRA loans in Colorado.

Zions had 37 office locations and 39 deposit-taking ATMs within the state. The bank ranked tenth in deposit market share with 2.00 percent. Primary competitors include Wells Fargo

3

Bank National Association, First Bank, US Bank National Association, JPMorgan Chase Bank and Bank of the West. There were 140 FDIC insured depository institutions within the state of Colorado.

Refer to the community profiles for the state of Colorado in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Colorado

The Colorado Springs MSA was selected for analysis using full-scope procedures because the AA had not had a full-scope review in previous evaluation. The Denver-Aurora-Lakewood MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Boulder MSA, Grand Junction MSA, Pueblo MSA, and CO Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF COLORADO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Colorado is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Colorado Springs MSA is adequate, and performance in the Denver-Aurora-Lakewood MSA is good.

Lending Activity

Overall lending activity in the state of Colorado is good considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Colorado Springs MSA</u>

Zions' overall lending activity in the Colorado Springs MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, the bank had $198 million in deposits with a deposit market share of 2.51 percent. Zions ranked eighth out of 39 banks in the AA and in the top 20.51 percent of banks in deposit market share. Zions originated 161 home mortgage loans and 563 small business loans through the evaluation period. Small business lending represented 77.76 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 16.95 percent of lenders (71 out of 419) originating home purchase loans in the Colorado Springs MSA. Zions' home purchase market share of 0.19 percent is less than their deposit market share. The bank ranked in the top 20.05 percent of lenders (80 out of 399 lenders) originating home refinance loans in the AA. Zions had a 0.23 percent market share of home refinance loans. The bank's market share of home refinance loans is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 9.01 percent of lenders (10 out of 111) originating small business loans in the Colorado Springs MSA. Zions had a 1.57 percent market share of small business loan originations. The bank's market share of small business loans is less than their deposit market share. The top five small business lenders had a combined market share of 71.40 percent of small business loan originations. Zions had the largest average loan size of all banks ranked in the top 10 for small business loan originations.

Denver-Aurora-Lake MSA

Zions' overall lending activity in the Denver-Aurora-Lakewood MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $1.5 billion in deposits with a deposit market share of 1.84 percent. Zions ranked tenth out of 71 deposit-taking banks in the AA. Zions ranked in the top 14.08 percent of banks in deposit market share. Zions originated 691 home mortgage loans and 2,597 small business loans through the evaluation period. Small business lending represented 78.98 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 13.49 percent of lenders (90 out of 667) originating home purchase loans. Zions home purchase market share of 0.20 percent is less than their deposit market share. The bank ranked in the top 15.02 percent of lenders (96 out of 639) originating home refinance loans in the AA. Zions' home refinance market share of 0.20 percent is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 6.78 percent of lenders (12 out of 177) originating small business loans in the AA. Zions had a 1.45 percent market share of small business loan originations. The bank's market share of small business loan originations is less than their deposit market share. The top five small business lenders had a combined market share of 70.73 percent of small business loan originations. Zions had a larger average loan size than all banks ranked ahead in small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Colorado Springs MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans in low-income CTs. The percentage of home purchase loans in moderate-income CTs is near the aggregate and below the percentage of owner- occupied units. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans in low-income CTs was below the aggregate and the percentage of loans in moderate- income CTs was well below the aggregate. The percentage of loans in low-income CTs was below the percentage of owner-occupied units and the percentage in moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was very poor. In 2017, the bank did not make any loans in low-income CTs. The percentage of home refinance loans in moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of home refinance loans in moderate-income CTs is near to the aggregate and below the percentage of owner-occupied units.

Denver-Aurora-Lakewood MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans in low-income CTs was significantly below the aggregate, but near to the aggregate for home purchase loans in moderate-income CTs. In addition, the percentage of loans was significantly below the percentage of owner-occupied units for loans in low-income CTs and near to the percentage of owner-occupied-housing for loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans was below the aggregate for loans originated/purchased in both low- and moderate-income CTs. The percentage of loans exceeded the percentage of owner-occupied housing in low-income CTs and was below the percentage of owner-occupied housing in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was good. In 2017, the percentage of home refinance loans in both low- and moderate-income CTs was near to the aggregate and the percentage of owner-occupied units in both CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans in low-income CTs was well below the aggregate. The percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was well below the percentage of owner-occupied units in these CTs. The percentage of loans in moderate-income CTs exceeded the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was excellent.

Refer to Table 6 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

<u>Colorado Springs MSA</u>

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded both the aggregate and the percentage of businesses in low-income CTs. The percentage of small loans to businesses was near to the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of small loans to businesses in low-income CTs exceeded the aggregate and the percentage of loans in moderate-income CTs was below the aggregate. The percentage of loans in low-income CTs exceeded the percentage of businesses in these CTs and the percentage of loans in moderate-income CTs was below the percentage of businesses in these CTs.

<u>Denver-Aurora-Lakewood MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in both low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with performance in 2017.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans was adequate.

Refer to Tables 8, 9, and 10 in the state of Colorado section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

<u>Colorado Springs MSA</u>

The overall borrower distribution of home purchase loans in the Colorado Springs MSA was poor. In 2017, the percentage of home purchase loans to both low- and moderate-income borrowers was significantly below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans to low-income borrowers exceeded the aggregate. The percentage of loans to moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers exceeded the aggregate. However, the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans to low-income borrowers was significantly below the aggregate. The percentage was near the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The loans to moderate-income borrowers exceeded the percentage of moderate-income families.

<u>Denver-Aurora-Lakewood MSA</u>

The overall borrower distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans to low-income borrowers significantly exceeded the aggregate. The percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to low-income families was significantly below the percentage of low-income families and the percentage of loans to moderate-income families was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers exceeded the aggregate. The percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans exceeded the aggregate for loans to low-income borrowers. Loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans to low-income borrowers exceeded the aggregate and the percentage of loans to moderate-income families was near to the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Colorado section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

<u>Colorado Springs MSA</u>

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of $1 million or less) was below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>Denver-Aurora-Lakewood MSA</u>

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of the loans to small businesses (businesses with gross annual revenues of $1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was consistent with 2017 performance.

Other Performance

Zions works in conjunction with state housing agencies, city, and county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs may include down payment and closing cost assistance. Zions has worked with Colorado Housing Finance Authority (CHFA) to offer flexible, affordable loan products under this agency's program. Zions leveraged this program to originate 46 loans totaling over $7.1 million during the evaluation period within the state. In the Colorado Springs MSA, the bank originated 14 CHFA loans totaling over $2.6 million; they originated 12 CHFA loans totaling over $2 million in the Denver-Aurora MSA.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Colorado. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Colorado Springs MSA

The volume of CD lending is Needs to Improve in the Colorado Springs MSA. The bank did not originate any CD loans throughout the evaluation period. CD lending had a neutral impact on the overall lending test performance given the relatively limited opportunities for community development lending in the AA.

Denver-Aurora-Lakewood MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending test performance in the AA. During the evaluation period, Zions originated 17 CD loans totaling $47.5 million, or 25.16 percent of the Tier 1 Capital allocated to the AA. Zions originated three CD loans for $20.2 million dedicated to affordable housing. CD lending was responsive to identified needs in the community of affordable housing.

Examples of CD loans originated during the evaluation period include:

- $9 million CD loan for four apartment buildings consisting of 101 units located in a low-income CT. The buildings have rents that are affordable to LMI families.
- $8 million CD loan to a nonprofit dedicated to developing housing and services for low-income communities, the elderly, and those with special needs.
- $3.2 million loan to construct a 218-unit multifamily building. This building, which is located in a moderate-income CT, has 25 percent of units rent restricted to families earning less than 80 percent of the median family income.
- $200 thousand CD loan for a nonprofit community organization that operates a center for women and transgendered individuals who are experiencing poverty or homelessness. This community service provides endeavors to assist with adult education, workplace attire, and pro-bono legal services.
- Five SBA 504 loans totaling $11.2 million, two that are in moderate-income CTs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the CO Non-MSA is stronger than the bank's overall performance in the state due to the CD lending performance was relatively high in the AA. The performance in the Pueblo MSA is consistent with the overall Low Satisfactory performance for the lending test in Colorado. In the Boulder MSA and Grand Junction MSA, the performance is weaker than the overall performance in the state due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Colorado is rated Needs to Improve. Zions' performance in the full-scope Colorado Springs MSA and Denver-Aurora-Lakewood MSA is very poor. Investments across Colorado, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

<u>Colorado Springs MSA</u>

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $*5* thousand in current period grants. Investments benefiting the AA during the evaluation represented 0.02 percent of allocated Tier 1 Capital.

Zions also made seven grants totaling $5 thousand to organizations within the AA that provide community services or economic development.

<u>Denver-Aurora-Lakewood MSA</u>

Zions made a very poor dollar volume of qualified investments. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $163 thousand in current period grants. Investments benefiting the AA during the evaluation represented 0.09 percent of allocated Tier 1 Capital.

Zions also made 55 grants totaling $163 thousand to various organizations within the AA that provide affordable housing, community services, and economic development.

Examples of grants during the evaluation period include:

- Over $17 thousand to a nonprofit youth organization, which focuses on providing financial education programs for young people, most of whom are LMI.
- $12 thousand to a nonprofit youth education organization whose mission is to advance the economic opportunities of elementary through high school students by inspiring

entrepreneurship and providing financial literacy. Zions targeted its investment in schools specifically serving LMI students.

Colorado Statewide

Zions made 15 statewide qualified investments with outstanding balances of $11.7 million from prior periods that had a purpose, mandate or function that serves one or more of the bank's AAs. Statewide investments included qualifying mortgage backed securities SBIC securities benefiting LMI borrowers or small businesses across Colorado, and an investment in a housing authority fund. When considering these and other investments in the full- and limited- scope areas, the $12 million of qualified investments in the AAs and across the state represented 3.55 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of $717 thousand that remained outstanding through the evaluation period. One investments was with a CDFI loan fund for economic development in multiple states, and one was to a micro-lender serving Colorado and New Mexico.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Boulder MSA, CO Non-MSA, Grand Junction MSA, and Pueblo MSA is consistent with the Colorado's overall Needs to Improve Investment Test performance.

Refer to the Table 14 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Colorado is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Colorado Springs MSA and Denver-Aurora-Lakewood MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Colorado section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Colorado Springs MSA

Branch distribution in the AA is adequate. Branches are reasonably accessible to all portions of the AA. One of the three branches is located in low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. There are no branches located in a moderate-income CT.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Denver-Aurora-Lakewood MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. There are no branches located in low-income CTs. Five of the 15 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Two branches located in upper-income CTs are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Colorado Springs MSA

Zions' performance in providing community development services in the Colorado Springs MSA is good. During the evaluation period, four employees provided their expertise to five organizations for a total of 280 hours. Approximately 26 percent of the hours were dedicated to economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee assisted as a volunteer teacher in an organization that provides resources and expertise to maximize success of existing and emerging small businesses. He taught the funding portion of this program.
- An employee served over 150 hours as board member for an organization that provides distinctive educational experiences that equip students for success. The majority of the students are LMI.
- An employee served on the advisory board of an organization whose purpose is to build self-esteem and teach life skills to low income youth, by providing opportunity through quality programs and activities. The organization encourages youth to graduate from high school, pursue college or a career, contribute to their community, and live a healthy life.
- An employee served as a board member of an organization whose purpose is to meet the urgent needs of the community residents who seek help due to an immediate crisis. The organization provides rent and mortgage assistance, an emergency food pantry, utilities assistance, transportation assistance, and clothing assistance. In addition, the organization has a program that serves community members who are either underinsured or uninsured with health and dental issues.

Denver-Aurora-Lakewood MSA

Zions' performance in providing community development services in the Denver-Aurora-Lakewood MSA is adequate. During the evaluation period, 42 employees provided their expertise to 21 organizations for a total of 1,075 hours. The majority of the employees participated as either board or committee members, or financial instructors. The bank employees' focus was affordable housing, community service, and economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a loan committee member for over 140 hours for an organization that provides funding, education, and resources. The organization offers entrepreneurial mindset training and development, SBA loans, commercial real estate loans, general business loans, microloans, a small business resource directory, webinars, and counseling. The organization also collaborates with other organizations that focus on small business and economic development.
- Bank employees provided over 400 hours to a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs. The employees served as volunteer teachers and coordinators of events hosted by the program.
- An employee served as a board member of an organization that supports and enhances projects that benefit the community. The organization seeks funds from private sources to build a pool of permanent capital for local philanthropic purposes, including youth programs, senior programs, open space and parks, education and library services, public safety, cultural arts, social services, community relations and historical legacy. The organization's clients are low income.

- An employee served as the board member of an organization whose mission is to serve residents of Denver by developing, owning, and operating safe, decent, and affordable housing in a manner that promotes thriving communities.
- An employee served as a volunteer, tutor, and advisory board member of a nonprofit organization dedicated to improving student reading skills. The bank employee attended schools from low-income communities and recruited and trained other community volunteers to work one-on-one with students twice a week.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Boulder MSA, Grand Junction MSA, Pueblo MSA, and CO Non-MSA is weaker than Colorado's overall High Satisfactory performance. Refer to Table 15 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

State of Idaho

CRA Rating for Idaho[4]: Satisfactory
The lending test is rated: High Satisfactory
The investment test is rated: Needs to Improve
The service test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among retail customers of different income levels and business customers of different size.
- The bank has made an adequate level of community development loans.
- The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is good.

Description of Bank's Operations in Idaho

Zions has five AAs comprised of 20 counties within the state of Idaho. Zions included Ada, Boise, Canyon, Gem, and Owyhee Counties in the Boise MSA. The bank included the Bonneville, Butte, and Jefferson Counties in the Idaho Falls MSA. The Lewiston MSA consisted of the Nez Perce County. The bank included Bannock County in the Pocatello MSA. The ID Non-MSA was comprised of the Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $1.4 billion in deposits in Idaho, which represented 2.80 percent of the bank's total deposits. The bank made 9.57 percent of its total evaluation period HMDA and CRA loans in Idaho.

Zions had 23 office locations and 26 deposit-taking ATMs within the state. The bank ranked fourth in deposit market share with 5.89 percent. Primary competitors include Wells Fargo

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Bank National Association, US Bank National Association, KeyBank National Association, and Glacier Bank. There were 32 FDIC insured depository institutions within the state of Idaho.

Refer to the community profiles for the state of Idaho in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Idaho

The Boise MSA was selected for analysis using full-scope procedures due to the high percentage of deposits in the areas and large volume of reportable loans in the state. The ID Non-MSA was selected for analysis using full-scope procedures because it had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Idaho Falls MSA, Lewiston MSA, and the Pocatello MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF IDAHO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Idaho is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Boise MSA is excellent and in the ID Non-MSA is adequate.

Lending Activity

Overall lending activity in the state of Idaho is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Idaho section of appendix D for the facts and data used to evaluate the bank's lending activity.

Boise MSA

Zions overall lending activity in the Boise MSA is excellent. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $353.3 million in deposits, with a deposit market share of.3.27 percent. Zions ranked eighth out of 20 banks in the AA. Zions ranked in the top 40 percent of all deposit taking banks. The bank originated 257 home mortgage loans and 2,409 small business loans throughout the evaluation period. Small business lending represented 90.36 percent of reportable lending in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 27.04 percent of lenders (73 out of 270) originating home purchase loans in the Boise MSA. Zions' home purchase market share of 0.16 percent was less than their deposit market share. The bank ranked in the top 26.05 percent of lenders (62 out of 238) originating home refinance loans in the AA. Zions had a 0.31 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.78 percent of lenders (seven out of 90) originating small business loans in the AA. Zions had a 4.05 percent market share of originations. The bank's market share of small business loan originations was greater than their deposit market share. The top five small business lenders had a combined market share of 73.66 percent of small business loan originations. Zions had a larger average loan size than all banks ranked ahead in small business loan originations.

Idaho Non-MSA

Zions' overall lending activity in the Idaho Non-MSA is excellent. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $657.4 million in deposits, with a deposit market share of 14.07 percent. Zions ranked third in total deposits out of 19 banks in the AA. Zions ranked in the top 15.79 percent of banks in deposit market share. The bank originated 445 home mortgage loans and 2,482 small business throughout the evaluation period. Small business represented 84.80 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 5.82 percent of lenders (11 out of 189) originating home purchase loans in the AA. Zions' home purchase market share of 2.12 percent was less than their deposit market share. The bank ranked in the top 7.84 percent of lenders (16 out of 204) originating home refinance loans in the AA. Zions' home refinance market share of 1.52 percent market was less than their deposit market share.

According to 2016 peer small business data, Zions ranked third out of 71 lenders, originating small business loans in the AA. Zions had a 9.21 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 75.59 percent of all small business loan originations. Zions had the largest loan size of all banks ranked in the top seven for small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Idaho section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Boise MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans in low-income CTs, and the percentage of home purchase loans in moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate. The percentage of loans in moderate-income CTs was well below the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units in low-income CTs. The percentage of loans in moderate-income CTs was well below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of home refinance loans in both low- and moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans was below the percentage of owner-occupied units in low-income CTs. The percentage of loans exceeded the percentage of owner-occupied units in moderate-income CTs.

ID Non-MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs exceeded the aggregate. The percentage of loans in the moderate-income CTs was significantly below the aggregate. The percentage of loans exceeded the percentage of owner-occupied units in low-income CTs and was near to the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans exceeded the aggregate and the percentage of owner-occupied units in low-income CTs. The bank did not originate or purchase any loans in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans in low-income CTs exceeded both the aggregate and the percentage of owner-occupied units in low-income CTs. The bank did not originate any home refinance loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans in low-income CTs significantly exceeded the aggregate and was near to the percentage of owner-occupied units. The bank did not originate or purchase any home refinance loans in moderate-income CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was good.

Refer to Table 6 in the state of Idaho section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

<u>Boise MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses exceeded the aggregate and the percentage of businesses in both low- and moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>Idaho Non-MSA</u>

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded the aggregate in low-income CTs. The percentage of loans to small businesses was well below the aggregate in moderate-income CTs. The percentage of loans exceeded the percentage of businesses in low-income CTs and was near to the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was poor.

Refer to Table 7 in the state of Idaho section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

<u>Boise MSA</u>

The geographic distribution of small loans to farms was adequate. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>Idaho Non-MSA</u>

The geographic distribution of small loans to farms was very poor. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any small loans to farms in either low- or moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans was poor.

Refer to Tables 8, 9, and 10 in the state of Idaho section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

<u>Boise MSA</u>

The overall borrower distribution of home purchase loans in the Boise MSA was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers was well below the aggregate and near to the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the bank did not originate or purchase any home refinance loans to low-income borrowers. The percentage of home refinance loans to moderate-income borrowers was well below the aggregate and the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans was well below the aggregate for loans to low-income borrowers. The percentage of home refinance loans was below the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and below the percentage of moderate-income families.

<u>ID Non-MSA</u>

The overall borrower distribution of home purchase loans in the ID Non-MSA was poor. In 2017, the percentage of home purchase loans was significantly below the aggregate for loans to low-income borrowers, and well below the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage low-income families and well below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home purchase loans to low- and moderate-income borrowers was well below the aggregate for both. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income borrowers.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the bank did not make any loans to low-income borrowers. The percentage of loans to moderate-income borrowers exceeded the aggregate and the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans was below the aggregate for loans to low-income borrowers and exceeded the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage low-income families. The percentage of loans to moderate-income borrowers was near to the percentage of moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was poor.

Refer to Table 11 in the state of Idaho section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination and purchase of small loans to businesses.

Boise MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of the loans to small businesses was good and below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

ID Non-MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the borrower distribution of small loans to farms (farms with gross annual revenues of $1 million or less) was poor.

Refer to Table 12 in the state of Idaho section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Boise MSA

The overall borrower distribution of loans to small farms was adequate. In 2017, the percentage of loans to small farms was near the aggregate but well below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small farms exceeded the aggregate and was below the percentage of small farms.

ID Non-MSA

Overall, the borrower distribution of small loans to farms was poor. In 2017, the percentage of loans to small farms was below the aggregate and well below the percentage of small farms. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans to small farms was significantly below the aggregate and below the percentage of small farms.

Other Performance

Zions works in conjunction with state housing agencies, and city or county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs include down payment and closing cost assistance. Zions has worked with Idaho Housing to offer flexible, affordable loan products under this agency's program. Zions leveraged this program to originate five loans totaling over $813 thousand during the evaluation period in the Boise MSA.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Idaho. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Idaho section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Boise MSA

The volume of CD lending was excellent and had a significantly positive impact on the lending performance in the AA. During the evaluation period, Zions originated four CD loans totaling $19.9 million, or 44.17 percent of Tier 1 Capital allocated to the AA. Zions originated two loans for a total $18.1 million dedicated to affordable housing, which was responsive to the identified need of economic development.

Examples of CD loans originated during the evaluation period include:

- Two loans totaling $18.2 million to a redevelopment and urban renewal agency. The proceeds from the loans were used to construct infrastructure, geothermal extensions, and fiber optic cable installation. This project aims to create a business and economic development environment out of a vacant former railyard. This project will help spur job creation and economic opportunities in a low-income CT.
- A $5 thousand loan to a nonprofit organization serving those affected by domestic abuse. The purpose was to help with operating expenses. The organization provides childcare, medical assistance, legal guidance, and child protective services. This agency is located in a low-income CT.

Idaho Non-MSA

Zions' performance in the Idaho Non-MSA is Needs to Improve and had an overall neutral impact on the lending test rating in this AA. Zions did not originate any CD loans in the AA throughout the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Idaho Falls MSA is consistent with overall Low Satisfactory performance under the Lending Test in Idaho. In the Lewiston MSA and Pocatello MSA, the performance is weaker than the bank's overall performance in the state due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Idaho is rated Needs to Improve. Zions' performance in the full-scope Boise MSA is poor, and very poor in the ID Non-MSA. Investments across Idaho, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Idaho section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Boise MSA

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $158 thousand, with $7 thousand in current period grants, and prior period investments of $151 thousand. Investments benefiting the AA during the evaluation represented 0.35 percent of allocated Tier 1 Capital.

During the evaluation period, the bank made five grants totaling $7 thousand to organizations within the AA that provide community services or economic development.

ID Non-MSA

Zions made a very poor dollar volume of qualified investments. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $4 thousand in five current period grants to organizations within the AA that provide community services and affordable housing. Investments benefiting the AA during the evaluation represented less than 0.01 percent of allocated Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of $13.4 million that remained outstanding through the evaluation period. One investment was with a CDFI loan fund for economic development in multiple states, and one was a $12.9 million SBIC security investing in businesses in Idaho and Utah.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Lewiston MSA is stronger than the Idaho's Needs to Improve performance due to a significantly higher level of outstanding prior period investments. Performance in the Idaho Falls MSA and Pocatello MSA is consistent with the bank's overall Investment Test performance.

Refer to the Table 14 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Idaho is rated Outstanding. Based on full-scope reviews, the bank's performance in the Boise MSA and ID Non-MSA is excellent.

Retail Banking Services

Refer to Table 15 in the state of Idaho section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Boise MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. One of the six branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Three of the six branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in an upper-income CT is near to and directly adjacent to a low- and moderate-income CTs. This branch provides services to a large percentage of LMI individuals. When considering this near to branch, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in a middle-income CT. The branch was closed due to the lease expiring, and a street widening project that would eliminate the drive-up.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Idaho Non-MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. One of the 12 branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. One of the 12 branches is located in a moderate-income CT. The percentage of branches in moderate- income CTs are consistent with the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Boise MSA

Zions' performance in providing community development services in the Boise MSA is good. During the evaluation period, 16 employees provided their expertise to 12 organizations for a total of 836 hours. Zions employees served in a leadership capacity with eight organizations. The CD services provided were diverse.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees served as financial literacy instructors for various schools in the AA, teaching elementary and middle school students about money safety, currency, credit and debit cards and checks. The majority of students were from LMI families.
- An employee provided over 160 hours as an instructor for a nonprofit association dedicated to educate entrepreneurs and help small businesses start, grow, and succeed nationwide. The association provides free counseling to small business owners and entrepreneurs. The bank employee taught the banking portion of the Business Fundamentals class for entrepreneurs and small business owners.
- An employee provided over 120 hours as a financial literacy instructor to an organization, which offers classes and services designed to help new citizens adjust to life in the Unites States, and raise their standard of living. Topics covered included savings, checking accounts, budgeting, how to use a bank, credit and loans, mortgages, and investing. The employee taught low-income individuals and families.
- Two bank employees served as board and finance committee members of a nonprofit corporation licensed and regulated by the SBA to administer the SBA 504 loan program. The corporation provides access to long-term capital for real estate and equipment needs for business expansion. The corporation has helped more than one thousand companies, provided over $330 million in financing, and helped businesses create more than 8,500 jobs.

Idaho Non-MSA

Zions' performance in providing community development services in the Idaho Non-MSA is excellent. During the evaluation period, 12 employees provided their expertise to nine organizations for a total of 631 hours. Zions employees served in a leadership capacity with seven organizations. The CD services provided were very diverse.

Examples of CD services provided by employees during the evaluation period include:

- An employee dedicated over 120 hours as of a board member of an organization that provides assistance to fixed-income seniors to pay for health care. Additionally, the organization assists in the development and expansion of the facilities and programs of the community's hospital, and its skilled nursing facility. Most of the residents in the nursing facility receive Medicaid and are therefore low income.
- Bank employees participated as financial instructors of an organization dedicated to teaching children and young adults about financial decisions. Employees visited

various LMI schools and spent two hours each, teaching students about protecting money, checks, and debit cards.
- An employee served over 35 hours as of board member for an organization that provides housing assistance to seniors, disabled individuals and low-income individuals living in the county. The board oversees general operations of the organization, including financial operations.
- Two employees served as board members of a nonprofit, investor-supported organization dedicated to diversifying the regional economy by attracting new investment and jobs, which would improve the economics of the surrounding area. The board oversees general operations of the organization, including financial operations.
- An employee dedicated over 120 hours as an event co-chair of an organization that focuses on economic development of the county. The organization provides opportunities for entrepreneurs and small businesses to connect with resources to help them grow. The employee served as the co-chair of an annual intensive boot camp that provides entrepreneurs and small businesses with various tools and skills.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Idaho Falls MSA, Lewiston MSA, and Pocatello MSA is weaker than Idaho's overall Outstanding performance. In Lewiston MSA and Pocatello MSA, the branch distribution in LMI geographies was poor.

Refer to Table 15 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

State of Nevada

CRA Rating for Nevada[5]: Satisfactory
The lending test is rated: Low Satisfactory
The investment test is rated: Low Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect adequate responsiveness to AA credit needs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of borrowers reflects poor penetration, given the product lines offered by the bank. There is adequate penetration among retail customers of different income levels.
- The bank has made an adequate level of community development loans.
- The bank has made an adequate level of qualified investments that exhibited adequate responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is adequate.

Description of Bank's Operations in Nevada

Zions has four AAs comprised of 17 counties within the state of Nevada. Zions included Carson City County in the Carson City MSA. The Las Vegas-Henderson-Paradise MSA consisted of Clark County. The bank included Storey and Washoe Counties in the Reno MSA. The NV Non-MSA consisted of Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, and White Pine Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $4.3 billion in deposits in Nevada, which represented 8.24 percent of the bank's total deposits. The bank made 7.97 percent of its total evaluation period HMDA and CRA loans in Nevada.

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[5] For banks with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the bank's performance in that area.

Zions had 50 office locations and 64 deposit-taking ATMs within the state. The bank ranked sixth in deposit market share with 1.88 percent. Primary competitors include Charles Schwab Bank, Wells Fargo Bank National Association, Bank of America National Association, and US Bank National Association. There were 47 FDIC insured depository institutions within the state of Nevada.

Refer to the community profiles for the state of Nevada in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Nevada

The Las Vegas-Henderson-Paradise MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area. The NV Non-MSA was selected for analysis using full-scope procedures because the AA has not had a full-scope review in previous evaluations. In addition, the deposit market share indicates the bank is important to this area.

The Carson City MSA and Reno MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF NEVADA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Nevada is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas-Henderson-Paradise is adequate and lending performance in the NV Non-MSA is excellent.

Lending Activity

Overall lending activity in the state of Nevada is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Nevada section of appendix D for the facts and data used to evaluate the bank's lending activity.

Las Vegas-Henderson-Paradise

Zions' overall lending activity in the Las Vegas-Henderson-Paradise MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had $3 billion in deposits, with a deposit market share of 5.40 percent. Zions ranked seventh out of 39 it total deposits in the AA. Zions ranked in the top 17.94 percent of banks in deposit market share. Zions originated 1,154 home mortgage loans and 4,846 small business loans through the evaluation period. Small business lending represented 80.76 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 14.21 percent of lenders (53 out of 373) originating home purchase loans. Zions' home purchase market share of 0.45 percent was less than their deposit market share. The bank ranked in the top 7.67 percent of lenders (26 out of 339) originating home refinance loans in the AA. Zions had a 0.84 percent market share of home refinance loans. The bank's market share of home refinance loans o was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 5.80 percent of lenders, (8 out of 138) originating small business loans. Zions had a 4.91 percent market share of small business loan originations. The bank's market share of small business loan originations is near to their deposit market share. The top five small business lenders had a combined market share of 66.94 percent of small business loan originations.

Nevada Non-MSA

Zions' overall lending activity in the Nevada Non-MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $626.9 million in deposits, with a deposit market share of 18.97 percent. Zions ranked second out of 13 in the AA. Zions ranked in the top 15.38 percent of banks in deposit market share. Zions originated 255 home mortgage loans and 1,175 small business loans through the evaluation period. Small business lending represented 82.17 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 17.16 percent of lenders (29 out of 169) originating home purchase loans. Zions' home purchase market share of 0.73 percent was less than their deposit market share. The bank ranked in the top 7.94 percent of lenders (15 out of 189) originating home refinance loan. Zions had a 1.41 percent market share of home refinance loan originations. The bank's market share of home refinance originations was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.94 percent of lenders (5 out of 63 lenders) originating small business loans in the AA. Zions had a 7.58 percent market share of originations of small business loans. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 78.59 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was good.

Refer to Tables 2, 3, 4, and 5 in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

<u>Las Vegas-Henderson-Paradise MSA</u>

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate. The percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans was significantly below the percentage of owner-occupied units in low-income CTs and was well below the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans in low-income CTs was significantly below the aggregate. The percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans was significantly below the percentage of low-income families and well below the percentage of moderate-income families.

The overall geographic distribution of home improvement loans was excellent. In 2017, the percentage of loans exceeded the aggregate and the percentage of owner-occupied units in both low- and moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units and was near to the percentage of owner-occupied units in moderate-income CTs.

The overall geographic distribution of home refinance loans was poor. In 2017, the bank did not make any loans in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate, but was significantly below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate, but was well below the percentage of owner-occupied units.

<u>NV Non-MSA</u>

In evaluating the geographic distribution of home loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of home purchase loans was good. In 2017, the percentage of loans in moderate-income CTs was below the aggregate and well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans significantly exceeded both the aggregate the percentage of owner-occupied units.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and was below the percentage of owner-occupied units. The bank did not originate or purchase a sufficient number of home improvement loans in 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was good. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and was near to the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses was good.

Refer to Table 6 in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Las Vegas-Henderson-Paradise MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded the aggregate in both low- and moderate-income CTs. The percentage of loans was below the percentage of businesses in low-income CTs and near to the percentage of loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

NV Non-MSA

The overall geographic distribution of small loans to businesses was excellent. The percentage of loans in moderate-income CTs exceeded the aggregate and was near to the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses in moderate-income CTs exceeded the aggregate and the percentage of businesses in these CTs.

Small Loans to Farms

Las Vegas-Henderson-Paradise MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

NV Non-MSA

The geographic distribution of small loans to farms was poor. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any small loans to farms in either low- or moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Las Vegas-Henderson-Paradise MSA

The overall borrower distribution of home purchase loans in the Las Vegas-Henderson-Paradise MSA was poor. In 2017, the percentage of loans to low-income borrowers was significantly below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with to 2017. The percentage of home purchase loans to low- and moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate. The percentage of loans to moderate-income borrowers was near to the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans to low-income borrowers was near to the aggregate, and the percentage of loans to moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, but the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

NV Non-MSA

The overall borrower distribution of home purchase loans in the NV Non-MSA was good. In 2017, the percentage of loans in both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans was significantly below the percentage of low-income families and below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans to low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of loans to both low-and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families in these CTs; however, loans to moderate-income borrowers exceeded the percentage of moderate-income families in these CTs. The bank did not originate or purchase a sufficient number of home improvement loans in 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of loans to both low- and mod-income borrowers exceeded the aggregate. The percentage of loans was well below the percentage of low-income families in these CTs for loans to low-income borrowers and exceeded the percentage of moderate-income families in these CTs for loans to moderate-income borrowers. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families in these CTs and the percentage of loans to moderate-income borrowers was below the aggregate.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses was poor.

Refer to Table 11 in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Las Vegas-Henderson-Paradise MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of $1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was near to the aggregate, but well below the percentage of small businesses.

NV Non-MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of $1 million or less) was well below the aggregate. It was significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses exceeded the aggregate, but was well below the percentage of small businesses.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was very poor.

Refer to Table 12 in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Las Vegas-Henderson-Paradise MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

NV Non-MSA

The overall borrower distribution of small loans to farms was poor. In 2017, the percentage of loans to small farms was below the aggregate and significantly below the percentage of small farms. In 2015 through 2016, the bank did not originate or purchase a sufficient number of small loans to farms to perform a meaningful analysis.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Nevada. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Nevada section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Las Vegas-Henderson-Paradise MSA

The volume of CD lending was good, and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated 45 CD loans totaling $18.9 million, or 5.01 percent of Tier 1 Capital allocated to the AA. Zions originated eight loans totaling $10.3 million dedicated to affordable housing; the majority of CD lending was dedicated to the identified community need of affordable housing.

Examples of CD loans originated during the evaluation period include:

- $3.8 million loan to refinance a 150 unit affordable housing complex that provides long-term and short-term housing for veterans. The short-term housing component serves to get veterans a place to live while they search for work and save money to become self-sufficient. These apartments are located in a low-income CT.
- $250 thousand loan to meet the working capital needs of a nonprofit organization that provides affordable housing. The project has 139 units of affordable housing and is located in a moderate-income CT.
- $15 thousand loan to meet the working capital needs of a nonprofit organization that provides services to low-income seniors. The organization offers physical, social, and cognitive stimulation programs, and is located in a moderate-income CT.
- Two SBA 504 loans totaling $2.9 million as part of the SBA 504 Certified Development Company program. The loans were used to acquire commercial real estate in a moderate-income CT.

Nevada Non-MSA

The volume of CD lending was excellent and had a positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 15 CD loans totaling $21.3 million, or 26.64 percent of Tier 1 Capital allocated to the AA. Zions focused their CD lending on economic development activities and originated 13 CD loans totaling $21.3 million for this purpose.

Examples of CD loans originated during the evaluation period include:

- $380 thousand loan to an Economic Development Corporation owned and operated by a Native American Tribe. The loan was used to fund improvements of an existing building, which is located in a moderate-income CT.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Carson City MSA and Reno MSA are weaker than the overall Low Satisfactory performance under the Lending Test in Nevada, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Nevada is rated Low Satisfactory. Zions' performance in the full-scope Las Vegas-Henderson-Paradise MSA is adequate, and poor in the NV Non-MSA. Investments across Nevada, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Nevada section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Las Vegas-Henderson-Paradise MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited adequate responsiveness to the credit and CD needs in the AA. Qualified investments totaled $9 million, with current period investments totaling $4.4 million and prior period investments of $4.6 million. Investments benefiting the AA during the evaluation represented 2.37 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $4.2 million in a qualifying mortgage backed security secured by loans to LMI borrowers. Zions also made 46 grants totaling $190 thousand to various organizations within the AA that provide affordable housing, community services, economic development, and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- $20 thousand in grants to an organization for the development and preservation of affordable housing for LMI individuals.
- $20 thousand in grants to a nonprofit organization, which serves as a foodbank to low income households.

NV Non-MSA

Zions made a poor dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited adequate responsiveness to the credit and CD needs in the AA. Qualified investments totaled $1.3 million, with current period investments totaling $664 thousand and prior period investments of $625 thousand. Investments benefiting the AA during the evaluation represented 1.61 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $658 thousand in a qualifying mortgage backed security secured by loans to LMI borrowers. Zions also made four grants totaling $7 thousand to various organizations within the AA that provide community services and economic development.

Nevada Statewide

In addition to the $10.7 million in qualified investments in the bank's AAs, Zions had 13 prior period statewide investments that had a purpose, mandate or function that serves one or more of the bank's AAs with a book value of $13.6 million outstanding through the evaluation period. Statewide investments included qualifying mortgage-backed securities, SBIC securities benefiting LMI borrowers or small businesses across Nevada, and investments in several

CDFIs' and other entities' affording housing and small business loan funds. When considering these and all other investments in the full- and limited-scope areas, the $24.3 million of qualified investments in the AAs and across the state represented 4.37 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. The prior period investment is with a CDFI's loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Carson City MSA and Reno MSA is weaker than Nevada's overall Low Satisfactory Investment Test performance due to minimal levels of current and outstanding prior period investments relative to deposits.

Refer to the Table 14 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Nevada is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas-Henderson-Paradise MSA is excellent, and good in the NV Non-MSA.

Retail Banking Services

Refer to Table 15 in the state of Nevada section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Las Vegas-Henderson-Hillsboro MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 30 branches is located in a low-income CT. The percentage of branches in low-income CTs is below the percentage of population in low-income CTs. Five of the 30 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Four branches located in middle-income geographies are near to or directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in a middle-income CT. The branch was closed due to minimal transaction volumes. The bank also opened one branch, located in an upper-income CT.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

<u>Nevada Non-MSA</u>

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. There are no low-income CTs in this AA. Three of the 13 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in a middle-income geography is near to and directly adjacent to moderate-income CTs. This branch provides services to a large percentage of LMI individuals.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

<u>Las Vegas-Henderson-Paradise MSA</u>

Zions' performance in providing community development services in the Las Vegas-Henderson-Paradise MSA is excellent. During the evaluation period, 101 employees provided their expertise to 28 organizations for a total of 1,936 hours. The CD services provided were diverse. The majority of the employees participated as either board or committee members, or financial instructors.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees provided over one thousand hours to a program primarily focused in teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs. The employees served as volunteer teachers and coordinators of events hosted by the program.

- Bank employees assisted as financial literacy volunteers to an organization dedicated to help low-income individuals with a history of alcohol or drug abuse, and related criminal activity. They helped to reintegrate the individuals into the community.
- Bank employees served as financial literacy volunteers for a program that provides shelter to homeless and abused women and children. The program offers services to promote stability, dignity, and self-reliance. Employees provided 82 volunteer hours to this program.

Nevada Non-MSA

Zions' performance in providing community development services in Nevada Non-MSA is poor. During the evaluation period, two employees provided their expertise to two organizations for a total of 60 hours.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Reno MSA is consistent with Nevada's overall High Satisfactory performance. In the Carson City MSA, the bank's performance is weaker than the Nevada's overall performance. The branch distribution in this AA was significantly poor and the community development services were very poor.

Refer to Table 15 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

State of New Mexico

CRA Rating for New Mexico[6]: Satisfactory
The lending test is rated: High Satisfactory The investment test is rated: Needs to Improve The service test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among business customers of different size.
- The bank has made a relatively high level of community development loans.
- The bank has made a poor level of qualified investments that exhibited very poor responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is good.

Description of Bank's Operations in New Mexico

Zions has one AA comprised of one county within the state of New Mexico. Zions included the San Juan County in the Farmington MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $50.3 million in deposits in New Mexico, which represented 0.10 percent of the bank's total deposits. The bank made 0.15 percent of its total evaluation period HMDA and CRA loans in New Mexico.

Zions had one office location and one deposit-taking ATM within the state. The bank ranked 50th in deposit market share with 0.18 percent. Primary competitors include Wells Fargo Bank National Association, Bank of America National Association, US Bank National Association, BOKF National Association, and Bank of the West. There were 58 FDIC insured depository institutions within the state of New Mexico.

Refer to the community profiles for the state of New Mexico in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

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Scope of Evaluation in New Mexico

The Farmington MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF NEW MEXICO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New Mexico is rated High Satisfactory. Based on Farmington MSA, the bank's performance is good.

Lending Activity

Overall lending activity in the state of New Mexico is good, considering strong competition for all types of loans. Small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of New Mexico section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Farmington MSA</u>

Zions' overall lending activity in the Farmington MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $50.3 million in deposits, with a deposit market share of 3.41 percent. Zions ranked fifth out of eight banks in deposit market share. Zions ranked in the top 62.50 percent of banks in deposit market share. The bank originated 30 home mortgage loans and 165 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans.

According to 2016 peer small business data, Zions ranked in the top 18.75 percent of lenders (nine out of 48) originating small business loans in the AA. Zions had a 4.99 percent market share of small business loan originations, which is greater than their deposit market share. The top five small business lenders had a combined market share of 58.21 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of New Mexico section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Farmington MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, and refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was adequate.

Refer to Table 6 in the state of New Mexico section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

In 2017, the bank did not make any small loans to businesses in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and was near the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any small loans to businesses in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of businesses in moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of New Mexico section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Farmington MSA

Zions did not originate or purchase a sufficient number of home purchase, home improvement, or home refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was adequate.

Refer to Table 11 in the state of New Mexico section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Farmington MSA

In 2017, the percentage of loans to small businesses exceeded the aggregate. The percentage of loans to small businesses was well below the percentage of small businesses in the AA. Performance in 2015 through 2016 was consistent with mirrored 2017 performance.

Community Development Lending

Zions' level CD lending had a positive impact on the overall evaluation of its lending performance in the state of New Mexico. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of New Mexico section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Farmington MSA

The volume of CD lending was good, and had a positive impact on the overall lending performance in the AA**.** During the evaluation period, Zions originated five CD loans totaling $6.7 million, or 104.45 percent of Tier 1 Capital allocated to the AA. Zions originated a $3 million loan dedicated to affordable housing. The bank's lending volume for affordable housing was responsive to an identified community need.

Examples of CD loans originated during the evaluation period include:
- A $3 million loan for affordable housing to construct a 72-unit apartment building. The rental rates are such that a family making less than 80 percent of median family income can afford rent in this building.
- A $50 thousand loan for working capital to an organization that provides family counseling services to low-income families, including families in rural areas and on the Navajo Reservation.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test is rated Needs to Improve. Zions' performance in the full-scope Farmington MSA is poor. Investments across New Mexico, including the AAs had a neutral impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of New Mexico section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Zions made a poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $46 thousand, with current period investments totaling $13 thousand and prior period investments of $33 thousand. Investments benefiting the AA during the evaluation represented 0.72 percent of allocated Tier 1 Capital.

Zions made five grants totaling $13 thousand to organizations within the AA that provide community services and economic development. Zions' dollar volume of qualified contributions reflects the bank's minimal commitment to help meet identified CD needs.

<u>Regional or Nationwide</u>

Zions made investments totaling $16 million in four SBICs. The bank also had two prior period nationwide or regional investments with a book value of $717 thousand that remained outstanding through the evaluation period. One investments was with a CDFI's loan fund for economic development in multiple states and one was to a micro-lender serving Colorado and New Mexico.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in New Mexico is rated High Satisfactory. Based on the Farmington MSA, the bank's performance is good.

Retail Banking Services

Refer to Table 15 in the state of New Mexico section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

<u>Farmington MSA</u>

Branch distribution in the AA is good. The branch is readily accessible to all portions of the AA. There are no branches located in low-income CTs. The only branch is located in a moderate-income CT. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Farmington MSA

Zions' performance in providing community development services in the Farmington MSA is good. During the evaluation period, two employees provided their expertise to five organizations for a total of 142 hours. Zions employees served in a leadership capacity with five organizations. The bank focused on community service and economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a member of a loan committee for a micro-lender to both start-up and small businesses. The organization provides business development loans and training to entrepreneurs from diverse backgrounds.
- An employee served as a board member of an organization with a program focused on employing disconnected young people (ages 16-25) from LMI families. This program provides skill testing toward certification, to give employers confidence in hiring program participants. Additionally, the organization offers a program focused on creating and sustaining start-up businesses.
- An employee served as a member of the board and finance committee of an organization that provides scholarships to students that are of moderate-income area.
- An employee served as a member of a board and finance committee of an organization which partners with local nonprofits to provide services for at-risk populations. Services include affordable housing, homeless assistance, crisis centers, and at-risk youth programs. The organization provides free resource guides and a helpline to connect low-income community members with social services in the area.
- An employee served as a board member and vice chairman of an organization dedicated to empowering youth and teaching life skills that will aid them in their future. Participants are considered low-income individuals.

State of Oregon

CRA Rating for Oregon[7]: Satisfactory
The lending test is rated: High Satisfactory
The investment test is rated: Substantial Noncompliance
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among business customers of different size.
- The bank made high level of community development loans.
- The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to significant portions of the bank's AAs, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- The level of community development services is good.

Description of Bank's Operations in Oregon

Zions has one AA comprised of three counties within the state of Oregon. Zions included the Clackamas, Multnomah, and Washington counties in the Portland-Vancouver-Hillsboro MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $71.1 million in deposits in Oregon, which represented 0.13 percent of the bank's total deposits. The bank made 0.23 percent of its total evaluation period HMDA and CRA loans in the Oregon.

Zions had one office location and no deposit-taking ATMs within the state. The bank ranked 39th in deposit market share with 0.09 percent. Primary competitors include US Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, Umpqua Bank, and JPMorgan Chase Bank National Association. There were 49 FDIC insured depository institutions within the state of Oregon.

Refer to the community profiles for the state of Oregon in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

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Scope of Evaluation in Oregon

The Portland-Vancouver-Hillsboro MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF OREGON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Oregon is rated High Satisfactory. Based on the Portland-Vancouver-Hillsboro MSA, the bank's performance is good.

Lending Activity

Overall lending activity in the state of Oregon is good, considering strong competition for all types of loans. Small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Oregon section of appendix D for the facts and data used to evaluate the bank's lending activity.

Portland-Vancouver-Hillsboro MSA

Zions' overall lending activity in the Portland-Vancouver-Hillsboro MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $71.1 million in deposits, with a deposit market share of 0.14 percent. Zions is ranked 26th out of 37 banks in the AA. Zions ranked in the top 70.27 percent of banks in deposit market share. The bank originated 23 home mortgage loans and 209 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 17.32 percent of lenders (22 out of 127) originating small business loans in the AA. Zions had a 0.20 percent market share of small business loan originations, which exceeded their deposit market share. The top five small business lenders had a combined market share of 74.49 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of Oregon section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Portland-Vancouver-Hillsboro MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, and refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was excellent.

Refer to Table 6 in the state of Oregon section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

In 2017, the percentage of small loans to businesses exceeded the aggregate for loans in low-income CTs and was near to the aggregate for loans in moderate-income CTs. The percentage of loans in both low- and moderate-income CTs exceeded the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses exceeded the aggregate and the percentage of businesses in both low- and moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Oregon section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Portland-Vancouver-Hillsboro MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, or refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Oregon section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

In 2017, the percentage of loans to small businesses was significantly below the aggregate and the percentage of small businesses in the AA. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate, and significantly below the percentage of small businesses in the AA.

Community Development Lending

Zions' level of CD lending had a positive impact on the overall evaluation of its lending performance in the state of Oregon. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Oregon section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Portland-Vancouver-Hillsboro MSA

The volume of CD lending was good, and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated one CD loan for $8 million, or 88.20 percent of Tier 1 Capital allocated to the AA. The bank's one CD loan was for affordable housing, which was responsive to an identified community need. The proceeds from the bank loan helped to create 39 units of affordable housing.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test is rated Substantial Noncompliance. Zions' performance in the full-scope Portland-Vancouver-Hillsboro MSA is very poor. Investments across Oregon, including the AAs had a neutral impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Oregon section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $2 thousand in four current period grants to organizations providing community services. Investments benefiting the AA during the evaluation represented 0.02 percent of allocated Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI's loan fund for economic development in multiple states.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Oregon is rated adequate. There is one branch in the Portland-Vancouver-Hillsboro MSA. However, the bank's good performance in community development services positively affects the rating.

Retail Banking Services

Refer to Table 15 in the state of Oregon section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Portland-Vancouver-Hillsboro MSA

Branch distribution in the AA is adequate. There is one branch in the AA and is accessible to low- and moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Portland-Vancouver-Hillsboro MSA

Zions' performance in providing community development services in the Portland-Vancouver-Hillsboro MSA is good. During the evaluation period, two employees provided their expertise to four organizations for a total of 142 hours. Zions employees served in a leadership capacity with three organizations. The bank focused on community service and affordable housing.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a financial education instructor for an organization that provides courses for small business owners, or those wanting to start small businesses. Scholarships are provided to low income student and business owners.
- An employee served as a board member of an organization dedicated to improve the lives of low-income families. The organization has developed and preserved over 5,600 units of affordable housing, over 322,000 square feet of community-facility and commercial space, and built the capacity of organizations to manage and sustain properties serving tens of thousands of low-income families. Additionally, the organization researches and implements innovative policies and practices that have produced millions of dollars in annual savings for the affordable housing industry.
- An employee served as a board member for a nonprofit organization whose goal is to build sustainable paths to financial stability and economic opportunity to low income individuals and families. The organization works on program delivery and policy change across a range of areas to help achieve housing stability and build financial security.

State of Texas

CRA Rating for Texas[8]: Satisfactory
The lending test is rated: Low Satisfactory
The investment test is rated: High Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The geographic distribution of loans reflects adequate penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and very poor penetration for small business customers.
- The bank has made a relatively high level of community development loans.
- The bank has made a good level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are reasonably accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is adequate.

Description of Bank's Operations in Texas

Zions has four AAs comprised of 13 counties within the state of Texas. Zions included Denton, Collin, and Dallas Counties in the Dallas-Plano-Irving MD. The bank included Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties in the Houston-The Woodlands-Sugar Land MSA. The San Antonio-New Braunfels MSA consisted of Bexar and Comal Counties and Comal County was included in 2017. The bank included Wharton County in the TX Non-MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $10.8 billion in deposits in Texas, which represented 20.58 percent of the bank's total deposits. The bank made 10.80 percent of its total evaluation period HMDA and CRA loans in Texas.

Zions had 76 office locations and 97 deposit-taking ATMs within the state. The bank ranked ninth in deposit market share with 1.33 percent. Primary competitors include JPMorgan Chase

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Bank National Association, Bank of America National Association, Wells Fargo Bank National Association, USAA Federal Savings Bank, and Compass Bank. There were 530 FDIC insured depository institutions within the state of Texas.

Refer to the community profiles for the state of Texas in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Texas

The Houston-The Woodlands-Sugar Land MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Dallas-Plano-Irving MD, San Antonio-New Braunfels MSA, and TX Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF TEXAS

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Texas is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land MSA is adequate.

Lending Activity

Overall lending activity in the state of Texas is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgages is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Texas section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Houston-The Woodlands-Sugarland</u>

Zions' overall lending activity in the Houston-The Woodlands-Sugarland MSA is good. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had $9.8 billion in deposits, with a deposit market share of 4.10 percent. Zions ranked fifth out of 93 banks in the AA. Zions ranked in the top 5.38 percent of banks in deposit market share. Zions originated 1,613 home mortgage loans and 4,056 small business loans through the evaluation period. Small business lending represented the majority of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 40.41 percent of lenders (316 out of 782) originating home purchase loans in the AA. Zions' home purchase market share of 0.01 percent is less than their deposit market share. Zions ranked in the top 3.77 of lenders (10 out of 265) originating home improvement loans. Zions had a 2.12 percent market share of home improvement loan originations in the AA. The bank's market share of home improvement loan originations is less than their deposit market share. The bank ranked in the top 47.60 percent of lenders (308 out of 647 lenders) originating home refinance loans in the AA. Zions had a 0.02 percent market share of home refinance loans. The bank's market share of home refinance loans is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 4.76 percent of lenders (10 out of 210) originating small business loans in the AA. Zions had a 2.49 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 60.09 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Houston-The Woodlands-Sugar Land MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs exceeded the aggregate and the percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in low- and moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate. The percentage of loans in moderate-income CTs was well below aggregate. The percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in low- and moderate-income CTs.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of home improvement loans in low- and moderate-income CTs exceeded the aggregate for both. The percentage of home improvement loans in low-income CTs was below the percentage of owner-occupied units in these CTs. The percentage of loans in moderate-income CTs exceeded the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home improvement loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans in low-income CTs exceeded the aggregate and was near to the aggregate for loans in moderate-income CTs. However, the percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans exceeded the aggregate in both low- and moderate-income CTs. However, the percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was good.

Refer to Table 6 in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

<u>Houston-The Woodlands-Sugar Land MSA</u>

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses in low-income CTs exceeded the aggregate; the percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans in low-income CTs was below the percentage of businesses in these CTs; and the percentage of loans in moderate-income was near to the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses in low- and moderate-income CTs exceeded the aggregate. In addition, the percentage of loans in low-income CTs was below the percentage of businesses in low-income CTs and the percentage of loans in moderate-income CTs was near to the percentage of businesses in these CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Houston-The Woodlands-Sugar Land MSA

The overall borrower distribution of home purchase loans in the Houston-The Woodlands-Sugar Land MSA was very poor. In 2017, the percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. Furthermore, the percentage of home purchase loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home improvement was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers met the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate and the percentage of loans to moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than 2017. The percentage of home refinance loans to low-income borrowers was below the aggregate and the percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

The overall borrower distribution of loans to small businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Houston-The Woodlands-Sugar Land MSA

In 2017, the percentage of small loans to businesses was significantly below both the aggregate and the percentage of small businesses in this AA. Performance in 2015 through

2016 was stronger than in 2017. The percentage of loan to small businesses was well below the aggregate and significantly below the percentage of small businesses.

Other Performance

Zions works in conjunction with state housing agencies and city or county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs include down payment and closing cost assistance. Zions has worked with the Federal Home Loan Bank, the City of Houston, and Avenue CDC to offer flexible, affordable loan products. Zions leveraged these programs to originate 22 loans totaling over $2.2 million during the evaluation period in the Houston MSA.

Community Development Lending

Zions' CD lending performance had a positive impact on the overall evaluation of its lending performance in the state of Texas and elevates the overall rating to Low Satisfactory. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Texas section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Houston-The Woodlands-Sugar Land MSA

The volume of CD lending was adequate and had a positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 32 CD loans totaling $110.3 million or 8.84 percent of Tier 1 Capital allocated to the AA. Zions originated 14 CD loans totaling $70.4 million dedicated to affordable housing, which was responsive to identified needs in the AA, particularly resulting from Hurricane Harvey.

Examples of CD loans originated during the evaluation period include:
- A $20.4 million loan for the construction and permanent financing of a 170-unit apartment building, with all units designated as affordable housing units.
- Two loans totaling $2.7 million to a refinance and extend the maturity of a building with 79 LMI qualified housing units, which is located in a low-income CT.
- A $5.4 million loan to refinance debt for a nonprofit organization that provides food delivery services to low-income seniors and meals to low-income children.
- Seven SBA 504 loans totaling $15.5 million.

Broader Statewide

Zions originated eight loans in the broader statewide area. The statewide CD loans totaled $41.8 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Dallas-Plano-Irving MD and San Antonio-New Braunfels MSA are consistent with the overall Low Satisfactory performance under the Lending Test in Texas. In the TX Non-MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Texas section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the investment test in Texas is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land is good. Investments across Texas, including the AAs had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Texas section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

<u>Houston-The Woodlands-Sugar Land MSA</u>

Zions made a good dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $51.8 million, with current period investments totaling $33 million and prior period investments of $18.8 million. Investments benefiting the AA during the evaluation represented 4.15 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $32.8 million in two LIHTC funds benefitting affordable housing needs of the AA:

- The bank contributed $17.8 million to develop a 170-unit affordable housing complex for LMI seniors in Conroe.
- The bank contributed $15 million to develop a 108-unit affordable housing complex for LMI seniors in Humble. The bank also provided construction and permanent financing for the apartment building.

Zions also made 51 grants totaling $178 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- $24 thousand in grants to a public charter school serving predominately LMI children in elementary, middle, and high school. Academic lessons integrate values and model

behavioral expectations to motivate students to work hard and become ethical, productive, and loyal individuals.
- $19 thousand in grants to a nonprofit organization whose goal is to end homelessness. This organization provides structured programs that focus on spiritual growth, education, employment, life management, and recovery from substance abuse.
- $15 thousand grant to a nonprofit organization focused on veteran's small businesses. The organization fosters entrepreneurship through internship programs, mentorship relationships, and events for start-up businesses owned by military veterans.

Texas Statewide

Zions had 42 prior period statewide investments in activities that had a purpose, mandate or function that serves one or more of the bank's AAs with a book value of over $57.9 million outstanding through the evaluation period. Statewide investments included qualifying mortgage backed securities, SBIC securities, and loan funds for LMI borrowers across Texas. When considering these and other investments in the full- and limited-scope areas, the $127.1 million of qualified investments in the AAs and across the state represented 9.18 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the San Antonio-New Braunfels MSA is stronger than Texas' overall High Satisfactory performance due to the higher levels of investments. Performance in the Dallas-Plano-Irving MD is consistent with the bank's overall Investment Test performance. Performance in the TX Non-MSA is weaker than the Texas overall performance due to lack of investment, and is considered very poor.

Refer to the Table 14 in the state of Texas section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Texas is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land MSA is good.

Retail Banking Services

Refer to Table 15 in the state of Texas section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Houston-The Woodlands-Sugar Land MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Three of the 62 branches are located in low-income CTs. The percentage of branches in low-income CTs is below the percentage of population in low-income CTs. Twelve of the 62 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Eleven branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. The bank provided an analysis of the percentage of retail customers, which reside in low- or moderate-income geographies. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. The bank closed six branches during the evaluation period, with one branch located in low- and five branches located in upper-income CTs. The low-income branch was closed due to the high rent, poor condition of the building, and sewer problems. The upper-income branches were closed due to limited visibility and difficulty accessing the branches. One branch was badly damaged by Hurricane Harvey, and another branch closed due to minimal transaction volumes and poor profitability. The bank also opened two branches in upper-income CTs.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Houston-The Woodlands-Sugar Land MSA

Zions' performance in providing community development services in the Houston-The Woodlands-Sugar Land MSA is good. During the evaluation period, 18 employees provided their expertise to 22 organizations for a total of 969 hours. Zions employees served in a leadership capacity with 18 organizations.

Examples of CD services provided by employees during the evaluation period include:

- An employee provided over 180 hours of financial coaching to homeless families. The organization administrating the program, meets the immediate needs of homeless families while empowering participants to attain self-sufficiency.
- An employee served on the board, executive committee, and workforce development committee for 100 hours at a center, which is dedicated to help LMI individuals with career and personal financial services. The center provides financial education and coaching, and public benefits access.
- Two bank employees provided expertise to an organization that provides various services to community residents. The employees conducted site visits to evaluate program offerings and donations to determine consistency with standard mission/goals.
- An employee served over 80 hours on the finance committee and chaired the capital campaign committee for an organization dedicated to meeting the needs of homeless men, women, and children. The organization encourages positive life changes through structured programs that focus on spiritual growth, education, employment, life management, and recovery from substance abuse.
- An employee served on the board of an organization dedicated to restore and revitalize neighborhoods by repairing homes at no cost for low-income elderly homeowners.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Dallas-Plano-Irving MD, San Antonio-New Braunfels MSA, and TX Non-MSA is weaker than the Texas' overall High Satisfactory performance. The branch distribution in these AAs was poor.

Refer to Table 15 in the state of Texas section of appendix D for the facts and data that support these conclusions.

State of Utah

CRA Rating for Utah[9]: Satisfactory
The lending test is rated: Low Satisfactory
The investment test is rated: High Satisfactory
The service test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The geographic distribution of loans reflects adequate penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and business customers of different size.
- The bank has made an adequate level of community development loans.
- The bank has made a good level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- The level of community development services is good.

Description of Bank's Operations in Utah

Zions has six AAs comprised of 30 counties within the state of Utah. Zions included Box Elder, Davis, Morgan, and Weber Counties in the Ogden-Clearfield MSA. The bank included Juan and Utah Counties in the Provo-Orem MSA. Cache County comprised the Logan MSA. The bank included Salt Lake and Tooele County in the Salt Lake City MSA. The St George MSA consists Washington County. The UT Non-MSA is comprised of 19 counties which include Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch and Wayne Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $16.7 billion in deposits in Utah, which represented 31.68 percent of the bank's total deposits. The bank made 47.58 percent of its total evaluation period HMDA and CRA loans in Utah.

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Zions had 97 office locations and 121 deposit-taking ATMs within the state. The bank ranked seventh in deposit market share with 3.58 percent. Primary competitors include Morgan Stanley Bank National Association, Ally Bank, Synchrony Bank, UBS Bank, and American Express Bank. There were 55 FDIC insured depository institutions within the state of Utah.

Refer to the community profiles for the state of Utah in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Utah

The Salt Lake City MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area. The St George MSA and UT Non-MSA were selected for analysis using full-scope procedures because each AA had not received a full-scope review in the most recent evaluations, and the deposit market share indicates the bank is important to these areas.

The Ogden-Clearfield MSA, Provo-Orem MSA and Logan MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN STATE OF UTAH

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Utah is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Salt Lake City MSA and St George MSA is adequate and in the UT Non-MSA is excellent.

Lending Activity

Overall lending activity in the state of Utah is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is excellent and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Utah section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Salt Lake City MSA</u>

Zions' overall lending activity in the Salt Lake City MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had $11.3 billion in deposits, with a deposit market share of 2.57 percent market. Zions ranked tenth in total deposits out of 43 banks in the Salt Lake City MSA. Zions ranked in the top 23.25 percent of banks in deposit market share. Zions originated 1,352 home mortgage loans and 13,352 small business loans through the evaluation period. Small business lending represented 90.80 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, commercial banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 10.88 percent of lenders (31 out of 285) originating home purchase loans. Zions' home purchase market share of 0.70 percent market share was less than their deposit market share. The bank ranked in the top 13.02 percent of lenders (16 out of 123) originating home improvement loans. Zions had a 1.07 percent market share of home improvement loans. The bank's market share of home improvement loans was less than their deposit market share. Zions ranked in the top 10.92 percent of lenders (31 out of 284) originating home refinance loans. Zions had a 0.84 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 2.91 percent of lenders (third out of 103) originating small business loans in the AA. Zions had a 13.47 percent market share of small business loans originations. The bank's market share of small business loan originations was greater than their deposit market share. The top five small business lenders had a combined market share of 75.38 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

St. George MSA

The overall lending activity in the St. George MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions has a $688.2 million in deposits, with a deposit market share of 30.64 percent. Zions ranked first in total deposits out of nine banks in the AA. Zions ranked in the top 11.11 percent of banks in deposit market share. Zions originated 597 home mortgage loans and 2,264 small business loans through the evaluation period. Small business lending represented 79.13 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 6.36 percent of lenders (11 out of 173) originating home purchase loans. Zions' home purchase market share of 2.35 percent was less than their deposit market share. The bank ranked in the top 7.14 percent of lenders (13 out of 182) originating home refinance loans. Zions had a 1.87 percent market share of home refinance originations. The bank's market share of home refinance originations was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 5.26 percent of lenders (third out of 57) originating small business loans in the AA. Zions had a 12.22 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 81.71 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

Utah Non-MSA

The overall lending activity performance in the Utah Non-MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had $1.7 billion in deposits in the Utah Non-MSA, with a deposit market share of 36.87 percent. Zions ranked first in total deposits out of 14 banks in the AA. Zions ranked in the top 7.14 percent of banks in deposit market share. Zions originated 1,280 home mortgage loans and 7,620 small business loans throughout the evaluation period. Small business lending represented 85.61 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 2.56 percent of lenders (six out of 234) originating home purchase loans. Zions' home purchase market share of 3.61 percent was less than their deposit market share. The bank ranked in the top two percent of lenders (five out of 250), originating home refinance loans in the AA. Zions had a 3.53 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 13.47 percent of lenders (first out of 71) originating small business loans in the AA. Zions had a 25.87 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 77.31 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Utah section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Salt Lake City MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate, and the percentage of loans in moderate-income CTs was below aggregate. In addition, the percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was well below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans in low-income CTs was significantly below the aggregate; the percentage of loans in moderate-income CTs substantially met the aggregate. The percentage of loans in low-income CTs was significantly below the percentage of owner- occupied units, and the percentage of loans in moderate-income CTs was below the percentage of owner-occupied units.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in low- and moderate-income CTs exceeded the aggregate for both. The percentage of loans in low-income CTs substantially exceeded the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was near to the percentage of owner-occupied units. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home improvement loans in low-income CTs. The percentage of home improvement loans in moderate-income CTs significantly exceeded the aggregate and the percentage of owner-occupied units.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate, and the percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units in these CTs, and the percentage of loans in moderate-income CTs was below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs was near to the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

St George MSA

In evaluating the geographic distribution of home loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of home purchase loans in moderate-income CTs was below the aggregate and significantly below the percentage of owner-occupied housing in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the bank did not make any home refinance loans in moderate-income CTs in this AA. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

UT Non-MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs was near to the aggregate. In addition, the percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units. The percentage of loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in moderate-income-income CTs exceeded the aggregate, but was well below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in moderate-income CTs.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was excellent.

Refer to Table 6 in the state of Utah section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

<u>Salt Lake City MSA</u>

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses was well below the aggregate for loans in low-income CTs and exceeded the aggregate for loans in moderate-income CTs. In addition, the percentage of loans in low-income CTs was near to the percentage of businesses in these CTs and the percentage of loans in moderate-income CTs exceeded the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses was near to the aggregate for loans in low-income CTs. The percentage of small loans to businesses exceeded the aggregate for loans in moderate-income CTs. In addition, the percentage of loans in both low- and moderate-income CTs exceeded the percentage of businesses in these CTs.

<u>St George MSA</u>

In evaluating the geographic distribution of small business loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses exceeded both the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

<u>UT Non-MSA</u>

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of loans in low-income CTs was near to the aggregate and the percentage of businesses in these CTs. The percentage of small loans to businesses exceeded both the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was excellent.

Refer to Table 7 in the state of Utah section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Salt Lake City MSA

The geographic distribution of small loans to farms was excellent. In 2017, the percentage of small loans to farms in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of farms in low-income CTs, and the percentage of loans in moderate-income CTs was below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to farms in both low- and moderate-income CTs significantly exceeded the aggregate. The percentage of small loans to farms exceeded the percentage of farms in these CTs and the percentage of loans in moderate-income CTs was near to the percentage of farms in moderate-income CTs.

St George MSA

In evaluating the geographic distribution of farm loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to farms was excellent. In 2017, the percentage of small loans to farms exceeded both the aggregate and the percentage of farms in these CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans in moderate-income CTs exceeded the aggregate and was below the percentage of farms in this AA.

UT Non-MSA

The overall geographic distribution of small loans to farms was excellent. In 2017, the percentage of loans in low-income CTs was near to the aggregate and the percentage of farms in these CTs. The percentage of small loans to farms exceeded both the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is good.

Refer to Tables 8, 9, and 10 in the state of Utah section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Salt Lake City MSA

The overall borrower distribution of home purchase loans in the Salt Lake City MSA was poor. In 2017, the percentage of loans to low- and moderate-income borrowers was well below the aggregate for both. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income borrowers; the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families and is adequate.

The overall borrower distribution of home improvement loans in the AA was good. In 2017, the percentage of loans to low- and moderate-income borrowers exceeded the aggregate for both. The percentage of loans to low-income borrowers was well below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans to low- and moderate-income borrowers exceeded the aggregate for both. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers exceeded the aggregate, and the percentage of loans to moderate-income borrowers was near to the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families and the percentage of loans to moderate-income borrowers met the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans to low-income borrowers was below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

St. George MSA

The overall borrower distribution of home purchase loans in the St. George MSA was very poor. In 2017, the percentage of loans to low- and moderate-income borrowers was significantly below the aggregate and the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

Zions did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was very poor. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of home refinance loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families.

UT Non-MSA

The overall borrower distribution of home purchase loans in the UT Non-MSA was adequate. In 2017, the percentage of loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was significantly below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The overall borrower distribution of home improvement loans is good. In 2017, the percentage of loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home refinance loans was good. In 2017, the percentage of loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Utah section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Salt Lake City MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate, and significantly below the percentage of small businesses.

St. George MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of $1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loan to small businesses was below the aggregate, but significantly below the percentage of small businesses.

UT Non-MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of $1 million or less) was significantly below both the aggregate and the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the borrower distribution of small loans to farms (farms with gross annual revenues of $1 million or less) was very poor.

Refer to Table 12 in the state of Utah section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Salt Lake City MSA

The overall borrower distribution of loans to small farms was very poor. In 2017, the percentage of loans to small farms was significantly below the aggregate and the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms.

St. George MSA

The overall borrower distribution of loans to small farms was poor. In 2017, the percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small farms exceeded the aggregate, but was well below the percentage of small businesses.

UT Non-MSA

The overall borrower distribution of loans to small farms was adequate. In 2017, the percentage of loans to small farms was near to the aggregate and well below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small farm loans exceeded the aggregate and was below the percentage of small farms.

Other Performance

Zions works in conjunction with state housing agencies, city, and county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs may include down payment and closing cost assistance. Zions has worked with Federal Home Loan Bank and the Utah Housing Corporation to offer flexible, affordable loan products under this agency's program. Zions leveraged the Federal Home Loan Bank's Home Start and Home Start Plus program to originate four loans totaling $30 thousand during the evaluation period. The bank utilized the Utah Housing Bond to originate 102 loans totaling over $9.3 million during the evaluation period, which with 30 loans totaling over $3 million in the Salt Lake City MSA, and 19 loans totaling over $1.2 million in the UT Non-MSA.

Community Development Lending

The volume of CD lending had a neutral impact on the overall evaluation of its lending performance in the state of Utah. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Utah section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Salt Lake City MSA

The volume of CD lending was adequate and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated 23 CD loans totaling $59 million, or 4.10 percent of Tier 1 Capital allocated to the AA. CD loans were responsive to the identified community needs, with 64.27 percent of CD lending volume in the AA dedicated to affordable housing. Zions originated seven loans totaling $29 million dedicated to affordable housing; the majority of CD lending was dedicated to the identified community need of affordable housing.

Examples of CD loans originated during the evaluation period include:

- A $18 million loan to construct a 95 unit affordable housing complex with rents that are affordable to LMI families. This project qualifies for LIHTCs and is located within a moderate-income CT.
- A $280 thousand loan for affordable housing. The purpose of the loan is for the construction of a multifamily apartment complex for low-income seniors. This loan will help finance 43 units of affordable housing in a moderate-income CT.
- A $10 million loan dedicated to provide affordable housing to a CDFI. The loan was to refinance an existing line of credit and provide additional funding. The CDFI used the money to provide permanent financing for low- and moderate-income real estate.
- A $1.7 million bridge loan to purchase a building for a nonprofit within the Salt Lake City MSA. This organization provide services such as computer training, arts and crafts, leadership development, career exploration, and fields trip for low- and moderate-income children between 6-18 years old.
- Five SBA 504 loans totaling $6.8 million. These loans provide economic development opportunities.

St. George MSA

The volume of CD lending is a Needs to Improve and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated one CD loan for $32 thousand, which is equivalent to 0.04 percent of Tier 1 Capital allocated to the AA. The loan was a revolving line of credit to a nonprofit housing agency to help with working capital needs.

Utah Non-MSA

The volume of CD lending is Needs to Improve and has a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated five CD loans totaling $4.1 million, or 1.93 percent of Tier 1 Capital allocated to the AA. The bank dedicated all of their CD lending to community service.

Examples of CD loans originated during the evaluation period include:

- $3.5 million loan to a nonprofit community resource center for homeless and low-income individuals. The proceeds from the loan were used to complete a major remodel of an existing property. This nonprofit offers therapy, psychosocial rehabilitation, and various other services to homeless and low-income individuals.
- $100 thousand refinance line of credit used to provide working capital. The loan proceeds were provided to a nonprofit government agency. This agency provides health services and emergency medical services to LMI people. This health clinic is located in a moderate-income CT.

Broader Statewide

In addition to the AA's, Zions provided two CD loans for $16 million to the broader statewide region. These loans had a neutral impact on the overall lending performance rating in the state of Utah.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Logan MSA is consistent with the overall Low Satisfactory performance under the Lending Test in Utah. In the Provo-Orem MSA the bank's performance is stronger than the bank's overall Lending Test performance in the state, due to the CD lending performance was relatively high in the AA. In the Ogden-Clearfield MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution was poor in the AA.

Refer to the Tables 1 through 13 in the state of Utah section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Utah is rated High Satisfactory. Zions' performance in the full-scope Salt Lake City MSA and Utah Non-MSA is good, and poor in the St. George MSA. Investments across Utah, including the AAs had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Utah section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Salt Lake City MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited excellent responsiveness to the credit and CD needs in the AA. Qualified investments totaled $39.2 million, with current period investments totaling $34.2 million and prior period investments of $5 million. Investments benefiting the AA during the evaluation represented 2.73 percent of allocated Tier 1 Capital.

Zions also invested $33 million in qualifying bonds benefitting affordable housing and economic development needs of the AA.

Examples of the benefit of these investments include:
- $15 million bond to develop a 146-unit apartment building for LMI individuals.
- $13 million bond to finance the construction of a parking garage to support permanent job creation and/or improvement for LMI individuals in a low-income CT.

- $5 million Community Development Project Area (CDA) bond for redevelopment and economic development.

Zions also made 78 grants totaling $1.2 million to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:
- $250 thousand in grants to the University of Utah for scholarships to LMI students.
- $200 thousand in grants to a clinic for the provision of medical services to LMI individuals.
- $111 thousand in grants to a nonprofit organization that serves the Greater Salt Lake area and predominantly serves LMI kids and offers daycare and after school activities.

<u>St George MSA</u>

Zions made a very poor dollar volume of qualified investments, including grants and donations. Neither innovative nor complex, these investments exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $3 thousand in grants to two organizations providing community services targeted to LMI individuals. Investments benefiting the AA during the evaluation represented less than 0.01 percent of allocated Tier 1 Capital.

<u>Utah Non-MSA</u>

Zions made an excellent dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled $38.1 million, with current period investments totaling $7.3 million and prior period investments of $30.9 million. Investments benefiting the AA during the evaluation represented 17.98 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested $7.2 million in an economic development bond in Carbon County. Zions also made 17 grants totaling $31 thousand to various organizations within the AA that provide affordable housing and community services.

Examples of grants during the evaluation period include:
- $6 thousand in grants to a nonprofit organization, which provides shelter and mentoring, abuse recovery, and substance abuse recovery programs to victims of domestic and sexual abuse.
- $5 thousand in grants to a nonprofit housing organization, which provides affordable homeownership opportunities for LMI individuals and families. The nonprofit provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.
- $2 thousand grant to a health clinic, which provides medical services to LMI individuals.

Regional or Nationwide

Zions made investments totaling $16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of $13.4 million that remained outstanding through the evaluation period. One investment was with a CDFI loan fund for economic development in multiple states, and one was a $12.9 million SBIC security investing in businesses in Idaho and Utah.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Logan MSA is stronger than Utah's overall High Satisfactory performance due to higher levels of investments. Performance in the Ogden-Clearfield MSA is weaker than the state's overall Investment Test performance due to lower levels of investments, but is adequate. Performance in the Provo-Orem MSA is weaker than Utah's Investment Test performance due to minimal levels of investment, and is considered very poor.

Refer to The table 14 in the state of Utah section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Utah is rated Outstanding. Based on full-scope reviews, the bank's performance in the Salt Lake City MSA, St George MSA, and UT Non-MSA is excellent.

Retail Banking Services

Refer to Table 15 in the state of Utah section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Salt Lake City MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 32 branches is located in a low-income CT. The percentage of branches in low-income CTs is near to the percentage of population in low-income CTs. Eight of the 32 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Five branches located in middle-income geographies are near to and directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed three branches during, which were in a moderate-, a middle-, and a non-income CT. The moderate-income tract branch was closed due to the location being targeted for redevelopment by the city. The middle-income tract branch, which was located inside a medical hospital, was closed due to low transaction volume and poor profitability. The non-income tract branch closed due to the expansion of the Salt Lake City International Airport.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

St. George MSA

Branch distribution in the AA is excellent based on branch distribution. Branches are readily accessible to all portions of the AA. There are no low-income CTs in the AA. One of the eight branches is located in a moderate-income CT. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in a middle-income geography is near to and directly adjacent to moderate-income CTs. This branch provides services to a large percentage of LMI individuals. When considering this near to branch, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Utah Non-MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. There are no branches located in low-income CTs. Four of the 24 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Salt Lake City MSA

Zions' performance in providing community development services in the Salt Lake City MSA is excellent. During the evaluation period, 86 employees provided their expertise to 64 organizations for a total of 5,554 hours. Bank employees served in a leadership capacity with 71 organizations.

Examples of CD services provided during the evaluation period include:

- Several bank employees served as financial literacy instructors for various schools in the AA, teaching elementary and middle school students about money safety, currency, credit and debit cards, and checks. The students selected to participate are from LMI families.
- Seven employees provided over 630 hours in community service for an organization dedicated to reducing the number of children living in poverty by teaching low-income women, primarily single mothers, how to earn a living wage. The employees served as mentors, class facilitators, and board members of the organization.
- A bank employee provided over 240 hours as a council member. The council makes funding recommendations for grants to agencies, which provide social services to county residents. The council reviews and scores applications from organizations that help low-to-moderate individuals and families, and recommends which organization should receive funding.
- Two bank employees provided 116 hours to a clinic that provides free medical services for uninsured and low-income individuals and families. The clinic provides health education, laboratory tests, dental services, and preventative care. One employee assisted in maintaining, updating, and repairing the clinic's IT software, hardware, networks, and records systems. The other employee served as a member of the advisory board.
- A bank employee provided over 80 hours as a counselor in a nonprofit association dedicated to educating entrepreneurs and helping small businesses start, grow, and succeed nationwide. Counseling services include business plan writing, and assistance with marketing, sales training, hiring techniques, legal matters, viability studies, accounting, finance, and management.
- Three employees provided over 150 hours as board and committee members of an organization that assists children facing adversity. The employees served as mentors

with a goal of forming professionally supported one-to-one relationships that change lives for better. Children enrolled are from low-to-moderate families.

St. George MSA

Zions' performance in providing community development services in the St. George MSA is good. During the evaluation period, seven employees provided their expertise to four organizations for a total of 197 hours. CD services provided focused on community service.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a board member for an organization that provides a comprehensive range of health, educational, and preventive social services. Services for low-income and uninsured clients are provided and charged based on family income and size.
- Three employees served as financial literacy instructors for various schools in the AA, teaching middle and high school students about money safety, budgeting, interest rates, currency, credit and debit cards and checks. The schools selected had the majority of their students from LMI families.
- Four employees provided 14 hours as financial literacy instructors for various schools in the AA, teaching elementary, middle, and high school students about budgeting and money management.
- A bank employee served as a member of the advisory board of an organization that fights hunger statewide. The organization distributes meals statewide and offers programs for low-income individuals and families.

Utah Non-MSA

Zions' performance in providing community development services in the Utah Non-MSA is good. During the evaluation period, 21 employees provided their expertise to 14 organizations for a total of 1,268 hours. Zions employees served in a leadership capacity with ten organizations.

Examples of CD services provided by employees during the evaluation period include:

- An employee provided over 39 hours as an advisory board members of an organization that assists children facing adversity. The employee served as a mentor, with a goal of forming professionally supported one-to-one relationships that change lives for better. Children enrolled are from low-to-moderate families.
- An employee provided 270 hours as a site coordinator and tax preparer for an organization that assists LMI communities. The employee oversaw site operations and conducted quality control.
- An employee provided 120 hours as a board member to an organization that oversees the section 8 voucher distribution, public housing, and the operations of affordable housing for LMI seniors living in the county.
- An employee provided 168 hours as a committee member of an organization that provides startup funds and revolving loans for small businesses that cannot qualify for traditional lending through financial institutes.

- An employee provided over 115 hours as a board and committee member of an organization that provides access to other organizations offering financial incentives, a revolving loan fund, gap financing for emerging new businesses, and tax incentives. The committee evaluates applications for those programs and determines if applicants qualify for the incentives.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Ogden-Clearfield MSA and Provo-Orem MSA is consistent with Utah's overall Outstanding performance. In the Logan MSA, the bank's performance is weaker than Utah's overall performance. The branch distribution in this AA was poor and the community development services were poor compared to the overall rating area.

Refer to Table 15 in the state of Utah section of appendix D for the facts and data that support these conclusions.

State of Washington

CRA Rating for Washington[10]: Needs to Improve
The lending test is rated: Low Satisfactory
The investment test is rated: Needs to Improve
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflect good responsiveness to AA credit needs.
- The geographic distribution of loans reflects adequate penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among business customers of different size.
- The bank has made a relatively high level of community development loans.
- The bank has made a very poor level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are reasonably accessible to the bank's AAs, including low- and moderate-income geographies and/or to low- and moderate-income individuals.
- The level of community development services is adequate.

Description of Bank's Operations in Washington

Zions has one AA comprised of one county within the state of Washington. Zions included King County in the Seattle-Bellevue-Everett MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $982.6 million in deposits in Washington, which represented 1.86 percent of the bank's total deposits. The bank made 0.06 percent of its total evaluation period HMDA and CRA loans in Washington.

Zions had one office location and no deposit-taking ATMs within the state. The bank operates in Seattle's downtown business district. The corporate structure does not facilitate a typical retail focus. The bank ranked 20th in deposit market share with 0.64 percent. Primary competitors include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, and KeyBank National Association. There were 83 FDIC insured depository institutions within the state of Washington.

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Refer to the community profiles for the state of Washington in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Washington

The Seattle-Bellevue-Everett MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF WASHINGTON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Washington is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is adequate.

Lending Activity

Overall lending activity in the state of Washington is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Washington section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Seattle-Bellevue-Everett MSA</u>

Overall lending activity in the Seattle-Bellevue-Everett MSA is good. Based on FDIC Deposit Market Share Data as June 30, 2017, Zions had $982.6 million in deposits, with a deposit market share of 0.94 percent. Zions ranked 16th in total deposits out of 53 banks in the AA. Zions ranked in the top 30.19 percent of banks in deposit market share. Zions originated nine home mortgage loans and 70 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 19.27 percent of lenders (21 out of 109) originating small business loans in the AA. Zions had a 0.38 percent market share of small business loan originations. The top five small business lenders had a combined market share of 77.31 percent of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of Washington section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Zions

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was adequate.

Refer to Table 6 in the state of Washington section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses was adequate. In 2017, the percentage of the bank's small loans to businesses in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of businesses and the percentage of loans in moderate-income CTs was below the percentage of businesses in these CTs. Performance in 2015 through 2016 was weaker than 2017. The percentage of small loans to businesses in low-income CTs exceeded the aggregate, and the percentage of loans in moderate-income CTs was significantly below the aggregate. The percentage of loans in low-income CTs was below the percentage of businesses in low-income CTs and the percentage of loans in moderate-income CTs was significantly below the percentage of businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Washington section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

<u>Seattle-Bellevue-Everett MSA</u>

Zions did not originate or purchase a sufficient number of home purchase, home improvement, or home refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of $1 million or less) was poor.

Refer to Table 11 in the state of Washington section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of the loans to small businesses was below the aggregate and significantly below the percentage of small businesses. In 2015 through 2016, performance was weaker than in 2017. The percentage of loans to small businesses was well below the aggregate, and significantly below the percentage of small businesses.

Community Development Lending

The volume of CD lending had a significantly positive impact on the overall evaluation of its lending performance in the state of Washington. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Washington section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

<u>Seattle-Bellevue-Everett MSA</u>

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated seven loans for $35.3 million, or 28.21 percent of Tier 1 Capital allocated to the AA. Zions originated six loans for $34.8 million dedicated to affordable housing; the majority of lending was responsive to the identified community needs of affordable housing.

Examples of CD loans originated during the evaluation period include:

- A $9 million loan to construct 39 units of affordable housing. The project is located in a low-income CT.
- A $1.9 million loan to construct 47 units of affordable housing. All 47 units will charge no more than 60 percent of the area median income. This project is located in a moderate-income CT.
- A $500 thousand loan to a nonprofit social services organization. The loan will be used to support working capital requirements of the organization. The organization offers

services to help homeless children and families including mental health counseling, eviction prevention, domestic violence intervention, and early learning.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Washington is rated Needs to Improve. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is poor. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Washington section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled $758 thousand, with current period investments totaling $148 thousand and prior period investments of $611 thousand. Investments benefiting the AA during the evaluation represented 0.61 percent of allocated Tier 1 Capital.

During the evaluation period, Zions made 29 grants totaling $148 thousand to organizations within the AA that provide community services and affordable housing. Zions' dollar volume of qualified contributions reflects the bank's minimal commitment to help meet identified CD needs.

<u>Regional or Nationwide</u>

Zions made investments totaling $16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of $467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI's loan fund for economic development in multiple states.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Washington is rated low satisfactory. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Washington section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Seattle-Bellevue-Everett MSA

Branch distribution in the AA is adequate. The branch is located in the business district of Seattle. The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Seattle-Bellevue-Everett MSA

Zions' performance in providing community development services in the Seattle-Bellevue-Everett MSA is adequate. During the evaluation period, five employees provided their expertise to five organizations for a total of 526 hours. Zions employees served in a leadership capacity on various boards or committees. CD services provided were focused on affordable housing and community service.

Examples of CD services provided during the evaluation period include:

- A bank employee provided 100 hours as a board and committee member of an organization that buys, builds, and manages affordable housing in urban centers to enable low-wage earners, and low-income families and seniors to live independently.
- An employee provided over 180 hours as a board member of an organization that provides housing to individuals, children, families, and communities struggling with poverty. The organization has various programs that provide shelter and support services to those in need.
- An employee provided 190 hours as a board and finance committee member of an organization that develops and provides essential services and affordable housing for homeless and low-income people in the region.
- An employee served on the loan and executive committee of an organization that provides permanent loans for rent restricted housings. The organization meets the state's affordable housing and economic development needs through partnership.
- A bank employee served on the board and loan committee of a nonprofit organization created and supported by a group of financial institutions devoted to multifamily affordable housing. The lending programs in the organization provide long term financing to support the creation and preservation of low income and special needs housing, as well as real estate based economic development projects in the state. Additionally, the organization provides education and advocacy for low income and special needs housing.

State of Wyoming

CRA Rating for Wyoming[11]: Substantial Noncompliance
The lending test is rated: Substantial Noncompliance
The investment test is rated: Substantial Noncompliance
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflect adequate responsiveness to AA credit needs.
- The distribution of borrowers reflects, given the product lines offered by the bank, very poor penetration among retail customers of different income levels and business customers of different size.
- The bank has made few, if any, community development loans.
- The bank has made a very poor level of qualified investments that exhibited very poor responsiveness to AA credit and community needs.
- Branches are reasonably accessible to low- and moderate-income individuals in the bank's AA. There are no low- and moderate-income CTs to low- and moderate-income individuals.
- The level of community development services is adequate.

Description of Bank's Operations in Wyoming

Zions has one AA comprised of one county within the state of Wyoming. Zions included the Teton County in the WY Non-MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over $19 million in deposits in Wyoming, which represented 0.04 percent of the bank's total deposits. The bank made 0.09 percent of its total evaluation period HMDA and CRA loans in Wyoming.

Zions had one office location and no deposit-taking ATMs within the state. The bank ranked 44th in deposit market share with 0.12 percent. Primary competitors include Wells Fargo Bank National Association, First Interstate Bank, Bank of the West, Glacier Bank, and Hilltop National Bank. There were 46 FDIC insured depository institutions within the state of Wyoming.

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Refer to the community profiles for the state of Wyoming in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Wyoming

The WY Non-MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF WYOMING

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Wyoming is rated Substantial Noncompliance. Based on full-scope reviews, the bank's performance in the Wyoming Non-MSA is very poor.

Lending Activity

Overall lending activity in the state of Wyoming is adequate, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is adequate.

Refer to Tables 1 Lending Volume in the state of Wyoming section of appendix D for the facts and data used to evaluate the bank's lending activity.

<u>Wyoming Non-MSA</u>

Overall lending activity in the Wyoming Non-MSA is adequate. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had $19 million in deposits in the AA, with a deposit market share of 0.94 percent. Zions ranked eighth in total deposits out of eight banks in the AA. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 24.39 percent of lenders (10 out of 41) originating small business loans in the AA. Zions had a 1.06 percent market share of small business loan originations. The top five small business lenders had a combined market share of 75.48 percent of small business loan originations. The bank's market share of small business loan originations was greater than their deposit market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of Wyoming section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

In evaluating the geographic distribution of home mortgage loans in the AA, it is important to note that no low- or moderate-income census tracts exist. No geographic distribution test was performed for this AA.

Small Loans to Businesses

Refer to Table 6 in the state of Wyoming section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

In evaluating the geographic distribution of small business loans in the AA, it is important to note that no low- or moderate-income census tracts exist. No geographic distribution test was performed for this AA.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Wyoming section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WY Non-MSA

Zions did not originate or purchase a sufficient number of home purchase, home improvement, and home refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of loans to small loans to businesses (businesses with gross annual revenues of $1 million or less) was very poor.

Refer to Table 11 in the state of Wyoming section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination and purchase of small loans to businesses.

In 2017, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis. In 2015 through 2016, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses.

Community Development Lending

The volume of CD lending had a neutral impact on the overall evaluation of its lending performance in the state of Wyoming. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

Refer to Table 1 Lending Volume in the state of Wyoming section of appendix D for the facts and data used to evaluate the bank’s level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Zions CD lending performance has a neutral impact on the lending performance in the AA. The bank did not originate any CD loans throughout the evaluation period. There are relatively limited opportunities for community development lending in the AA.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions’ performance under the Investment Test is rated Substantial Noncompliance. Based on full-scope reviews, the bank’s performance in the WY Non-MSA is very poor. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of Wyoming section of appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, Zions did not make any investments or donations within the AA and there were no outstanding prior period investments.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank’s performance under the service test in Wyoming is rated low satisfactory. Based on full-scope reviews, the bank’s performance in the Wyoming Non-MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Wyoming section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

WY Non-MSA

Branch distribution in the AA is adequate. Braches are accessible to all portions of the AA. There are no low- and moderate-income assessment tracts in the AA. Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Wyoming Non-MSA

Zions' performance in providing community development services in the Wyoming Non-MSA is adequate. CD services opportunities in the AA are limited. The branch located in the full- scope AA only has two employees.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD loans): 01/01/2015 to 12/31/2017 Investment and Service Tests and CD Loans: 07/28/2015 to 12/31/2017	
Bank		**Products Reviewed**
ZB, N.A. (ZIONS) Salt Lake City, UT		Home Purchase, Home Improvement, Home Refinance, Multifamily, Small Business Small Farm, and CD loans; Qualified Investments; and CD Services
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
Zions Bancorporation	Holding Company	Community Development investments
List of Assessment Areas and Type of Examination		
Assessment Area	**Type of Exam**	**Other Information**
State of Arizona		
Flagstaff MSA	Full-Scope	Coconino County
Lake Havasu City-Kingman MSA	Limited-Scope	Mohave County
Phoenix-Mesa-Scottsdale MSA	Full-Scope	Maricopa and Pinal Counties
Prescott MSA	Limited-Scope	Yavapai County
Sierra Vista-Douglas MSA	Limited-Scope	Cochise County
Tucson MSA	Limited-Scope	Pima County
Yuma MSA	Limited-Scope	Yuma County
AZ Non-MSA	Limited-Scope	Apache, Gila, Graham, Greenlee, La Paz, Navajo, and Santa Cruz counties
State of California		
Bakersfield MSA	Limited-Scope	Kern County
Fresno MSA	Limited-Scope	Fresno County
Los Angeles-Long Beach-Anaheim MSA	Full-Scope	Los Angeles and Orange Counties
Oxnard-Thousand Oaks-Ventura MSA	Limited-Scope	Ventura County
Sacramento-Roseville-Arden-Arcade MSA	Limited-Scope	Riverside and San Bernardino Counties
San Diego- Carlsbad MSA	Full-Scope	San Diego County

San Francisco-Oakland-Hayward MSA	Full-Scope	Alameda, Contra Costa, San Francisco, San Mateo, and Marin Counties
San Jose-Sunnyvale-Santa Clara MSA	Limited-Scope	Santa Clara County
State of Colorado		
Boulder MSA	Limited-Scope	Boulder County
Colorado Springs MSA	Full-Scope	El Paso and Teller County
Denver-Aurora-Lakewood MDA	Full-Scope	Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties
Grand Junction MSA	Limited-Scope	Mesa County
Pueblo MSA	Limited-Scope	Pueblo County
CO Non-MSA	Limited-Scope	Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, Routt Counties
State of Idaho		
Boise MSA	Full-Scope	Ada, Boise, Canyon, Gem, and Owyhee Counties
Idaho Falls MSA	Limited-Scope	Bonneville, Butte, and Jefferson Counties
Lewiston MSA	Limited-Scope	Nez Perce County
Pocatello MSA	Limited-Scope	Bannock County
ID Non-MSA	Full-Scope	Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington Counties
State of Nevada		
Carson City MSA	Limited-Scope	Carson City County
Las Vegas-Henderson-Paradise MSA	Full-Scope	Clark County
Reno MSA	Limited-Scope	Storey and Washoe Counties
NV Non-MSA	Full-Scope	Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, & White Pine Counties
State of New Mexico		
Farmington MSA	Full-Scope	San Juan County
State of Oregon		
Portland-Vancouver-Hillsboro MSA	Full-Scope	Clackamas, Multnomah, and Washington County
State of Texas		
Dallas-Plano-Irving MD	Limited-Scope	Denton, Collin, and Dallas Counties
Houston-The Woodlands-Sugar Land MSA	Full-Scope	Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties
San Antonio-New Braunfels MSA	Limited Scope	Bexar and Comal (2017 only) Counties
TX Non-MSA	Limited Scope	Wharton County
State of Utah		
Ogden-Clearfield MSA	Limited-Scope	Box Elder, Davis, Morgan, and Weber Counties
Provo-Orem MSA	Limited-Scope	Juan and Utah Counties
Logan MSA	Limited-Scope	Cache County
Salt Lake City MSA	Full-Scope	Salt Lake and Tooele County
St George MSA	Full-Scope	Washington County

UT Non-MSA	Full-Scope	Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch, and Wayne Counties
State of Washington		
Seattle-Bellevue-Everett MSA	Full-Scope	King County
State of Wyoming		
WY Non-MSA	Full-Scope	Teton County

Appendix B: Summary of State Ratings

Zions, N.A. RATINGS				
Overall Bank:	**Lending Test Rating***	**Investment Test Rating**	**Service Test Rating**	**Overall Bank/State/ Multistate Rating**
ZIONS	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
State of Arizona	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of California	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of Colorado	Low Satisfactory	Needs to Improve	High Satisfactory	Satisfactory
State of Idaho	High Satisfactory	Needs to Improve	Outstanding	Satisfactory
State of Nevada	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of New Mexico	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
State of Oregon	High Satisfactory	Substantial Noncompliance	Low Satisfactory	Satisfactory
State of Texas	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of Utah	Low Satisfactory	High Satisfactory	Outstanding	Satisfactory
State of Washington	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Wyoming	Substantial Noncompliance	Substantial Noncompliance	Low Satisfactory	Substantial Noncompliance

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Community Profiles for Full-Scope Areas

State of Arizona

Flagstaff MSA

Demographic Information for Full Scope Area: Flagstaff MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	28	0.00	32.14	39.29	28.57	0.00
Population by Geography	134,421	0.00	32.68	40.74	26.58	0.00
Owner-Occupied Housing by Geography	27,835	0.00	18.02	48.42	33.56	0.00
Business by Geography	9,153	0.00	15.39	43.38	41.22	0.00
Farms by Geography	174	0.00	12.07	54.60	33.33	0.00
Family Distribution by Income Level	29,748	21.16	17.83	20.03	40.97	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,600	0.00	35.53	42.53	21.94	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		58,841 62,800 17%	Median Housing Value Unemployment Rate (2010 U.S. Census)		261,783 3.60%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Flagstaff MSA AA includes Coconino County in Arizona, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 28 CTs of which nine are moderate-income. There are no low-income CTs within the AA.

According to the 2010 U.S. Census, the AA population totals 134,421. The distribution of families by income level is 35.53 percent moderate-income, 42.53 percent middle-income, and 21.94 percent upper-income. The percentage of families in the AA living below the poverty level is high at 21.21 percent. The 2017 FFIEC adjusted median family income for the AA is $62,800. Low-income families in the AA earn median annual income of $31,400 or less and moderate-income families earn an annual income of $31,401 to $50,240.

Zions offers a full range of commercial and consumer loan and deposit products and services in the AA. Zions operates four branches and four deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $315 million, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked second of eight depository financial institutions in the AA, with 17.23 percent market share. Competitors operate 16 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 68.78 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, JP Morgan Chase Bank National Association, Western Alliance Bank, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 5.20 percent, which is slightly higher than the nationwide and Arizona unemployment rates as of December 2017. The nationwide and Arizona unemployment rates are 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, the AA is one of the ten most dependent on tourism nationally. The Grand Canyon National Park attracts tourists from around the world. The leading industries are local government, education and health services, leisure and hospitality services, and retail. Major employers in the AA include Northern Arizona University, Flagstaff Medical Center, W.L. Gore & Associates Inc., Wal-Mart Stores Inc., and BNSF Railway.

Housing

There are limited opportunities for home mortgage lending in this AA's moderate-income geographies due to the low number of housing units. According to Moody's Analytics, the housing market is tight and house price growth stems from a lack of existing homes for sale and land constraints that preclude residential construction. The AA is a destination for second-home owners, with nearly one in five houses used seasonally or occasionally. While the metro area benefits from robust demand from nonresidents, land constraints limit the housing supply given that national forests and other publicly owned land surround the largest communities. As a result, median house prices in the AA are high and housing affordability is the lowest in Arizona. The scarcity of housing will make it challenging for employers to attract and retain talent and, along with Flagstaff's remote location.

According to the 2010 U.S. Census, 44.68 percent of the total housing units in the AA are owner-occupied, and 28.32 percent are rental occupied units. In addition, 18.02 percent of all owner-occupied units and 26.89 percent of renter-occupied units are located in moderate-income CTs. Furthermore, 21.43 percent of all single family (1-4 unit) homes and 20.21 percent of multifamily (5 plus unit) housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $324,775 and $385,422 in 2015 and 2017 reflecting a percent change of 18.67 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $281,901 and the median monthly gross rent increased to $870. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 9.99 and 14.76 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $31,400 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $146,231 mortgage with a payment of $785 per month. A moderate-income borrower making $50,240 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $233,970 mortgage with a payment of $1,256 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $2,069.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, business development assistance, and community development activities including outreach.

According to the community contact, LMI residents have difficulty finding housing they can afford in the city, and rental prices have increased. In more remote areas, the residents face limited employment opportunities and lack adequate transportation, healthcare, and educational resources.

The contacts shared a need for banks to volunteer in support of community development organizations. However, there are limited opportunities for financial institutions to participate in CD activities.

Phoenix-Mesa-Scottsdale MSA

Demographic Information for Full Scope Area: Phoenix-Mesa-Scottsdale MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of#	Upper % of#	NA* % of #
Geographies (Census Tracts/BNAs)	991	9.18	24.52	33.91	31.38	1.01
Population by Geography	4,192,887	8.18	24.70	36.00	30.95	0.17
Owner-Occupied Housing by Geography	1,008,811	3.66	21.50	38.06	36.77	0.01
Business by Geography	347,383	6.36	15.67	30.99	46.45	0.52
Farms by Geography	7,023	5.54	17.23	34.69	42.18	0.37
Family Distribution by Income Level	1,000,063	21.18	17.76	20.47	40.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	389,428	13.42	36.31	33.84	16.44	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		64,408 66,200 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		251,130 3.41%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Phoenix-Mesa-Scottsdale MSA AA includes Maricopa and Pinal counties in Arizona, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude low-or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 991 CTs of which 91 are low- and 243 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 4.19 million. The distribution of families by income level is 13.42 percent low-income, 36.31 percent moderate-income, 33.84 percent middle-income, and 16.44 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14.41 percent. The 2017 FFIEC adjusted median family income for the AA is $66,200. Low-income families in the AA earn median annual income of $33,100 or less and moderate-income families earn an annual income of $33,101 to $52,960.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 19 branches and 18 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank’s deposits total $1.8 billion, making this AA the bank’s largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked ninth of 60 depository financial institutions in the AA, with 1.97 percent of the market share. Competitors operate 832 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 77.74 percent of total deposits in the AA. The top five depository institutions include JP Morgan Chase Bank National Association, Wells Fargo Bank National Association, Western Alliance Bank, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.20 percent, which is near to the nationwide and Arizona unemployment rates as of December 2017. The nationwide and Arizona unemployment rates are 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, the unemployment rate is falling, but firms are not finding it difficult to recruit talent because the labor market has not yet hit full employment. The leading industries are professional and business services, education and health services, local government, retail, and leisure and hospitality services. Major employers in the AA include Banner Health System, Fry's Food Stores, Wells Fargo Bank National Association, Arizona State University, Intel Corp, Dignity Health, and Honor Health.

Housing

There are limited opportunities for home mortgage lending in this AA's moderate-income geographies due to the low number of housing units. According to Moody's Analytics, house price gains are far ahead of the nations, but this is largely because of supply constraints, as few existing homes are for sale and homebuilding is falling shy of housing demand.

According to the 2010 U.S. Census, 57.79 percent of the total housing units in the AA are owner-occupied, and 28.19 percent are rental-occupied units. Just over three (3.66) percent of all owner-occupied units and 14.06 percent of renter-occupied units are located in low-income CTs. Additionally, 5.30 percent of all single family homes and 15.29 percent of multifamily housing units are located in low-income CTs. More than 21 (21.50) percent of all owner-occupied units and 34.26 percent of renter-occupied units are located in moderate-income CTs. Additionally, 21.15 percent of all single family homes and 37.42 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $269,050 and $320,050 in 2015 and 2017 reflecting a change of 18.96 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $282,965 and the median monthly gross rent increased to $934. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.62 and 15.18 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $33,100 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the

AA) could afford a $154,148 mortgage with a payment of $828 per month. A moderate-income borrower making $52,960 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $246,637 mortgage with a payment of $1,324 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,718.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Participation in programs designed to keep homeowners in their home,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Investments in Low Income Tax Housing Credits (LITHC), and
- Financial counseling and education programs and incentives for savings.

The contacts shared a need for banks to volunteer in support of community development organizations. However, there are sufficient opportunities for financial institutions to participate in CD activities.

State of California

Los Angeles-Long Beach-Anaheim MSA

Demographic Information for Full Scope Area: Los Angeles-Long Beach-Anaheim MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,928	8.37	28.18	27.97	34.08	1.40
Population by Geography	12,826,366	7.65	29.51	29.02	33.52	0.30
Owner-Occupied Housing by Geography	2,150,382	2.37	17.45	29.92	50.25	0.01
Business by Geography	977,491	5.97	20.13	27.36	45.34	1.20
Farms by Geography	10,491	3.52	19.46	29.25	47.23	0.53
Family Distribution by Income Level	2,868,910	23.56	16.65	18.09	41.69	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,153,626	12.90	41.37	27.72	18.00	0.01
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		66,023 64,300 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		543,218 4.25%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Los Angeles-Long Beach-Anaheim MSA AA includes the Anaheim-Santa Ana-Irvine MD, which consist of Orange County, and the Los Angeles-Long Beach-Glendale MD, which consist of Los Angeles County in California. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 2,928 CTs of which 245 are low- income and 825 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 12.83 million. The distribution of families by income level is 12.90 percent low-income, 41.37 percent moderate-income, 27.72 percent middle-income, and 18 percent upper-income. The percentage of families in the AA living below the poverty level is high at 15.42 percent. The 2017 FFIEC adjusted median family income for the AA was $64,300. Low-income families in the AA earn median annual income of $32,150 or less and moderate-income families earn an annual income of $32,151 to $51,440.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 39 branches and 41 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank’s deposits total $4.8 billion, making this AA the bank’s largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked 19th of 125 depository financial institutions in the AA, with 0.91 percent market share. Competitors operate 2,383 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 60.13 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, MUFG Union Bank National Association, and CIT Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.10 percent, which is the same as the nationwide unemployment rate as of December 2017. The AA's unemployment rate is the lowest since 1976. The California unemployment rate is 4.50 percent.

According to Moody's Analytics, finance is the one industry that has outperformed the state, but in the AA it is heavily tied to real estate, and rising mortgage rates will prevent the expansion of credit opportunities. Wage pressures are rising for the AA as Los Angeles moves deeper into the late-cycle phase of its expansion. The MSA's economy has lost ground. Job growth has fallen below the national average. The leading industries are education and health services, professional and business services, local government, leisure and hospitality services, and retail. Major employers in the AA include University of California Los Angeles, Kaiser Permanente, University of Southern California, Northrop Grumman Corp., Target Brands Inc., Kroger Co., Boeing Co., Providence Health Systems, Bank of America Corp., and Walt Disney Co.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of owner-occupied housing units and the high poverty rate. According to Moody's Analytics, housing's contribution to the expansion in the AA will diminish. House price appreciation has outpaced growth in incomes, which has returned housing affordability to its average over the past 20 years. Therefore, Los Angeles can no longer rely on cheap housing to drive home construction, which is expected to level off after eight strong years.

According to the 2010 U.S. Census, 48.14 percent of the total housing units in the AA are owner-occupied, and 45.92 percent are rental occupied units. Just over two (2.37) percent of all owner-occupied units and 11.53 percent of renter-occupied units are located in low-income CTs. Additionally, 4.33 percent of all single family homes and 12.67 percent of multifamily housing units are located in low-income CTs. More than 17 (17.45) percent of all owner-occupied units and 35.51 percent of renter-occupied units are located in moderate-income CTs. Additionally, 23.24 percent of all single family homes and 32.36 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $537,439 and $699,950 in 2015 and 2017 reflecting a change of 30.24 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $581,593 and the median monthly gross rent increased to $1,214 over the evaluation period. Homeowners and renters with home-related costs that exceed 30.00 percent of their income total 17.69 and 27.27 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $32,150 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $149,724 mortgage with a payment of $804 per month. A moderate-income borrower making $51,440 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $239,558 mortgage with a payment of $1,286 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $3,757.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Need for first time homebuyer loan programs,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Investments in Low Income Tax Housing Credits (LITHC), and
- Financial counseling and education programs, and incentives for savings

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

San Diego-Carlsbad MSA

Demographic Information for Full Scope Area: San Diego-Carlsbad MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of#	Upper % of#	NA* % of #
Geographies (Census Tracts/BNAs)	628	10.03	21.34	36.15	31.53	0.96
Population by Geography	3,095,313	9.80	21.57	35.24	33.05	0.33
Owner-Occupied Housing by Geography	593,945	3.31	14.32	38.78	43.59	0.00
Business by Geography	253,037	5.77	15.48	35.21	43.36	0.17
Farms by Geography	5,009	4.03	16.19	38.89	40.87	0.02
Family Distribution by Income Level	703,747	22.36	17.55	18.75	41.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	280,889	16.43	31.05	33.90	18.62	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		73,560 79,300 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		496,417 3.78%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The San Diego-Carlsbad MSA AA includes San Diego County in California, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 628 CTs of which 63 are low- and 134 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 3.10 million. The distribution of families by income level is 16.43 percent low-income, 31.05 percent moderate-income, 33.90 percent middle-income, and 18.62 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.03 percent. The 2017 FFIEC adjusted median family income for the AA is $79,300. Low-income families in the AA earn median annual income of $39,650 or less, and moderate-income families earn an annual income of $39,651 to $63,440.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 24 branches and 25 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report the bank's deposits total $3.3 billion, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks seventh out of 53 depository institutions in the AA with a 3.89 percent market share. Competitors operate 566 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 72.71 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of America National Association, JPMorgan

Chase Bank National Association, MUFG Union Bank National Association, and Bofi Federal Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.50 percent, which is lower than nationwide and California unemployment rates as of December 2017. The nationwide and California unemployment rates are 4.10 percent, and 4.50 percent, respectively.

According to Moody's Analytics, healthcare, leisure/hospitality, and state and local government are powering the economy. The jobless rate declined by a percentage point in 2017 to its lowest since 2000, and the labor force is expanding again. Despite the tight labor market, average hourly earnings are little changed over the last year. The metro area has above-average economic vitality because of its fast-growing technology firms. The leading industries are local government, professional and business services, education and health services, leisure and hospitality services, and retail. Major employers include Marine Corps Base Camp Pendleton, University of California San Diego, Naval Base San Diego, Naval Base Coronado, Sharp Healthcare, and Scripps Health.

Sea World, Beer tours, the world famous San Diego Zoo, numerous cruises, and other sightseeing options make San Diego attractive to visitors. In 2017, the area hosted a record 35 million visitors, according to the area's tourism agency. The AA is also benefiting from the Navy's decision to rebalance its forces, moving more assets from the Atlantic coast to the Pacific coast as a result of possible threats from Russia and China, as well as changes in international shipping lanes.

Housing

There are opportunities for home mortgage lending in this AA due to the strong housing market. According to Moody's Analytics, the housing market is on solid footing. Single-family permits are climbing, and house prices are above their 2006 prerecession peak. However, there are limited opportunities for home mortgage lending within LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 51.43 percent of the total housing units in the AA are owner-occupied, and 40.51 percent are rental occupied units. Just over three (3.31) percent of all owner-occupied units and 15.02 percent of renter-occupied units are located in low-income CTs. Additionally, 5.81 percent of all single family homes and 14.62 percent of multifamily housing units are located in low-income CTs. More than 14 (14.32) percent of all owner-occupied units and 27.56 percent of renter-occupied units are located in moderate-income CTs. Additionally, 17.06 percent of all single family homes and 26.63 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $499,050 and $650,050 in 2015 and 2017 reflecting a change of 30.26 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $537,160 and the median monthly gross rent increased to $1,274. Homeowners and renters with home-related costs that exceed 30 percent of their income total 17.83 and 59.percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $39,650 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $184,652 mortgage with a payment of $991 per month. A moderate-income borrower making $63,440 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $295,443 mortgage with a payment of $1,586 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $3,490.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing programs, small business and economic growth, and community development activities including outreach.

According to the community contact, significant opportunities for participation by banks include the following:

- Affordable housing- single and multifamily development and rehabilitation,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Products for small business micro loans need to compete with online lenders that are affordable, sustainable and transparent,
- Lending capital to small business service providers, and
- Credit-builder loans and second chance checking accounts.

The contact shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

San Francisco-Oakland-Hayward MSA

Demographic Information for Full Scope Area: San Francisco-Oakland-Hayward MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	978	12.27	19.53	35.69	31.70	0.82
Population by Geography	4,335,391	11.45	19.69	37.47	31.27	0.12
Owner-Occupied Housing by Geography	896,981	4.62	14.53	39.86	40.99	0.00
Business by Geography	363,705	13.15	14.65	33.79	38.36	0.04
Farms by Geography	5,148	6.78	15.68	38.87	38.66	0.02
Family Distribution by Income Level	984,779	23.39	16.36	18.90	41.36	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	391,375	18.31	27.41	37.05	17.23	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		91,614 113,100 9%	Median Housing Value Unemployment Rate (2010 U.S. Census)		649,463 4.07%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The San Francisco-Oakland-Hayward MSA AA includes the Oakland-Hayward-Berkeley MD, San Francisco-Redwood City-South San Francisco MD, and San Rafael MD in California. The Oakland-Hayward-Berkeley MD includes Alameda and Contra Costa Counties, which is the entire MSA. The San Francisco-Redwood City-South San Francisco MD includes San Francisco and San Mateo Counties. The San Rafael MD includes Marin County. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 978 CTs of which 120 are low- and 191 are moderate-income.

According to the 2010 U.S. Census, AA population totals 4.34 million. The distribution of families by income level is 18.31 percent low-income, 27.41 percent moderate- income, 37.05 percent middle-income, and 17.23 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.71 percent. The 2017 FFIEC adjusted median family income for the AA is $113,100. Low-income families in the AA earn median annual income of $56,550 or less, and moderate-income families earn an annual income of $56,551 to $90,480.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 11 branches and 13 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank’s deposits total $1.2 billion, making this AA the bank’s third largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks 21st out of 71 depository institutions in the AA with 0.32 percent market share. Competitors operate

1028 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 74.15 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, First Republic Bank, JPMorgan Chase Bank National Association, and Bank of the West.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 2.90 percent, which is lower than the nationwide and California unemployment rates as of December 2017. The nationwide and California unemployment rates are 4.10 percent, and 4.50 percent, respectively.

According to Moody's Analytics, job growth has slowed since 2016 in large part because the most important industry in San Francisco, professional and business services, has lost 5,000 jobs over the past year. Growth in the rest of the economy has kept the unemployment rate low, but it has nonetheless risen 30 basis points since June of 2017. The leading industries are professional and business services, leisure and hospitality services, education and health services, and local government.
Major employers include University of California Santa Cruz, Stanford University, University of San Francisco, Genentech Inc., Wells Fargo Bank National Association, Kaiser Permanente, and Oracle Corp.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of units and the low rate for owner occupancy. According to the 2010 U.S. Census, 51.93 percent of the total housing units in the AA are owner-occupied, and 40.38 percent are rental occupied units. Just over four (4.62) percent of all owner-occupied units and 19.45 percent of renter-occupied units are located in low-income CTs. Additionally, 7.55 percent of all single family homes and 22.76 percent of multifamily housing units are located in low-income CTs. More than 14 (14.53) percent of all owner-occupied units and 24.38 percent of renter-occupied units are located in moderate-income CTs. Additionally, 17.62 percent of all single family homes and 22.02 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to thigh median housing prices compared to median family income. The median housing value in the AA is $606,550 and $888,050 in 2015 and 2017 reflecting a change of 46.41 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $678,225 and the median monthly gross rent increased to $1,314. Homeowners and renters with home-related costs that exceed 30 percent of their income total 17.11 and 20.93 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $56,550 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $263,356 mortgage with a payment of $1,414 per month. A moderate-income borrower making $90,480 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $421,369 mortgage with a payment of $2,262 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $4,767.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Need for first time homebuyer loan programs,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Financial counseling and education programs, and incentives for savings,
- Support for Volunteer Income Tax Assistance programs, and
- Financial counseling and education programs, and incentives for savings

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Colorado

Colorado Springs MSA

Demographic Information for Full Scope Area: Colorado Springs MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	136	5.15	30.88	40.44	22.79	0.74
Population by Geography	645,613	4.28	26.49	41.98	26.55	0.69
Owner-Occupied Housing by Geography	159,190	2.39	21.44	45.18	30.99	0.00
Business by Geography	58,079	6.18	22.97	37.64	33.13	0.08
Farms by Geography	1,478	3.79	25.51	43.30	27.40	0.00
Family Distribution by Income Level	160,190	20.00	18.32	21.62	40.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	61,371	6.57	38.69	41.97	12.77	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		68,800 73,500 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		225,957 3.62%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Colorado Springs MSA AA includes El Paso and Teller Counties in Colorado, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 136 CTs of which seven are low- and 42 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 645,613. The distribution of families by income level is 6.57 percent low-income, 38.69 percent moderate-income, 41.97 percent middle-income, and 12.77 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.89 percent. The 2017 FFIEC adjusted median family income for the AA is $73,500. Low-income families in the AA earn median annual income of $36,750 or less, and moderate-income families earn an annual income of $36,751 to $58,800.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates three branches and three deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $2 billion, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks eighth out of 39 depository financial institutions in the AA, with a 2.51 percent market share. Competitors operate 139 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 61.59 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, First Bank, and ANB Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.50 percent, which is slightly lower than the nationwide unemployment rate but higher than the Colorado unemployment rate as of December 2017. The nationwide and Colorado unemployment rates are 4.10 percent, and 3.00 percent, respectively.

According to Moody's Analytics, Colorado Springs will remain a competitive location for business investment. The University of Colorado-Colorado Springs provides the labor force with a steady stream of college graduates, wage costs are low relative to the state and U.S. averages, and office space is relatively inexpensive. These factors draw business investment to the metro area and support job growth well above the U.S. average. Strong population growth facilitate job gains even in the face of a tightening labor market, as higher housing affordability is a powerful draw for workers priced out of Denver. The leading industries are state and local government, professional and business services, education and health services, leisure and hospitality services, and retail. The metro area is home to the Air Force Academy, and Fort Carson, Peterson, and Schriever Air Force bases, and the defense sector forms the economy's backbone. Major employers include Fort Carson, Peterson Air Force Base, Air Force Academy, Hewlett-Packard, Memorial Hospital, and Schriever Air Force Base.

Housing

There are opportunities for home mortgage lending in this AA's LMI geographies. According to the 2010 U.S. Census, 60.92 percent of the total housing units in the AA are owner-occupied, and 29.46 percent are rental occupied units. Just over 2 (2.39) percent of all owner-occupied units and 9.24 percent of renter-occupied units are located in low-income CTs. Additionally, 3.61 percent of all single family homes and 11.55 percent of multifamily housing units are located in low-income CTs. More than 21 (21.44) percent of all owner-occupied units and 39.19 percent of renter-occupied units are located in moderate-income CTs. Additionally, 24.25 percent of all single family homes and 42.20 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing price compared to median family income. The median housing value in the AA is $284,921 and $379,950 in 2015 and 2017 reflecting a change of 33.35 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $246,724 and the median monthly gross rent increased to $827. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.94 and 16.72 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $36,750 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $171,146 mortgage with a payment of $919 per month. A moderate-income borrower making $58,800 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $273,834 mortgage with a payment of $1,470 per month. This illustrates LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $2,040.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach. According to the community contact, there is a need for affordable housing, available housing inventory is at an all-time low but is improving, and housing prices are much lower in Colorado Springs than in Denver, but designated affordable housing is limited.

The contact shared a need for banks to volunteer in support of community development organizations. However, there are limited opportunities for financial institutions to participate in CD activities.

Denver-Aurora-Lakewood MSA

Demographic Information for Full Scope Area: Denver-Aurora-Lakewood MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of#	Upper % of#	NA* % of #
Geographies (Census Tracts/BNAs)	606	11.39	22.61	32.67	32.18	1.16
Population by Geography	2,495,102	11.36	23.29	32.79	32.52	0.05
Owner-Occupied Housing by Geography	633,393	6.48	19.31	35.37	38.84	0.00
Business by Geography	290,914	8.51	20.18	30.31	40.70	0.30
Farms by Geography	5,573	8.52	18.97	31.89	40.27	0.36
Family Distribution by Income Level	606,544	22.08	17.11	20.19	40.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	237,697	19.69	34.37	29.72	16.22	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		75,101 83,900 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		265,896 3.72%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Denver-Aurora-Lakewood MSA AA represents part of the MSA and consists of Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties in Colorado. The Denver-Aurora-Lakewood MSA consists of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. However, Zions limited their AA to the seven counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 606 CTs, of which 69 are low- and 137 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 2.50 million. The distribution of families by income level is 19.69 percent low-income, 34.37 percent moderate-income, 29.72 percent middle-income, and 16.22 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.70 percent. The 2017 FFIEC adjusted median family income for the AA is $83,900. Low-income families in the AA earn median annual income of $41,950 or less, and moderate-income families earn an annual income of $41,951 to $67,120.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 15 branches and 14 deposit-taking ATMS in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank’s deposits total $1.5 billion, making this AA the bank’s largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is low. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks tenth out of 71 depository institutions with a 1.84 percent market share. Competitors operate 632 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 70.29 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, US Bank National Association, First Bank, JPMorgan Chase Bank National Association, and Key Bank National Association.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than nationwide and the same as Colorado unemployment rates as of December 2017. The nationwide and Colorado unemployment rates are 4.10 percent, and 3.00 percent, respectively.

According to Moody's Analytics, the metro area of Denver-Aurora-Lakewood has pushed past full employment but is still adding jobs faster than the national average. Accelerating wage gains are supporting consumer spending, which has fueled strong growth in leisure and hospitality payrolls. A tight housing market has also drawn more workers into the understaffed construction industry. The leading industries are professional and businesses services, state and local government, education and health services, and leisure and hospitality services. Major employers include HealthOne, University of Colorado Hospital, Lockheed Martin Corporation, Centura Health, United Airlines Inc., Children's Health, and Kaiser Permanente. Younger companies also play a major role in job creation. As Denver-Aurora-Lakewood's tech scene matured, resources such as shared workspace and access to investors have become more prevalent, nurturing existing companies and drawing entrepreneurs to the area.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's low-income geographies due to the low number of units. According to Moody's Analytics, supply constraints have left Denver-Aurora-Lakewood's housing market overvalued. The housing prices have risen 59 percent above their prerecession peak in the largest post-recession gain of any metro area. Such rapid price gains increase homeowners' wealth, but they also make housing increasingly unaffordable for newcomers and renters looking to buy. Single-family permits have registered a sharp increase and construction employment has shot up over the past three months in its first significant gain since 2014. The new housing will help satiate pent-up demand and improve the affordability crunch.

According to the 2010 U.S. Census, 61.22 percent of the total housing units in the AA are owner-occupied, and 31.51 percent are rental occupied units. Just over six (6.48) percent of all owner-occupied units and 20.19 percent of renter-occupied units are located in low-income CTs. Additionally, 7.88 percent of all single family homes and 20.64 percent of multifamily housing units are located in low-income CTs. More than 19 (19.31) percent of all owner-occupied units and 33.07 percent of renter-occupied units are located in moderate-income CTs. Additionally, 20.87 percent of all single family homes and 32.07 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $469,107 and $534,709 in 2015 and 2017 reflecting a change of 13.98 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $287,972 and the median monthly gross rent increased to $895. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.83 and 16.86 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $41,950 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $195,363 mortgage with a payment of $1,049 per month. A moderate-income borrower making $67,120 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $312,581 mortgage with a payment of $1,678 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $2,870.

<u>Community Contact</u>

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

Significant opportunities for participation by banks include the following:

- Affordable housing financing,
- Home ownership down payment savings programs,
- Affordable senior housing ,
- Financing for nonprofit organizations,
- Financial counseling and education programs, and incentives for savings, and
- Appropriate referrals for customers that do not meet conventional credit criteria.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Idaho

Boise MSA

Demographic Information for Full Scope Area: Boise City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	95	2.11	32.63	41.05	24.21	0.00
Population by Geography	616,561	1.18	28.18	43.45	27.19	0.00
Owner-Occupied Housing by Geography	155,887	0.57	24.30	45.07	30.07	0.00
Business by Geography	44,800	0.87	30.07	38.63	30.43	0.00
Farms by Geography	2,116	0.52	28.21	49.86	21.41	0.00
Family Distribution by Income Level	153,721	19.58	18.32	22.49	39.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	58,251	2.27	41.34	41.28	15.11	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		59,649 64,000 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		199,548 3.78%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Boise MSA AA includes Ada, Boise, Canyon, Gem, and Owyhee Counties in Idaho, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 95 CTs of which two are low- and 31 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 616,561. The distribution of families by income level was 2.27 percent low-income, 41.34 percent moderate- income, 41.28 percent middle-income, and 15.11 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14.19 percent. The 2017 FFIEC adjusted median family income for the AA is $64,000. Low-income families in the AA earn median annual income of $32,000 or less, and moderate-income families earn an annual income of $32,001 to $51,200.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates six branches and seven deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $353 million, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks eighth out of 20 depository financial institutions in the AA, with 3.27 percent market share. Competitors operate 169 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 70.52 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, US Bank National Association, KeyBank National Association, Bank of the Cascades, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 2.80 percent, which is lower than the nationwide and Idaho unemployment rates as of December 2017. The nationwide and Idaho unemployment rates are 4.10 percent and 3.00 percent, respectively.

According to Moody's Analytics, job growth is more than twice the rates nationally. The rise in payroll employment is less broad-based than in 2016, when the public sector and private goods-producing industries were adding workers. Layoffs in local government and less support from goods producers, which struggled early in 2017 but have perked up recently thanks to stabilization in tech manufacturing, are the reason payroll gains this year are running a bit behind those in the same period in 2016. Almost the entire rise in employment in 2017 is in private services, led by healthcare, financial activities, and wholesale and retail trade. The leading industries are state and local government, education and health services, professional and business services, and retail. Major employers include St. Luke's Health System, Micron Technology Inc., Boise State University, St. Alphonsus Regional Medical Center, JR Simplot Company, and Hewlett-Packard Company.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 64.86 percent of the total housing units in the AA are owner-occupied, and 27.15 percent are rental occupied units. Just under one (0.57) percent of all owner-occupied units and 2.28 percent of renter-occupied units are located in low-income CTs. Additionally, 0.84 percent of all single family homes and 1.56 percent of multifamily housing units are located in low-income CTs. More than 24 (24.30) percent of all owner-occupied units and 43.07 percent of renter-occupied units are located in moderate-income CTs. Additionally, 27.28 percent of all single family homes and 46.19 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to the median housing prices compared to median family income. The median housing value in the AA is $209,245 and $296,040 in 2015 and 2017 reflecting a change of 41.48 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $209,490 and the median monthly gross rent increased to $768. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 15.29 and 13.27 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $32,000 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $149,025 mortgage with a payment of $800 per month. A moderate-income borrower making $51,200 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $238,440 mortgage with a payment of $1,280 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,589.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

Significant opportunities for participation by banks include the following:

- Affordable housing programs,
- Availability of down payment assistance programs,
- Homebuyer education,
- Small dollar amount loans for consumers,
- Committee and board involvement

Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

ID Non-MSA

Demographic Information for Full Scope Area: ID Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	56	3.57	8.93	71.43	16.07	0.00
Population by Geography	296,216	3.03	9.74	71.32	15.92	0.00
Owner-Occupied Housing by Geography	69,931	0.69	6.36	74.15	18.80	0.00
Business by Geography	18,029	2.31	9.07	68.02	20.60	0.00
Farms by Geography	2,120	0.38	2.50	83.07	14.06	0.00
Family Distribution by Income Level	72,633	19.40	17.70	22.34	40.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,950	3.51	12.70	72.85	10.94	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		49,523 55,200 16%	Median Housing Value Unemployment Rate (2010 U.S. Census)		206,737 3.18%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The ID Non-MSA AA consists of ten counties in the state of Idaho (Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington) that the bank can reasonably serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, there are 56 census tracts in the AA, of which two low- and five moderate-income census tracts in the AA, respectively.

According to the 2010 U.S. Census, the AA population totals 296,216. The distribution of families by income level was 3.51 percent low-income, 12.70 percent moderate- income, 72.85 percent middle-income, and 10.94 percent upper-income. The percentage of families in the AA living below the poverty level is high at 17.52 percent. The 2017 FFIEC adjusted median family income for the AA was $55,200. Low-income families in the AA earn median annual income of $27,600 or less, and moderate-income families earn an annual income of $27,601 to $44,160.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 12 branches and 14 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $657 million, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks third out of 19 depository financial institutions in the AA with 14.07 percent market share. Competitors operate 99 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for

51.53 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, US Bank National Association, First Federal Savings Bank of Twin Falls, and DL Evans Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, the average unemployment in this AA is 4.7 percent, which is lower than the nationwide unemployment rate as of December 2017. The unemployment rate for the ten counties within the AA range from 1.9 percent to 4.7 percent. The nationwide and Idaho unemployment rates are 4.10 percent, and 3.00 percent, respectively.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 58.66 percent of the total housing units in the AA are owner-occupied, and 28.15 percent are rental occupied units. Just under one (0.69) percent of all owner-occupied units and 5.18 percent of renter-occupied units are located in low-income CTs. Additionally, 1.43 percent of all single family homes and 8.33 percent of multifamily housing units are located in low-income CTs. More than six (6.36) percent of all owner-occupied units and 13.33 percent of renter-occupied units are located in moderate-income CTs. Additionally, 7.54 percent of all single family homes and 19.06 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $227,849 and $279,163 in 2015 and 2017 reflecting a change of 22.52 percent from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to $176,630 and the median monthly gross rent increased to $641. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 12.43 and 13.73 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $27,600 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $128,534 mortgage with a payment of $690 per month. A moderate-income borrower making $44,160 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $205,655 mortgage with a payment of $1,104 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,499.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

According to the community contact, a shortage of affordable housing is the primary need for LMI individuals and families. The contact shared a need for banks to volunteer in support of community development organizations. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Nevada

Las Vegas-Henderson-Paradise MSA

Demographic Information for Full Scope Area: Las Vegas-Henderson-Paradise MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	487	5.75	23.20	41.27	29.77	0.00
Population by Geography	1,951,269	5.29	22.78	42.19	29.74	0.00
Owner-Occupied Housing by Geography	405,047	1.74	15.53	45.66	37.07	0.00
Business by Geography	97,730	4.87	20.48	42.77	31.87	0.00
Farms by Geography	1,507	1.66	17.45	46.05	34.84	0.00
Family Distribution by Income Level	457,592	20.10	18.02	22.00	39.88	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	174,412	9.69	33.02	40.10	17.20	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		63,888 61,900 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		253,307 4.62%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Las Vegas-Henderson-Paradise MSA AA includes Clark County in Nevada, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 487 CTs, of which 28 are low- and 113 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.95 million. The distribution of families by income level is 9.69 percent low-income, 33.02 percent moderate-income, 40.10 percent middle-income, and 17.20 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.88 percent. The 2017 FFIEC adjusted median family income for the AA is $61,900. Low-income families in the AA earn median annual income of $30,950 or less, and moderate-income families earn an annual income of $30,951 to $49,520.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 30 branches and 39 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $3 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks seventh out of 39 depository institutions with a 5.40 percent market share. Competitors operate 312 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 73.02 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of America National Association, Wells Fargo Financial National Bank, Western Alliance Bank, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 5.10 percent, which is higher than the nationwide and Nevada unemployment rates as of December 2017. The nationwide and Nevada unemployment rates are 4.10 percent and 4.90 percent, respectively.

According to Moody's Analytics, the mainstay leisure hospitality industry is making a comeback following its slump, and professional business services continues to impress. The AA's strong economy is drawing more workers into the labor force, which is growing at more than double the national pace. Although leisure and hospitality job gains are trailing, the AA's weekend hotel occupancy rates are hovering around their prerecession highs. The leading industries are leisure and hospitality services, professional and business services, state and local government, and retail.
Major employers include Station Casinos Inc., Boyd Gaming Corp., Las Vegas Sands Corp., Wynn Las Vegas LLC, MGM Resorts International, Bellagio LLA, Aria Resort & Casino, and Mandalay Bay Resort & Casino.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of units. According to the 2010 U.S. Census, 49.83 percent of the total housing units in the AA are owner-occupied, and 35.76 percent are rental occupied units. Just under two (1.74) percent of all owner-occupied units and 10.78 percent of renter-occupied units are located in low-income CTs. Additionally, 3.10 percent of all single family homes and 13.16 percent of multifamily housing units are located in low-income CTs. Less than 16 (15.53) percent of all owner-occupied units and 33.23 percent of renter-occupied units are located in moderate-income CTs. Additionally, 16.12 percent of all single family homes and 41.60 percent of multifamily housing units are located in moderate-income tracts. The median housing value rose significantly to $287,125 and the median monthly gross rent increased to $1,061. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.33 and 19.48 percent, respectively.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $220,045 and $289,050 in 2015 and 2017 reflecting a change of 31.36 percent from 2015 to 2017 according to Realtor.com data. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $30,950 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $144,135 mortgage with a payment of $774 per month. A moderate-income borrower making $49,520 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $230,617 mortgage with a payment of $1,238 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,552.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach. According to the community contacts, the economy is improved, but many people are still struggling, since the Las Vegas area was one of the hardest hit areas during the housing collapse. The homeless and working poor populations are growing. There is a need for more financial assistance for affordable housing development. The contact felt rehabilitation housing programs are beneficial for the AA since the housing is already built.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

NV Non-MSA

Demographic Information for Full Scope Area: NV Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	72	2.78	16.67	62.50	16.67	1.39
Population by Geography	268,591	1.49	18.23	63.99	16.29	0.00
Owner-Occupied Housing by Geography	72,122	1.35	19.68	60.22	18.75	0.00
Business by Geography	12,999	0.73	14.80	66.15	18.28	0.04
Farms by Geography	877	1.14	9.81	73.20	15.85	0.00
Family Distribution by Income Level	68,739	20.85	17.52	23.35	38.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,377	2.48	27.82	60.81	8.89	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		64,296 62,900 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		215,123 4.29%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The NV Non-MSA AA includes all 13 Non-MSA counties in Nevada (Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, and White Pine). The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 72 CTs of which two are low- and 12 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 268,591. The distribution of families by income level is 2.48 percent low-income, 27.82 percent moderate-income, 60.81 percent middle-income, and 8.89 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.22 percent. The 2017 FFIEC adjusted median family income for the AA is $62,900. Low-income families in the AA earn median annual income of $31,450 or less, and moderate-income families earn an annual income of $31,451 to $50,320.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 13 branches and 15 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $627 million, making this AA the bank's third largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 Deposit Market Share Report the bank ranks second out of 13 depository financial institutions in the AA, with an 18.97 percent market share. Competitors operate 41 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 63.80 percent of total deposits in the AA. The top four depository institutions include

Wells Fargo Bank National Association, US Bank National Association, Bank of America National Association, and Washington Federal National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is on average higher than the national average as of December 2017. The nationwide and Nevada unemployment rates are 4.10 percent and 4.90 percent, respectively. The unemployment rate for the counties within the AA range from 3.10 percent to 6.40 percent.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 59.83 percent of the total housing units in the AA are owner-occupied, and 22.99 percent are rental occupied units. Just over one (1.35) percent of all owner-occupied units and 1.96 percent of renter-occupied units are located in low-income CTs. Additionally, 1.90 percent of all single family homes and 2.77 percent of multifamily housing units are located in low-income CTs. Less than 20 (19.68) percent of all owner-occupied units and 19.89 percent of renter-occupied units are located in moderate-income CTs. Additionally, 15.14 percent of all single family homes and 16.03 percent of multifamily housing units are located in moderate-income tracts. The median housing value rose significantly to $234,225 and the median monthly gross rent increased to $820. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.25 and 9.52 percent, respectively.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $234,139 and $292,700 in 2015 and 2017 reflecting a change of 25.01 percent from 2015 to 2017 according to Zillow.com data. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $31,450 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $146,464 mortgage with a payment of $786 per month. A moderate-income borrower making $50,320 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $234,342 mortgage with a payment of $1,258 per month. This illustrates that LMI borrowers would be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,571.

State of New Mexico

Farmington MSA

Demographic Information for Full Scope Area: Farmington MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	6.06	12.12	60.61	21.21	0.00
Population by Geography	130,044	5.84	11.27	67.07	15.82	0.00
Owner-Occupied Housing by Geography	30,863	5.52	9.78	65.64	19.05	0.00
Business by Geography	5,919	0.39	12.59	65.52	21.51	0.00
Farms by Geography	131	0.00	6.11	59.54	34.35	0.00
Family Distribution by Income Level	30,952	23.88	15.75	18.03	42.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,267	8.84	13.76	67.86	9.54	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		53,540 58,800 19%	Median Housing Value Unemployment Rate (2010 U.S. Census)		138,805 1.95%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Farmington MSA AA includes San Juan County in New Mexico, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 33 CTs of which two are low- and four are moderate-income.

According to the 2010 U.S. Census, the AA population totals 130,044. The distribution of families by income level is 8.84 percent low-income, 13.76 percent moderate-income, 67.86 percent middle-income, and 9.54 percent upper-income. The percentage of families in the AA living below the poverty level is high at 19.49 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $58,800. Low-income families in the AA earn median annual income of $29,400 or less, and moderate-income families earn an annual income of $29,401 to $47,040.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch and one deposit-taking ATM in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $50 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks fifth out of eight depository financial institutions in the AA, with a 3.41 percent market share. Competitors operate 25 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 91.84 percent of total deposits in the AA. The top four depository institutions include Citizens Bank, Wells Fargo Bank National Association, Four Corners Community Bank, and Bank of America National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 6.60 percent, which is significantly higher than the nationwide and New Mexico unemployment rates as of December 2017. The nationwide and New Mexico unemployment rates are 4.10 percent, and 6.00 percent, respectively.

The AA's economy is still in recession due to the slow recovery of the oil and gas drilling industries. According to Moody's Analytics, the unemployment rate is falling entirely due to out-migration and labor force withdrawal. The leading industries are state and local government, education and health services, and retail. Major employers include San Juan Regional Medical Center, BHP Minerals, San Juan College, Aztec Oil and Well, Basin Home Health, Wal-Mart Stores, Inc. and Conoco Philips.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the poor economy causing low housing demand. According to Moody's Analytics, the economy's depressed state can be seen in its housing market. The combined effects of out-migration and low demand have sent the estimated vacant share of the housing stock up from 14 percent in 2014 to over 20 percent in late 2017.

According to the 2010 U.S. Census, 63.75 percent of the total housing units in the AA are owner-occupied, and 22.52 percent are rental occupied units. Just over five (5.52) percent of all owner-occupied units and 4.39 percent of renter-occupied units are located in low-income CTs. Additionally, 9.68 percent of all single family homes and no multifamily housing units are located in low-income CTs. Less than 10 (9.78) percent of all owner-occupied units and 15.83 percent of renter-occupied units are located in moderate-income CTs. Additionally, 14.89 percent of all single family homes and 16.97 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for low-income individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $199,950 and $200,050 in 2015 and 2017 reflecting a change of 0.05 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $154,358 and the median monthly gross rent increased to $669. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 10.68 and 8.53 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $29,400 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $136,917 mortgage with a payment of

$735 per month. A moderate-income borrower making $47,040 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $219,067 mortgage with a payment of $1,176 per month. This illustrates that low-income borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,074.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated the following community needs:

- Homebuyer counseling,
- Small loans to businesses,
- Business development assistance,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses, and
- Community development activities including outreach.

According to the community contact, the AA has some strengths due to energy and mining, and these generate revenue that helps the state and the local economy. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Oregon

Portland-Vancouver-Hillsboro MSA

Demographic Information for Full Scope Area: Portland-Vancouver-Hillsboro MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	355	2.82	23.66	43.10	29.86	0.56
Population by Geography	1,641,036	2.74	24.37	43.18	29.69	0.02
Owner-Occupied Housing by Geography	392,329	1.36	18.75	44.62	35.26	0.00
Business by Geography	158,562	5.00	21.77	40.25	32.81	0.17
Farms by Geography	4,425	2.19	14.58	47.82	35.34	0.07
Family Distribution by Income Level	391,462	20.43	17.25	20.73	41.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	147,517	4.23	34.71	42.79	18.27	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		68,924 74,700 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		317,964 4.40%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Portland-Vancouver-Hillsboro MSA AA represents part of the MSA and includes Clackamas, Multnomah, and Washington Counties in Oregon. The Portland-Vancouver-Hillsboro MSA includes Clackamas, Columbia, Multnomah, Washington, and Yamhill Counties. However, Zions limited their AA to the three counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 355 CTs, of which 10 are low- and 84 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.64 million. The distribution of families by income level is 4.23 percent low-income, 34.71 percent moderate-income, 42.79 percent middle-income, and 18.27 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.78 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $74,700. Low-income families in the AA earn median annual income of $37,350 or less, and moderate-income families earn an annual income of $37,351 to $59,760.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in this AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $71 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks 26th out of 37 depository financial institutions in the AA, with 0.14 percent market share. Competitors operate 535 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 76.31 percent of total deposits in the AA. The top five depository institutions include US Bank National Association, Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, and KeyBank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.90 percent, which is slightly lower than nationwide and Oregon unemployment rates as of December 2017. The nationwide and Oregon unemployment rates are 4.10 percent and 4.10 percent, respectively.

According to Moody's Analytics, the AA is adding jobs at a faster pace than nationally due to employment gains in tech-related professional services, construction, and healthcare. A combination of strong population growth and rapidly rising labor force participation, the area's labor force expansion is among the 15 fastest across the West. The unemployment rate is near its lowest on record back to the mid-1970s. The leading industries are professional and business services, education and health services, state and local government, and leisure and hospitality services. Major employers include Intel Corp, Providence Health Systems, Oregon Health & Science University, Kaiser Foundation Health Plan of the NW, Fred Meyer Stores, and Legacy Health Systems.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to low number of housing units. According to the 2010 U.S. Census, 57.43 percent of the total housing units in the AA are owner-occupied, and 35.99 percent are rental occupied units. Just over one (1.36) percent of all owner-occupied units and 4.88 percent of renter-occupied units are located in low-income CTs. Additionally, 1.74 percent of all single family homes and 5.78 percent of multifamily housing units are located in low-income CTs. Less than 19 (18.75) percent of all owner-occupied units and 31.22 percent of renter-occupied units are located in moderate-income CTs. Additionally, 21.84 percent of all single family homes and 28.76 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $320,050 and $450,050 in 2015 and 2017 reflecting a percent change of 40.62 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $329,822 and the median monthly gross rent increased to $871. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 16.60 and 19.22 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $37,350 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $173,940 mortgage with a payment of $934 per month. A moderate-income borrower making $59,760 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $278,305 mortgage with a payment of $1,494 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $2,416.

According to Moody's Analytics, house prices are appreciating at nearly 1½ times the national pace, and poor and eroding housing affordability is a concern. Despite the steep price, fewer single family residences are being built as developers turn to multifamily construction to contend with labor shortages and restrictions on land development. Multifamily building hit a three-decade high in 2017.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, economic development, and community development activities including outreach.

According to the community contact, there is a significant need for investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses. The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Texas

Houston-The Woodlands-Sugar Land MSA

Demographic Information for Full Scope Area: Houston-The Woodlands-Sugar Land MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,049	12.39	28.50	26.50	32.03	0.57
Population by Geography	5,816,356	9.44	25.92	28.43	35.86	0.35
Owner-Occupied Housing by Geography	1,212,635	4.10	20.85	29.74	45.32	0.00
Business by Geography	450,579	7.89	18.61	24.85	48.60	0.04
Farms by Geography	7,489	4.05	16.52	32.25	47.19	0.00
Family Distribution by Income Level	1,367,201	23.69	16.46	17.50	42.35	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	548,957	17.09	38.13	27.43	17.34	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		63,898 72,500 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		156,522 3.39%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Houston-The Woodlands-Sugar Land MSA AA represents part of the MSA and includes Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties in Texas. The Houston-The Woodlands-Sugar Land MSA includes Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties. However, Zions limited their AA to the seven counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 1,049 CTs, of which 130 are low- and 299 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 5.82 million. The distribution of families by income level is 17.09 percent low-income, 38.13 percent moderate-income, 27.43 percent middle-income, and 17.34 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $72,500. Low-income families in the AA earn median annual income of $36,250 or less, and moderate-income families earn an annual income of $36,251 to $58,000.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 61 branches and 82 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $9.8 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks fifth out of 93 depository financial institutions in the AA, with a 4.10 percent market share. Competitors operate 1,360 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 69.03 percent of total deposits in the AA. The top four depository institutions include JPMorgan Chase Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.60 percent, which is slightly higher than nationwide and Texas unemployment rates as of December 2017. The nationwide and Texas unemployment rate is 4.10 percent and 4.00 percent, respectively.

According to Moody's Analytics, total employment has been rising since the drop in September 2017, and most industries except for personal services have shared in the gains. Construction and business services are leading the way, and manufacturing has begun to turn around as well. Reconstruction is under way on the many thousands of severely flood-damaged houses from Hurricane Harvey, and the efforts will contribute to overall growth in continued years.

The MSA is recovering from the effects of Hurricane Harvey in late August 2017. The leading industries are professional and business services, state and local government, education and health services, and leisure and hospitality services. Major employers include Memorial Hermann Health Systems, the University of Texas Health Science Center, Schlumberger Ltd., Landry's Inc., ExxonMobil Corporation, and Baylor College of Medicine.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to the low number of housing units. According to Moody's Analytics, house prices are rising but at a below-average pace. The reduced supply of available housing has driven new permits for single-family homes to their highest point in 10 years. However, no corresponding jump in multifamily permits has occurred. Developers tend to link demand for apartments with mining employment, which is still far below the level in 2014.

According to the 2010 U.S. Census, 55.75 percent of the total housing units in the AA are owner-occupied, and 32.66 percent are rental occupied units. Just over four (4.10) percent of all owner-occupied units and 19.20 percent of renter-occupied units are located in low-income CTs. Additionally, 6.45 percent of all single family homes and 22.67 percent of multifamily housing units are located in low-income CTs. Less than 21 (20.85) percent of all owner-occupied units and 32.34 percent of renter-occupied units are located in moderate-income CTs. Additionally, 23.64 percent of all single family homes and 30.80 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $295,845 and $314,045 in 2015 and 2017 reflecting a percent change of 6.15 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $167,135 and the median monthly gross rent increased to $854. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 12.46 and 16.28 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $36,250 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $168,818 mortgage with a payment of $906 per month. A moderate-income borrower making $58,000 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $270,108 mortgage with a payment of $1,450 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,686.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities, including outreach. According to the community contacts, even though the economy is moving along well, there are trying times for the elderly and immigrants. Houston has one of the nation's largest refugee and immigrant populations. Affordable housing continues to be a need in the community.

Additional demolition and reconstruction funding is needed in the community. 85 percent of the homeowners whose homes were flooded in the 2015 and 2016 floods did not receive money from the City or FEMA to cover the flood damage. The majority of the homes had pre-existing damage.

The representatives expressed that bank branches are not always convenient in LMI neighborhoods. While technology increases access to banking, many residents in the community, especially the elderly, have issues with technology. Many residents lack the access to the internet or internet infrastructure because they cannot afford to have the services or high-speed internet access is not available in their neighborhood or rental unit.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Utah

Salt Lake City MSA

Demographic Information for Full Scope Area: Salt Lake City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	223	4.93	18.83	47.53	27.35	1.35
Population by Geography	1,087,873	3.90	17.59	51.26	26.89	0.35
Owner-Occupied Housing by Geography	243,024	1.96	13.10	53.77	31.17	0.00
Business by Geography	84,821	4.70	18.48	43.91	32.36	0.54
Farms by Geography	1,435	2.72	14.70	48.36	34.08	0.14
Family Distribution by Income Level	250,518	18.10	18.80	23.10	40.01	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	92,421	7.08	27.33	50.67	14.92	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		67,016 75,400 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		249,143 3.07%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Salt Lake City MSA AA includes Salt Lake and Tooele Counties in Utah, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 223 CTs, of which 11 are low- and 42 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.09 million. The distribution of families by income level is 7.08 percent low-income, 27.33 percent moderate-income, 50.67 percent middle-income, and 14.92 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.97 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $75,400. Low-income families in the AA earn median annual income of $37,700 or less, and moderate-income families earn an annual income of $37,701 to $60,320.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 35 branches and 43 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $11.3 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks 10th out of 43 depository financial institutions in the AA, with a 2.57 percent market share. Competitors 188 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 74.96 percent of total deposits in the AA. The top five depository institutions include Morgan Stanley Bank National Association, Ally Bank, Synchrony Bank, UBS Bank USA, and American Express Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than the nationwide and Utah unemployment rates as of December 2017. The nationwide and Utah unemployment rate is 4.10 percent, and 3.20 percent, respectively.

According to Moody's Analytics, job growth has picked up and is broad-based, but gains are largely concentrated in private services, particularly healthcare, retail and leisure, and hospitality. Manufacturers are no longer cutting back, and construction job growth would be stronger if not for labor shortages. The labor force is expanding at one of the fastest rates in the region. Over the last decade, Salt Lake City has won high-profile expansions, such as Goldman Sachs, which has found there are a large number of skilled workers who want global investment bank experience but do not want to live in cities with higher cost of living. Meanwhile, professional and business services benefit from investment by California tech firms looking to relocate to lower-cost metro areas. The leading industries are professional and business services, state and local government, education and health services, and retail. Major employers include Intermountain Health Care Inc., Comenity Capital Bank, University Hospital, Smith's Food & Drug, National Guard, Church of Jesus Christ of Latter-Day Saints, and Larry H Miller Group.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to the low number of housing units. According to the 2010 U.S. Census, 64.66 percent of the total housing units in the AA are owner-occupied, and 29.21 percent are rental occupied units. Just under two (1.96) percent of all owner-occupied units and 11.25 percent of renter-occupied units are located in low-income CTs. Additionally, 2.78 percent of all single family homes and 14.11 percent of multifamily housing units are located in low-income CTs. Just over 13 (13.10) percent of all owner-occupied units and 32.56 percent of renter-occupied units are located in moderate-income CTs. Additionally, 15.19 percent of all single family homes and 37.18 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $275,050 and $360,786 in 2015 and 2017 reflecting a percent change of 31.17 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $261,516 and the median monthly gross rent increased to $847. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 15.45

and 14.24 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $37,700 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $175,570 mortgage with a payment of $943 per month. A moderate-income borrower making $60,320 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $280,913 mortgage with a payment of $1,508 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,937.

<u>Community Contact</u>

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, economic development, and community development activities including outreach.

According to the community contacts, the area is wealthy, has a high median family income, and expensive housing. The contact explained that Park City is the area's economic center that has the majority of the population, businesses, and economic activity. In relation to other neighboring communities, it does not have as large of a small business population. Most small businesses choose to operate from neighboring, more affordable counties rather than struggle with elevated expenses and the difficulty attracting a full-time work force. Due to the expensive housing and high cost-of-living, most employees commute from neighboring counties. The contacts shared a need for banks to volunteer in support of community development organizations. In addition, there is a gap for small dollar lending for businesses. Local resources do not offer lending but education and technical assistance on starting small businesses. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

St George MSA

Demographic Information for Full Scope Area: St George MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	21	0.00	4.76	80.95	14.29	0.00
Population by Geography	138,115	0.00	2.44	83.57	13.98	0.00
Owner-Occupied Housing by Geography	32,541	0.00	1.77	83.62	14.60	0.00
Business by Geography	11,695	0.00	5.53	81.61	12.86	0.00
Farms by Geography	362	0.00	2.76	79.01	18.23	0.00
Family Distribution by Income Level	35,313	15.59	19.30	26.03	39.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,321	0.00	3.26	88.29	8.45	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		54,315 59,000 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		244,006 2.91%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The St. George MSA AA includes Washington County in the state of Utah, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 21 CTs in the AA, of which none are low- or moderate-income.

According to the 2010 U.S. Census, the AA population totals 138,115. The distribution of families by income level is not assigned for low-income, 3.26 percent moderate- income, 88.29 percent middle-income, and 8.45 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.22 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $59,000. Low-income families in the AA earn median annual income of $29,500 or less, and moderate-income families earn an annual income of $29,501 to $47,200.

Zions offers a full range of commercial and consumer loan and deposit products in the AA. Zions operates eight branches and eight deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $688 million, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks first out of nine depository financial institutions in the AA, with a 30.64 percent market share. Competitors operate 26 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 58.31 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, Cache Valley Bank, State Bank of Southern Utah, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.40 percent, which is slightly lower than nationwide and slightly higher than Utah unemployment rates as of December 2017. The nationwide and Utah unemployment rate is 4.10 percent and 3.20 percent, respectively.

According to Moody's Analytics, job growth remains well ahead of the state and nationwide averages and is being led by consumer services, though gains are broad-based across industries. Increases in the labor force, which is rising at one of the fastest rates in the nation, have resulted in a higher unemployment rate in recent months. Bigger pay gains along with rapid job creation are boosting home sales, but the area remains the only Utah metro area where house prices have yet to reach their prerecession peak.

The swelling population of older residents is resulting in increased traffic at medical facilities. As a result, Intermountain Healthcare is renovating Dixie Regional Medical Center, which is one of the largest construction projects to ever take place in Washington County. Over the last three years, industry employment has risen by one fifth compared with the nationally rate.

The leading industries are education and health services, retail, leisure and hospitality services, and state and local government. Major employers include DRMC River Road, Dixie State University of Utah, Dixie Regional Medical Center, SkyWest Airlines, and Andrus Trucking.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 58.24 percent of the total housing units in the AA are owner-occupied, and 23.90 percent are rental occupied units. Less than two (1.77) percent of all owner-occupied units and 3.74 percent of renter-occupied units are located in moderate-income CTs. Additionally, 1.90 percent of all single family homes and 3.16 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $281 thousand and $369,950 in 2015 and 2017 reflecting a percent change of 31.65 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $251,576 and the median monthly gross rent increased to $917. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.99 and 11.42 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $29,500 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $137,383 mortgage with a payment of $738 per month. A moderate-income borrower making $47,200 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $219,812 mortgage with a payment of $1,180 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,986.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated economic development for small businesses as a significant community need. According to the community contact, opportunities include financial education and counseling, small business-oriented lending programs, and microloans are opportunities for financial institution involvement. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

UT Non-MSA

Demographic Information for Full Scope Area: UT Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	71	0.00	11.27	69.01	19.72	0.00
Population by Geography	301,272	0.00	13.91	69.22	16.86	0.00
Owner-Occupied Housing by Geography	75,185	0.00	10.08	71.02	18.90	0.00
Business by Geography	23,139	0.00	10.33	64.48	25.20	0.00
Farms by Geography	1,215	0.00	7.65	74.57	17.78	0.00
Family Distribution by Income Level	76,711	18.92	18.46	22.57	40.05	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	28,676	0.00	17.89	73.56	8.56	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		57,187 67,700 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		241,881 2.64%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The UT Non-MSA AA includes all non-MSA counties in Utah (Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch, and Wayne). The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 71 CTs, of which eight are moderate-income. There are no low-income CTs in the AA.

According to the 2010 U.S. Census, the AA population totals 301,272. The distribution of families by income level is not assigned for low-income, 17.89 percent moderate-income, 73.56 percent middle-income, and 8.56 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.66 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $67,700. Low-income families in the AA earn median annual income of $33,850 or less, and moderate-income families earn an annual income of $33,851 to $54,160.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 24 branches and 27 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $1.7 billion, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks first out of 14 depository financial institutions in the AA, with a 36.87 percent market share. Competitors operate 54 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 47.20 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, State Bank of Southern Utah, JPMorgan Chase Bank National Association, and LCA Bank Corporation.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is on average higher than the nationwide and Utah unemployment rates as of December 2017. The unemployment rate for Non-MSA counties range from 3.1 percent to 7.5 percent within the AA. The nationwide and Utah unemployment rate is 4.10 percent and 3.20 percent, respectively.

Housing

There are some opportunities for home mortgage lending in this AA's LMI geographies. According to the 2010 U.S. Census, 53.91 percent of the total housing units in the AA are owner-occupied, and 18.79 percent are rental occupied units. Just over 10 (10.08) percent of all owner-occupied units and 19.42 percent of renter-occupied units are located in moderate-income CTs. Additionally, 10.65 percent of all single family (1-4 unit) homes and 17.17 percent of multifamily (5 plus unit) housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $206,459 and $349,205 in 2015 and 2017 reflecting a percent change of 69.14 from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to $223,821 and the median monthly gross rent increased to $719. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 10.80 and 6.76 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $33,850 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $157,641 mortgage with a payment of $846 per month. A moderate-income borrower making $54,160 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $252,225 mortgage with a payment of $1,354 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $1,875.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach. According to the community contact, the area's local businesses primarily cater to the seasonal tourism industry (lodging, skiing, mountain biking, and restaurants). The winter ski season brings the largest influx of revenue. Overall, there are limited opportunities for financial institutions to participate in CD activities.

State of Washington

Seattle-Bellevue-Everett MSA

Demographic Information for Full Scope Area: Seattle-Bellevue-Everett MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	226	3.98	20.80	48.67	26.55	0.00
Population by Geography	1,135,015	3.71	20.41	49.28	26.59	0.00
Owner-Occupied Housing by Geography	284,171	1.77	15.25	52.02	30.97	0.00
Business by Geography	78,467	5.19	19.41	47.38	28.02	0.00
Farms by Geography	1,896	2.48	12.55	54.69	30.27	0.00
Family Distribution by Income Level	285,587	20.40	17.63	22.14	39.82	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	108,612	6.39	30.92	48.48	14.21	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		83,852 96,000 8%	Median Housing Value Unemployment Rate (2010 U.S. Census)		376,886 3.33%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Seattle-Bellevue-Everett MSA AA represents part of the MSA and includes 226 CTs within King County in Wahington. The Seattle-Bellevue-Everett MSA includes King and Snohomish Counties. However, Zions limited their AA to the CTs they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 226 CTs, of which nine are low- and 47 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.14 million. The distribution of families by income level is 6.39 percent low-income, 30.92 percent moderate-income, 48.48 percent middle-income, and 14.21 percent upper-income. The percentage of families in the AA living below the poverty level is high at 9.29 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $96,000. Low-income families in the AA earn median annual income of $48,000 or less, and moderate-income families earned an annual income of $48,001 to $76,800.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total $983 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks 16th out of 53 depository institutions in the AA, with a 0.94 percent market share. Competitors operate

890 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 72.03 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, and KeyBank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.20 percent, which is lower than the nationwide and Washington unemployment rates as of December 2017. The nationwide and Washington unemployment rate is 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, job growth has eased from the frenetic pace of the past five years. A swell of in-migration has enabled the economy to grow faster for longer. Large expansions by Amazon, Microsoft, and Google are helping the AA's economy in terms of job, income, and output growth. New positions in informatics, software publishing, and data analytics offset the aerospace job layoffs within the AA. Salaries for Seattle tech workers remain well below those in the San Francisco Bay Area, but they have risen by more than a third in the past four years and are considerably higher than positions in Denver and Boulder Colorado and Salt Lake City and Provo Utah. The leading industries are professional and business services, state and local government, education and health services, and retail. Major employers include Boeing Company, Microsoft Corporation, University of Washington, Amazon, Providence Health & Services, Wal-Mart Stores Inc., and Fred Meyer Stores.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 63.03 percent of the total housing units in the AA are owner-occupied, and 31.17 percent are rental occupied units. Just under two (1.77) percent of all owner-occupied units and 8.22 percent of renter-occupied units are located in low-income CTs. Additionally, 2.38 percent of all single family homes and 9.02 percent of multifamily housing units are located in low-income CTs. More than 15 (15.25) percent of all owner-occupied units and 33.10 percent of renter-occupied units are located in moderate-income CTs. Additionally, 16.74 percent of all single family homes and 33.26 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $339,525 and $495,045 in 2015 and 2017 reflecting a change of 45.81 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to $402,406 and the median monthly gross rent increased to $1,043. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 18.15

and 15.87 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $48,000 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $223,538 mortgage with a payment of $1,200 per month. A moderate-income borrower making $76,800 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $357,661 mortgage with a payment of $1,920 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $2,658.

According to Moody's Analytics, the AA is experiencing erosion in housing affordability and restrained pace of single-family homebuilding. Despite rising home sales, new residential construction badly lags demand. Soaring house prices will cause housing affordability to worsen over the next two years, putting home purchases increasingly out of reach for workers in non-technology industries.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and economic development activities. According to the community contacts, there is a major need for affordable housing financing and availability of down payment assistance programs. There is a need for small business loans for start-ups and recently established businesses. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Wyoming

WY Non-MSA

Demographic Information for Full Scope Area: WY Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	4	0.00	0.00	25.00	75.00	0.00
Population by Geography	21,294	0.00	0.00	10.66	89.34	0.00
Owner-Occupied Housing by Geography	4,542	0.00	0.00	7.84	92.16	0.00
Business by Geography	2,726	0.00	0.00	19.33	80.67	0.00
Farms by Geography	72	0.00	0.00	4.17	95.83	0.00
Family Distribution by Income Level	4,307	10.68	12.61	20.69	56.03	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,003	0.00	0.00	10.47	89.53	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		67,040 74,700 5%	Median Housing Value Unemployment Rate (2010 U.S. Census)		790,257 2.51%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The WY Non-MSA includes Teton County in Wyoming. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of four CTs, of which there are no low- or moderate-income CTs in the AA.

According to the 2010 U.S. Census, the AA population totals 21,294. The distribution of families by income level is 10.47 percent middle-income and 89.53 percent upper-income. The percentage of families in the AA living below the poverty level is low at 4.29 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is $74,700. Low-income families in the AA earn median annual income of $37,350 or less and moderate-income families earn an annual income of $37,351 to $59,760.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank’s deposits total $19 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 Deposit Market Share Report, the bank ranks last out of eight depository financial institutions in the AA, with a 0.94 percent market share. Competitors operate 17 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 94.01 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of Jackson Hole, First Interstate Bank, Rocky Mountain Bank, and Bank of the West.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than the nationwide and Wyoming unemployment rates as of December 2017. The nationwide and Wyoming unemployment rate is 4.10 percent and 4.10 percent, respectively.

Housing

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is $1.20 million and $1.50 million in 2015 and 2017 reflecting a change of 24.69 percent from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to $780,038 and the median monthly gross rent increased to $968. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 9.70 and 9.23 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $37,350 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $173,940 mortgage with a payment of $934 per month. A moderate-income borrower making $59,760 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $278,305 mortgage with a payment of $1,494 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of $8,025.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated community development activities including outreach, as a significant community need. According to the community contact, the AA's economy is completely driven by tourism and outdoor recreation. The current economy is strong but the availability of vacant land is minimal, restricting some growth. Available land in the AA is extremely limited as 96 percent of the County is a national park or U.S. forest. Teton County is the most affluent county in the State and one of the highest in the nation. The LMI workers struggle to find afford housing, many of them commute from Lincoln County or the state of Idaho. Overall, there are limited opportunities for financial institutions to participate in CD activities.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the assessment area; (2) Partially geocoded loans (loans where no CT is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table 1. **Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration.

Table 2. **Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 3. **Geographic Distribution of Home Improvement Loans** - See Table 2.

Table 4. **Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

Table 5. **Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 6. **Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to $1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 7. **Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to $500 thousand) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 8. **Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 9. **Borrower Distribution of Home Improvement Loans** - See Table 8.

Table 10. **Borrower Distribution of Refinance Loans** - See Table 8.

Table 11. **Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to the percentage distribution of businesses with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the

bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to $500 thousand originated and purchased by the bank to farms with revenues of $1 million or less to the percentage distribution of farms with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Tables of Performance Data

State of Arizona

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF ARIZONA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Flagstaff MSA	8.02	44	20,784	359	13,779	5	83	1	100	409	34,746	6.63
Phoenix-Mesa-Scottsdale MSA	39.00	284	160,584	1,669	148,000	26	812	11	30,980	1990	340,376	37.26
Limited Review:												
AZ Non-MSA	8.96	33	5,914	397	19,975	23	1,293	4	500	457	27,682	15.26
Lake Havasu City-Kingman MSA	5.31	54	10,300	214	5,244	3	50	0	0	271	15,594	5.01
Prescott MSA	13.35	52	17,725	611	27,397	17	300	1	52	681	45,474	11.23
Sierra Vista-Douglas MSA	2.90	14	1,919	128	3,724	6	60	0	0	148	5,703	4.89
Tucson MSA	17.54	109	37,920	757	53,573	14	226	15	23,226	895	114,945	13.60
Yuma MSA	4.92	15	3,450	219	11,249	13	517	4	4,563	251	19,779	6.12

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF ARIZONA							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	24	8.03	3.51	0.00	18.21	4.17	35.60	50.00	42.68	45.83	0.00	4.85	59.80	35.35
Phoenix-Mesa-Scottsdale MSA	136	45.48	4.46	0.00	19.63	13.24	37.15	38.24	38.76	48.53	2.00	15.74	42.48	39.78
Limited Review:														
AZ Non-MSA	11	3.68	0.75	0.00	34.29	18.18	41.27	36.36	23.68	45.45	0.12	2.90	52.67	44.31
Lake Havasu City-Kingman MSA	23	7.69	0.00	0.00	9.22	0.00	72.31	52.17	18.47	47.83	0.00	4.03	89.22	6.75
Prescott MSA	33	11.04	0.00	0.00	18.72	9.09	61.16	51.52	20.12	39.39	0.00	12.43	71.68	15.88
Sierra Vista-Douglas MSA	3	1.00	2.32	0.00	26.56	0.00	44.17	66.67	26.95	33.33	0.00	24.34	48.97	26.68
Tucson MSA	65	21.74	4.73	0.00	21.42	24.62	32.88	12.31	40.97	63.08	1.79	15.68	36.45	46.08
Yuma MSA	4	1.34	0.00	0.00	25.72	0.00	46.95	100.00	27.33	0.00	0.00	21.83	34.27	43.90

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT **GEOGRAPHY:** STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	3.03	3.51	0.00	18.21	0.00	35.60	100.00	42.68	0.00	0.00	3.06	53.06	43.88
Phoenix-Mesa-Scottsdale MSA	27	40.91	4.46	3.70	19.63	18.52	37.15	25.93	38.76	51.85	1.71	13.32	38.86	46.11
Limited Review:														
AZ Non-MSA	12	18.18	0.75	0.00	34.29	0.00	41.27	41.67	23.68	58.33	0.55	9.84	55.19	34.43
Lake Havasu City-Kingman MSA	10	15.15	0.00	0.00	9.22	10.00	72.31	90.00	18.47	0.00	0.00	3.42	89.35	7.22
Prescott MSA	1	1.52	0.00	0.00	18.72	100.00	61.16	0.00	20.12	0.00	0.00	11.97	66.80	21.24
Sierra Vista-Douglas MSA	4	6.06	2.32	0.00	26.56	25.00	44.17	75.00	26.95	0.00	0.00	23.68	53.51	22.81
Tucson MSA	6	9.09	4.73	0.00	21.42	0.00	32.88	33.33	40.97	66.67	2.62	14.15	35.79	47.44
Yuma MSA	4	6.06	0.00	0.00	25.72	50.00	46.95	25.00	27.33	25.00	0.00	21.86	34.97	43.17

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	16	6.84	3.51	0.00	18.21	12.50	35.60	18.75	42.68	68.75	0.00	3.74	50.46	45.80
Phoenix-Mesa-Scottsdale MSA	118	50.43	4.46	3.39	19.63	16.95	37.15	27.97	38.76	51.69	1.24	11.73	38.84	48.20
Limited Review:														
AZ Non-MSA	10	4.27	0.75	0.00	34.29	20.00	41.27	50.00	23.68	30.00	0.19	2.04	54.57	43.20
Lake Havasu City-Kingman MSA	21	8.97	0.00	0.00	9.22	0.00	72.31	47.62	18.47	52.38	0.00	2.68	90.78	6.54
Prescott MSA	17	7.26	0.00	0.00	18.72	5.88	61.16	64.71	20.12	29.41	0.00	10.73	69.04	20.23
Sierra Vista-Douglas MSA	7	2.99	2.32	0.00	26.56	14.29	44.17	71.43	26.95	14.29	0.00	18.46	47.25	34.29
Tucson MSA	38	16.24	4.73	0.00	21.42	23.68	32.88	21.05	40.97	55.26	1.62	12.93	34.60	50.86
Yuma MSA	7	2.99	0.00	0.00	25.72	0.00	46.95	14.29	27.33	85.71	0.00	17.66	31.95	50.39

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			**GEOGRAPHY:** STATE OF ARIZONA							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	33.33	0.38	0.00	37.23	0.00	14.70	50.00	47.69	50.00	0.00	28.57	28.57	42.86
Phoenix-Mesa-Scottsdale MSA	3	50.00	18.88	33.33	31.18	33.33	31.17	0.00	18.77	33.33	22.67	39.83	27.91	9.59
Limited Review:														
AZ Non-MSA	0	0.00	0.00	0.00	37.63	0.00	31.17	0.00	31.20	0.00	0.00	0.00	57.14	42.86
Lake Havasu City-Kingman MSA	0	0.00	0.00	0.00	1.26	0.00	62.72	0.00	36.02	0.00	0.00	0.00	100.00	0.00
Prescott MSA	1	16.67	0.00	0.00	32.62	0.00	43.91	0.00	23.48	100.00	0.00	63.64	27.27	9.09
Sierra Vista-Douglas MSA	0	0.00	3.59	0.00	39.45	0.00	39.07	0.00	17.89	0.00	0.00	0.00	83.33	16.67
Tucson MSA	0	0.00	16.25	0.00	38.72	0.00	27.32	0.00	17.71	0.00	20.99	50.62	20.99	7.41
Yuma MSA	0	0.00	0.00	0.00	36.35	0.00	42.72	0.00	20.93	0.00	0.00	84.62	15.38	0.00

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			**GEOGRAPHY:** STATE OF ARIZONA								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	356	8.27	0.17	0.00	19.69	21.91	32.56	38.20	45.46	39.89	0.00	14.07	42.79	43.14
Phoenix-Mesa-Scottsdale MSA	1,644	38.21	6.51	8.52	16.93	22.87	29.44	27.07	46.60	41.55	6.35	14.60	28.51	50.54
Limited Review:														
AZ Non-MSA	397	9.23	0.00	0.00	25.16	10.33	43.80	37.53	31.03	52.14	0.77	9.73	58.82	30.69
Lake Havasu City-Kingman MSA	214	4.97	0.00	0.00	4.45	5.14	73.27	77.57	22.29	17.29	0.00	4.62	87.81	7.56
Prescott MSA	611	14.20	0.00	0.00	23.34	31.42	49.32	46.81	27.34	21.77	0.00	14.36	58.40	27.24
Sierra Vista-Douglas MSA	128	2.97	4.54	0.00	31.88	40.63	41.82	38.28	21.75	21.09	0.00	26.36	52.42	21.22
Tucson MSA	734	17.06	6.59	8.31	24.53	34.60	28.67	26.02	39.13	31.06	4.70	22.81	30.37	42.12
Yuma MSA	219	5.09	0.00	0.00	29.20	26.48	40.41	38.81	30.38	34.70	0.00	31.82	28.95	39.23

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF ARIZONA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	5	4.67	0.00	0.00	17.14	0.00	35.43	80.00	46.29	20.00	0.00	14.29	57.14	28.57
Phoenix-Mesa-Scottsdale MSA	26	24.30	5.81	7.69	20.43	15.38	31.30	46.15	42.16	30.77	5.26	17.63	41.84	35.26
Limited Review:														
AZ Non-MSA	23	21.50	0.00	0.00	15.24	26.09	39.29	26.09	45.48	47.83	0.00	7.14	75.00	17.86
Lake Havasu City-Kingman MSA	3	2.80	0.00	0.00	4.90	0.00	78.78	100.00	16.33	0.00	0.00	0.00	84.21	15.79
Prescott MSA	17	15.89	0.00	0.00	19.36	35.29	52.63	35.29	28.01	29.41	0.00	7.14	64.29	28.57
Sierra Vista-Douglas MSA	6	5.61	1.60	0.00	11.97	0.00	77.13	100.00	9.31	0.00	0.00	42.59	44.44	12.96
Tucson MSA	14	13.08	4.51	0.00	22.54	0.00	33.92	85.71	38.81	14.29	0.00	22.58	37.10	40.32
Yuma MSA	13	12.15	0.00	0.00	19.79	7.69	50.27	76.92	29.95	15.38	0.00	32.47	41.56	25.97

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF ARIZONA								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	24	8.03	23.97	0.00	15.64	4.35	17.18	8.70	43.21	86.96	2.11	11.75	20.98	65.16
Phoenix-Mesa-Scottsdale MSA	136	45.48	21.94	6.06	17.29	21.97	19.51	8.33	41.26	63.64	5.37	19.71	26.06	48.86
Limited Review:														
AZ Non-MSA	11	3.68	24.64	0.00	17.18	0.00	18.12	18.18	40.06	81.82	1.49	12.86	20.80	64.85
Lake Havasu City-Kingman MSA	23	7.69	18.48	0.00	19.29	0.00	22.22	21.74	40.00	78.26	5.64	16.42	22.45	55.49
Prescott MSA	33	11.04	18.79	0.00	19.29	3.33	22.35	16.67	39.56	80.00	3.50	15.63	24.50	56.36
Sierra Vista-Douglas MSA	3	1.00	23.06	0.00	16.02	33.33	19.86	66.67	41.05	0.00	11.03	20.93	25.35	42.69
Tucson MSA	65	21.74	22.19	6.15	17.33	13.85	19.11	6.15	41.37	73.85	6.11	18.88	25.07	49.94
Yuma MSA	4	1.34	20.03	0.00	19.14	0.00	19.58	50.00	41.26	50.00	5.04	20.59	26.15	48.22

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 2.7% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF ARIZONA								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 12	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	3.03	23.97	50.00	15.64	0.00	17.18	50.00	43.21	0.00	2.11	13.68	22.11	62.11
Phoenix-Mesa-Scottsdale MSA	27	40.91	21.94	7.41	17.29	22.22	19.51	14.81	41.26	55.56	5.32	15.19	23.04	56.45
Limited Review:														
AZ Non-MSA	12	18.18	24.64	16.67	17.18	0.00	18.12	33.33	40.06	50.00	3.39	12.43	18.64	65.54
Lake Havasu City-Kingman MSA	10	15.15	18.48	10.00	19.29	0.00	22.22	20.00	40.00	70.00	9.39	16.73	19.59	54.29
Prescott MSA	1	1.52	18.79	0.00	19.29	100.00	22.35	0.00	39.56	0.00	7.60	11.60	28.80	52.00
Sierra Vista-Douglas MSA	4	6.06	23.06	25.00	16.02	25.00	19.86	50.00	41.05	0.00	11.71	13.51	22.52	52.25
Tucson MSA	6	9.09	22.19	33.33	17.33	0.00	19.11	0.00	41.37	66.67	6.46	14.91	21.24	57.39
Yuma MSA	4	6.06	20.03	0.00	19.14	0.00	19.58	50.00	41.26	50.00	6.78	7.91	23.16	62.15

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
12 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 13	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	16	6.84	23.97	0.00	15.64	6.25	17.18	0.00	43.21	93.75	1.57	12.12	20.01	66.30
Phoenix-Mesa-Scottsdale MSA	118	50.43	21.94	15.25	17.29	20.34	19.51	8.47	41.26	55.93	5.51	15.59	23.64	55.27
Limited Review:														
AZ Non-MSA	10	4.27	24.64	0.00	17.18	0.00	18.12	50.00	40.06	50.00	3.51	10.45	17.34	68.70
Lake Havasu City-Kingman MSA	21	8.97	18.48	4.76	19.29	23.81	22.22	19.05	40.00	52.38	6.68	15.91	23.50	53.90
Prescott MSA	17	7.26	18.79	0.00	19.29	25.00	22.35	18.75	39.56	56.25	4.98	12.54	25.62	56.86
Sierra Vista-Douglas MSA	7	2.99	23.06	14.29	16.02	14.29	19.86	28.57	41.05	42.86	9.91	16.47	20.88	52.74
Tucson MSA	38	16.24	22.19	10.53	17.33	18.42	19.11	10.53	41.37	60.53	5.94	14.12	22.19	57.76
Yuma MSA	7	2.99	20.03	0.00	19.14	16.67	19.58	0.00	41.26	83.33	6.17	13.72	21.10	59.01

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.9% of loans originated and purchased by the bank.
13 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			**GEOGRAPHY:** STATE OF ARIZONA				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017		
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Flagstaff MSA	359	8.25	82.17	26.74	93.87	2.79	3.34	3,116	1,347
Phoenix-Mesa-Scottsdale MSA	1,669	38.33	87.37	20.37	82.68	7.19	10.13	127,100	52,466
Limited Review:									
AZ Non-MSA	397	9.12	77.51	22.92	90.68	4.79	4.53	5,101	2,085
Lake Havasu City-Kingman MSA	214	4.92	85.94	22.43	95.79	3.27	0.93	4,062	1,800
Prescott MSA	611	14.03	88.88	20.29	92.14	4.26	3.60	8,614	3,347
Sierra Vista-Douglas MSA	128	2.94	82.67	18.75	94.53	3.13	2.34	2,114	879
Tucson MSA	757	17.39	85.97	25.63	86.26	6.87	6.87	23,805	9,430
Yuma MSA	219	5.03	80.48	30.59	90.87	5.02	4.11	2,152	874

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 59.03% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF ARIZONA			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Flagstaff MSA	5	4.67	92.57	60.00	100.00	0.00	0.00	15	7
Phoenix-Mesa-Scottsdale MSA	26	24.30	93.59	30.77	96.15	0.00	3.85	401	152
Limited Review:									
AZ Non-MSA	23	21.50	94.76	43.48	91.30	0.00	8.70	102	49
Lake Havasu City-Kingman MSA	3	2.80	97.14	66.67	100.00	0.00	0.00	19	5
Prescott MSA	17	15.89	96.24	11.76	100.00	0.00	0.00	46	16
Sierra Vista-Douglas MSA	6	5.61	96.81	33.33	100.00	0.00	0.00	56	22
Tucson MSA	14	13.08	95.80	14.29	100.00	0.00	0.00	63	31
Yuma MSA	13	12.15	80.48	0.00	92.31	7.69	0.00	78	22

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 68.22% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			**GEOGRAPHY:** STATE OF ARIZONA				**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017		
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Flagstaff MSA	2	972	7	3,304	9	4,276	4.66	1	2
Phoenix-Mesa-Scottsdale MSA	19	12,269	58	347	77	12,616	13.75	1	19
Limited Review:									
AZ Non-MSA	0	0	6	6,253	6	6,253	6.81	0	0
Lake Havasu City-Kingman MSA	1	1,310	4	14	5	1,324	1.44	0	0
Prescott MSA	2	888	3	2,151	5	3,039	3.31	0	0
Sierra Vista-Douglas MSA	0	0	0	0	0	0	0.00	0	0
Tucson MSA	3	1,179	17	10,714	20	11,893	12.96	0	0
Yuma MSA	4	16,799	7	1,896	11	18,695	20.37	0	0
Broader Statewide or Regional:									
Statewide	18	16,658	6	563	24	17,222		0	0
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF ARIZONA
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Flagstaff MSA	6.63	4	0.00	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	32.68	40.74	26.58
Phoenix-Mesa-Scottsdale MSA	40.78	19	22.22	0.00	22.22	33.33	44.44	0	5	0	-1	-1	-3	8.18	24.70	36.00	30.95
Limited Review:																	
AZ Non-MSA	7.25	11	18.18	0.00	18.18	45.45	36.36	0	1	0	0	-1	0	5.29	26.82	47.41	20.48
Lake Havasu City-Kingman MSA	5.48	4	0.00	0.00	0.00	75.00	25.00	0	2	0	0	-2	0	0.00	11.26	82.97	5.77
Prescott MSA	12.29	7	42.86	0.00	42.86	28.57	28.57	0	0	0	0	0	0	0.00	15.17	67.84	16.98
Sierra Vista-Douglas MSA	5.35	3	33.33	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	30.58	49.28	20.14
Tucson MSA	14.89	7	14.29	0.00	14.29	42.86	42.86	0	0	0	0	0	0	7.54	29.30	32.40	30.33
Yuma MSA	6.70	4	50.00	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	34.73	35.02	29.98

State of California

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF CALIFORNIA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2017):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Los Angeles-Long Beach-Anaheim MSA	37.27	303	268,310	2,252	218,233	2	29	41	100,184	2,598	37.27	44.14
San Diego-Carlsbad MSA	30.78	164	96,431	1,941	158,948	5	285	36	98,114	2,146	30.78	30.61
San Francisco-Oakland-Hayward MSA	10.53	155	141,417	560	52,345	0	0	19	56,400	734	10.53	10.65
Limited Review:												
Bakersfield MSA	0.90	7	1,026	53	1,771	2	120	1	11,668	63	14,585	0.32
Fresno MSA	4.26	18	7,790	275	25,660	2	65	2	8,543	297	42,058	3.78
Oxnard-Thousand Oaks-Ventura MSA	0.96	6	3,742	57	6,595	0	0	4	6,151	67	16,488	0.43
Riverside-San Bernardino-Ontario MSA	9.04	58	34,686	563	49,590	1	20	8	29,547	630	113,843	3.43
Sacramento-Roseville-Arden-Arcade MSA	3.07	10	6,609	197	20,864	0	0	7	11,966	214	39,439	3.11
San Jose-Sunnyvale-Santa Clara MSA	3.18	22	26,504	195	13,196	1	10	4	47,213	222	86,923	3.54

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating are.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF CALIFORNIA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	96	36.92	2.67	4.17	17.59	26.04	27.52	13.54	52.22	56.25	2.55	18.46	30.05	48.94
San Diego-Carlsbad MSA	67	25.77	2.79	1.49	15.14	19.40	35.45	35.82	46.62	43.28	3.51	14.24	38.13	44.12
San Francisco-Oakland-Hayward MSA	51	19.62	4.57	1.96	16.91	5.88	34.56	17.65	43.96	74.51	6.39	15.94	40.66	37.01
Limited Review:														
Bakersfield MSA	0	0.00	5.58	0.00	15.81	0.00	32.35	0.00	46.26	0.00	0.83	16.82	26.50	55.84
Fresno MSA	3	1.15	3.18	0.00	23.24	33.33	22.45	0.00	51.13	66.67	3.56	15.85	26.84	53.74
Oxnard-Thousand Oaks-Ventura MSA	2	0.77	1.38	0.00	19.20	0.00	40.68	50.00	38.75	50.00	2.16	16.62	45.83	35.39
Riverside-San Bernardino-Ontario MSA	26	10.00	2.58	0.00	21.02	3.85	37.27	34.62	39.13	61.54	2.79	18.90	38.95	39.36
Sacramento-Roseville-Arden-Arcade MSA	7	2.69	5.23	0.00	19.91	0.00	35.43	42.86	39.43	57.14	5.08	19.36	38.52	37.03
San Jose-Sunnyvale-Santa Clara MSA	8	3.08	4.39	0.00	15.45	0.00	36.65	0.00	43.51	100.00	6.68	22.28	42.23	28.81

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated are.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF CALIFORNIA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	18	51.43	2.67	5.56	17.59	33.33	27.52	22.22	52.22	38.89	1.84	16.58	29.90	51.68
San Diego-Carlsbad MSA	8	22.86	2.79	12.50	15.14	0.00	35.45	25.00	46.62	62.50	3.82	13.25	39.24	43.68
San Francisco-Oakland-Hayward MSA	2	5.71	4.57	0.00	16.91	0.00	34.56	50.00	43.96	50.00	4.59	14.64	39.51	41.26
Limited Review:														
Bakersfield MSA	2	5.71	5.58	0.00	15.81	0.00	32.35	100.00	46.26	0.00	0.30	10.19	21.51	68.00
Fresno MSA	2	5.71	3.18	0.00	23.24	0.00	22.45	0.00	51.13	100.00	2.37	12.58	22.34	62.71
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	1.38	0.00	19.20	0.00	40.68	0.00	38.75	0.00	1.87	15.26	43.77	39.09
Riverside-San Bernardino-Ontario MSA	1	2.86	2.58	0.00	21.02	0.00	37.27	0.00	39.13	100.00	1.66	14.44	36.51	47.39
Sacramento-Roseville-Arden-Arcade MSA	1	2.86	5.23	0.00	19.91	100.00	35.43	0.00	39.43	0.00	3.48	16.85	38.22	41.45
San Jose-Sunnyvale-Santa Clara MSA	1	2.86	4.39	0.00	15.45	0.00	36.65	100.00	43.51	0.00	4.43	16.52	39.86	39.19

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated are.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	176	41.71	2.67	1.70	17.59	13.64	27.52	12.50	52.22	72.16	1.84	15.57	29.37	53.21
San Diego-Carlsbad MSA	83	19.67	2.79	2.41	15.14	16.87	35.45	24.10	46.62	56.63	2.75	12.46	38.09	46.71
San Francisco-Oakland-Hayward MSA	98	23.22	4.57	2.04	16.91	7.14	34.56	16.33	43.96	74.49	3.87	13.26	40.59	42.29
Limited Review:														
Bakersfield MSA	5	1.18	5.58	20.00	15.81	0.00	32.35	40.00	46.26	40.00	0.45	12.03	25.02	62.49
Fresno MSA	12	2.84	3.18	0.00	23.24	8.33	22.45	8.33	51.13	83.33	2.12	12.84	23.22	61.81
Oxnard-Thousand Oaks-Ventura MSA	4	0.95	1.38	0.00	19.20	25.00	40.68	25.00	38.75	50.00	1.79	14.35	44.51	39.35
Riverside-San Bernardino-Ontario MSA	29	6.87	2.58	0.00	21.02	10.34	37.27	34.48	39.13	55.17	1.57	13.54	34.75	50.14
Sacramento-Roseville-Arden-Arcade MSA	2	0.47	5.23	0.00	19.91	0.00	35.43	50.00	39.43	50.00	3.04	14.51	38.04	44.42
San Jose-Sunnyvale-Santa Clara MSA	13	3.08	4.39	0.00	15.45	7.69	36.65	23.08	43.51	69.23	4.51	19.37	40.35	35.78

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated are.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	12	50.00	12.53	33.33	31.55	33.33	23.90	25.00	32.02	8.33	14.33	41.01	23.74	20.91
San Diego-Carlsbad MSA	6	25.00	12.97	16.67	26.43	33.33	34.32	50.00	26.28	0.00	27.36	34.23	26.17	12.24
San Francisco-Oakland-Hayward MSA	3	12.50	19.81	66.67	24.47	33.33	28.01	0.00	27.72	0.00	22.69	26.04	28.63	22.64
Limited Review:														
Bakersfield MSA	0	0.00	12.56	0.00	33.47	0.00	29.10	0.00	24.87	0.00	4.65	51.16	27.91	16.28
Fresno MSA	1	4.17	16.77	0.00	42.79	0.00	22.26	100.00	18.18	0.00	21.82	39.09	30.00	9.09
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	7.92	0.00	42.72	0.00	35.01	0.00	14.34	0.00	18.27	46.15	23.08	12.50
Riverside-San Bernardino-Ontario MSA	2	8.33	10.47	0.00	40.97	0.00	31.25	0.00	17.31	100.00	18.39	44.58	26.70	10.33
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	17.42	0.00	28.88	0.00	37.26	0.00	16.44	0.00	13.04	47.83	27.54	11.59
San Jose-Sunnyvale-Santa Clara MSA	0	0.00	12.11	0.00	22.68	0.00	41.90	0.00	23.31	0.00	15.74	35.79	36.55	11.93

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated are.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	2,179	36.26	5.00	7.39	19.42	20.93	25.32	33.27	48.30	38.41	5.14	18.87	27.21	48.77
San Diego-Carlsbad MSA	1,941	32.30	5.44	5.98	15.11	15.66	35.00	39.82	44.27	38.54	4.36	14.15	34.40	47.09
San Francisco-Oakland-Hayward MSA	560	9.32	11.32	13.75	16.87	17.50	29.47	35.89	41.57	32.86	9.65	14.65	35.80	39.91
Limited Review:														
Bakersfield MSA	53	0.88	6.14	1.89	21.10	5.66	28.56	75.47	43.46	16.98	2.71	16.58	25.23	55.48
Fresno MSA	273	4.54	6.77	5.13	28.35	27.84	21.49	21.61	42.02	45.42	6.27	19.42	24.83	49.47
Oxnard-Thousand Oaks-Ventura MSA	57	0.95	5.38	19.30	19.64	19.30	39.82	36.84	34.61	24.56	2.85	15.95	41.84	39.35
Riverside-San Bernardino-Ontario MSA	562	9.35	4.64	2.67	26.01	24.73	34.97	34.70	34.28	37.90	3.01	20.74	32.85	43.40
Sacramento-Roseville-Arden-Arcade MSA	190	3.16	9.53	18.95	22.70	30.53	32.08	24.74	33.33	25.79	6.36	18.12	37.45	38.08
San Jose-Sunnyvale-Santa Clara MSA	195	3.24	5.26	5.13	17.78	16.92	36.04	42.56	40.82	35.38	5.50	21.59	36.67	36.24

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated are.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF CALIFORNIA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	2	15.38	3.47	0.00	18.68	50.00	28.08	50.00	48.96	0.00	3.52	17.84	29.74	48.90
San Diego-Carlsbad MSA	5	38.46	3.48	0.00	17.42	80.00	38.81	20.00	40.29	0.00	0.71	12.10	36.30	50.89
San Francisco-Oakland-Hayward MSA	0	0.00	6.90	0.00	17.74	0.00	33.32	0.00	41.90	0.00	4.23	8.46	36.54	50.77
Limited Review:														
Bakersfield MSA	2	15.38	4.40	0.00	21.09	0.00	33.86	0.00	38.63	100.00	0.40	34.39	28.46	36.76
Fresno MSA	2	15.38	3.68	0.00	29.05	0.00	32.80	100.00	34.34	0.00	4.40	30.46	37.61	27.52
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	4.71	0.00	24.04	0.00	43.12	0.00	27.83	0.00	9.71	23.30	45.63	21.36
Riverside-San Bernardino-Ontario MSA	1	7.69	3.57	0.00	24.37	0.00	39.01	100.00	32.98	0.00	5.37	20.47	28.52	45.64
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	5.71	0.00	21.35	0.00	32.78	0.00	39.58	0.00	2.11	11.97	48.59	37.32
San Jose-Sunnyvale-Santa Clara MSA	1	7.69	6.55	0.00	21.82	100.00	37.65	0.00	33.88	0.00	2.75	21.10	30.28	45.87

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated are.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	97	37.02	24.36	0.00	16.31	6.33	17.01	8.86	42.32	84.81	0.91	5.58	17.32	76.19
San Diego-Carlsbad MSA	67	25.57	23.58	3.17	16.93	17.46	17.82	17.46	41.67	61.90	0.80	6.62	22.66	69.91
San Francisco-Oakland-Hayward MSA	52	19.85	24.44	0.00	15.96	12.50	18.08	0.00	41.52	87.50	1.41	9.14	19.06	70.39
Limited Review:														
Bakersfield MSA	0	0.00	24.82	0.00	16.42	0.00	16.07	0.00	42.69	0.00	3.22	14.50	26.43	55.85
Fresno MSA	3	1.15	25.27	0.00	15.91	0.00	16.28	0.00	42.54	100.00	1.58	11.51	25.03	61.88
Oxnard-Thousand Oaks-Ventura MSA	2	0.76	22.20	0.00	17.09	0.00	19.95	0.00	40.76	100.00	1.68	10.13	27.76	60.43
Riverside-San Bernardino-Ontario MSA	26	9.92	23.02	0.00	16.81	8.70	18.86	8.70	41.30	82.61	2.09	12.76	27.06	58.09
Sacramento-Roseville-Arden-Arcade MSA	7	2.67	24.44	0.00	16.44	0.00	18.52	0.00	40.61	100.00	2.41	15.11	26.55	55.92
San Jose-Sunnyvale-Santa Clara MSA	8	3.05	23.82	0.00	15.51	0.00	18.50	0.00	42.17	100.00	1.15	6.15	18.99	73.71

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated are.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 30.5% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF CALIFORNIA							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 14	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	18	51.43	24.36	0.00	16.31	11.11	17.01	22.22	42.32	66.67	2.83	9.03	19.54	68.61
San Diego-Carlsbad MSA	8	22.86	23.58	0.00	16.93	25.00	17.82	12.50	41.67	62.50	2.72	10.45	23.77	63.07
San Francisco-Oakland-Hayward MSA	2	5.71	24.44	0.00	15.96	50.00	18.08	50.00	41.52	0.00	4.19	12.69	21.69	61.43
Limited Review:														
Bakersfield MSA	2	5.71	24.82	0.00	16.42	0.00	16.07	100.00	42.69	0.00	2.98	7.29	16.54	73.20
Fresno MSA	2	5.71	25.27	50.00	15.91	0.00	16.28	0.00	42.54	50.00	1.29	6.91	16.77	75.02
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	22.20	0.00	17.09	0.00	19.95	0.00	40.76	0.00	5.79	16.54	24.74	52.93
Riverside-San Bernardino-Ontario MSA	1	2.86	23.02	0.00	16.81	0.00	18.86	0.00	41.30	100.00	3.37	12.94	22.64	61.05
Sacramento-Roseville-Arden-Arcade MSA	1	2.86	24.44	0.00	16.44	100.00	18.52	0.00	40.61	0.00	3.31	14.65	25.40	56.64
San Jose-Sunnyvale-Santa Clara MSA	1	2.86	23.82	0.00	15.51	0.00	18.50	0.00	42.17	100.00	4.59	12.13	20.88	62.40

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated are.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
14 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 15	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	176	41.71	24.36	2.56	16.31	7.69	17.01	9.62	42.32	80.13	2.35	7.46	17.85	72.34
San Diego-Carlsbad MSA	83	19.67	23.58	1.32	16.93	10.53	17.82	19.74	41.67	68.42	2.29	8.26	20.69	68.76
San Francisco-Oakland-Hayward MSA	98	23.22	24.44	2.78	15.96	5.56	18.08	11.11	41.52	80.56	3.42	11.58	21.82	63.18
Limited Review:														
Bakersfield MSA	5	1.18	24.82	0.00	16.42	25.00	16.07	0.00	42.69	75.00	4.03	10.81	19.24	65.91
Fresno MSA	12	2.84	25.27	0.00	15.91	0.00	16.28	0.00	42.54	100.00	3.11	7.75	17.91	71.23
Oxnard-Thousand Oaks-Ventura MSA	4	0.95	22.20	0.00	17.09	33.33	19.95	0.00	40.76	66.67	3.87	13.58	26.64	55.91
Riverside-San Bernardino-Ontario MSA	29	6.87	23.02	0.00	16.81	3.70	18.86	14.81	41.30	81.48	3.30	11.56	21.58	63.56
Sacramento-Roseville-Arden-Arcade MSA	2	0.47	24.44	0.00	16.44	0.00	18.52	50.00	40.61	50.00	3.66	12.99	23.88	59.46
San Jose-Sunnyvale-Santa Clara MSA	13	3.08	23.82	0.00	15.51	20.00	18.50	20.00	42.17	60.00	2.64	9.81	20.96	66.59

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated are.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 23.9% of loans originated and purchased by the bank.
15 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	2,252	36.96	86.75	17.58	81.66	7.37	10.97	530,267	234,068
San Diego-Carlsbad MSA	1,941	31.86	87.64	17.62	84.60	7.57	7.83	126,610	52,639
San Francisco-Oakland-Hayward MSA	560	9.19	85.67	20.36	83.57	5.89	10.54	197,102	76,006
Limited Review:									
Bakersfield MSA	53	0.87	84.32	26.42	92.45	5.66	1.89	18,939	7,368
Fresno MSA	275	4.51	83.79	17.82	81.82	7.64	10.55	23,477	8,891
Oxnard-Thousand Oaks-Ventura MSA	57	0.94	86.42	22.81	75.44	8.77	15.79	33,454	13,591
Riverside-San Bernardino-Ontario MSA	563	9.24	85.93	14.92	83.84	6.04	10.12	115,169	50,204
Sacramento-Roseville-Arden-Arcade MSA	197	3.23	85.67	16.75	76.65	12.69	10.66	56,712	23,015
San Jose-Sunnyvale-Santa Clara MSA	195	3.20	86.29	19.49	88.72	4.62	6.67	72,770	28,681

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated are.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 58.94% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS **GEOGRAPHY:** STATE OF CALIFORNIA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	2	15.38	93.13	0.00	100.00	0.00	0.00	467	187
San Diego-Carlsbad MSA	5	38.46	94.24	20.00	80.00	20.00	0.00	292	164
San Francisco-Oakland-Hayward MSA	0	0.00	94.11	0.00	0.00	0.00	0.00	274	132
Limited Review:									
Bakersfield MSA	2	15.38	87.29	0.00	100.00	0.00	0.00	264	102
Fresno MSA	2	15.38	90.26	0.00	100.00	0.00	0.00	558	275
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	90.52	0.00	0.00	0.00	0.00	212	89
Riverside-San Bernardino-Ontario MSA	1	7.69	93.25	0.00	100.00	0.00	0.00	304	151
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	94.36	0.00	0.00	0.00	0.00	288	184
San Jose-Sunnyvale-Santa Clara MSA	1	7.69	93.35	0.00	100.00	0.00	0.00	111	61

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated are.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 76.92% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			**GEOGRAPHY:** STATE OF CALIFORNIA		**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	9	7,773	82	11,925	91	19,698	43.08	0	0
San Diego-Carlsbad MSA	4	731	46	8,693	50	9,423	20.61	0	0
San Francisco-Oakland-Hayward MSA	0	0	28	6,451	28	6,451	14.11	0	0
Limited Review:									
Bakersfield MSA	0	0	2	3	2	3	0.01	0	0
Fresno MSA	1	149	4	7	5	156	0.34	0	0
Oxnard-Thousand Oaks-Ventura MSA	0	0	2	20	2	20	0.04	0	0
Riverside-San Bernardino-Ontario MSA	2	862	9	3,564	11	4,426	9.68	0	0
Sacramento-Roseville-Arden-Arcade MSA	0	0	16	1,023	16	1,023	2.24	0	0
San Jose-Sunnyvale-Santa Clara MSA	1	326	3	4,202	4	4,528	9.90	0	0
Broader Statewide or Regional:									
Statewide	33	33,608	1	5	34	33,613		0	0
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF CALIFORNIA
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Los Angeles-Long Beach-Anaheim MSA	44.14	39	15.38	7.69	7.69	30.77	53.85	0	3	0	0	-1	0	7.65	29.51	29.02	33.52
San Diego-Carlsbad MSA	30.61	24	20.84	4.17	16.67	41.67	37.50	0	1	0	0	-1	0	9.80	21.57	35.24	33.05
San Francisco-Oakland-Hayward MSA	10.65	11	36.36	18.18	18.18	36.36	27.27	0	0	0	0	0	0	11.45	19.69	37.47	31.27
Limited Review:																	
Bakersfield MSA	0.32	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.38	32.56	28.83	33.16
Fresno MSA	3.78	2	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	10.89	29.44	27.63	31.29
Oxnard-Thousand Oaks-Ventura MSA	0.43	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.38	26.09	40.80	27.72
Riverside-San Bernardino-Ontario MSA	3.43	7	0.00	0.00	0.00	71.43	28.57	0	0	0	0	0	0	5.71	26.45	35.43	32.09
Sacramento-Roseville-Arden-Arcade MSA	3.11	4	25.00	0.00	25.00	75.00	0.00	0	0	0	0	0	0	8.06	25.63	36.07	29.86
San Jose-Sunnyvale-Santa Clara MSA	3.54	3	0.00	0.00	0.00	33.33	66.67	0	0	0	0	0	0	9.22	24.43	36.92	29.26

State of Colorado

Table 1. Lending Volume

LENDING VOLUME						**GEOGRAPHY:** STATE OF COLORADO			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Colorado Springs MSA	11.87	66	21,175	302	16,161	1	10	0	0	369	37,346	7.48
Denver-Aurora-Lakewood MSA	52.20	271	120,750	1,330	100,282	5	204	17	47,509	1,623	268,745	55.98
Limited Review:												
Boulder MSA	8.39	33	15,692	228	9,829	0	0	0	0	261	25,521	9.43
CO Non-MSA	17.11	130	59,646	379	21,072	20	1,057	3	30,509	532	112,284	17.23
Grand Junction MSA	4.76	12	1,872	133	3,996	3	145	0	0	148	6,013	1.81
Pueblo MSA	5.66	25	2,871	141	4,757	7	277	3	356	176	8,261	8.05

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	39	13.93	3.15	0.00	19.83	15.38	42.11	33.33	34.92	51.28	2.54	16.01	48.81	32.64
Denver-Aurora-Lakewood MSA	139	49.64	4.67	1.44	18.84	17.27	34.11	36.69	42.38	44.60	6.55	17.55	34.51	41.39
Limited Review:														
Boulder MSA	11	3.93	3.01	0.00	18.04	9.09	45.61	54.55	33.33	36.36	3.68	16.61	46.29	33.42
CO Non-MSA	74	26.43	0.00	0.00	6.75	2.70	39.29	36.49	53.96	60.81	0.00	6.89	39.01	54.10
Grand Junction MSA	6	2.14	0.00	0.00	19.07	16.67	58.25	66.67	22.68	16.67	0.00	12.73	64.83	22.44
Pueblo MSA	11	3.93	3.51	0.00	23.63	18.18	30.66	27.27	42.19	54.55	4.87	11.39	34.64	49.11

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			GEOGRAPHY: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	3	12.00	3.15	0.00	19.83	33.33	42.11	66.67	34.92	0.00	1.74	16.24	48.19	33.84
Denver-Aurora-Lakewood MSA	13	52.00	4.67	0.00	18.84	7.69	34.11	15.38	42.38	76.92	5.47	16.64	37.14	40.75
Limited Review:														
Boulder MSA	1	4.00	3.01	0.00	18.04	0.00	45.61	0.00	33.33	100.00	4.80	15.20	47.52	32.48
CO Non-MSA	3	12.00	0.00	0.00	6.75	33.33	39.29	0.00	53.96	66.67	0.00	4.07	34.62	61.31
Grand Junction MSA	1	4.00	0.00	0.00	19.07	100.00	58.25	0.00	22.68	0.00	0.00	12.00	64.00	24.00
Pueblo MSA	4	16.00	3.51	0.00	23.63	25.00	30.66	25.00	42.19	50.00	3.55	16.75	31.47	48.22

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	24	10.53	3.15	0.00	19.83	4.17	42.11	45.83	34.92	50.00	1.77	15.36	46.47	36.40
Denver-Aurora-Lakewood MSA	118	51.75	4.67	4.24	18.84	16.95	34.11	32.20	42.38	46.61	4.88	17.11	36.34	41.67
Limited Review:														
Boulder MSA	21	9.21	3.01	9.52	18.04	9.52	45.61	42.86	33.33	38.10	2.73	15.40	46.95	34.92
CO Non-MSA	50	21.93	0.00	0.00	6.75	0.00	39.29	36.00	53.96	64.00	0.00	4.80	36.33	58.87
Grand Junction MSA	5	2.19	0.00	0.00	19.07	20.00	58.25	60.00	22.68	20.00	0.00	11.08	60.80	28.12
Pueblo MSA	10	4.39	3.51	0.00	23.63	40.00	30.66	10.00	42.19	50.00	2.80	9.70	35.63	51.87

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	0	0.00	11.64	0.00	45.32	0.00	28.01	0.00	15.03	0.00	9.46	48.65	27.03	14.86
Denver-Aurora-Lakewood MSA	1	25.00	13.58	100.00	29.83	0.00	37.36	0.00	19.23	0.00	25.26	32.78	33.40	8.56
Limited Review:														
Boulder MSA	0	0.00	15.13	0.00	33.14	0.00	38.89	0.00	12.84	0.00	12.12	45.45	39.39	3.03
CO Non-MSA	3	75.00	0.00	0.00	1.98	33.33	24.81	66.67	73.21	0.00	0.00	13.33	53.33	33.33
Grand Junction MSA	0	0.00	0.00	0.00	39.55	0.00	41.99	0.00	18.46	0.00	0.00	45.45	54.55	0.00
Pueblo MSA	0	0.00	10.91	0.00	52.73	0.00	26.77	0.00	9.58	0.00	0.00	38.89	55.56	5.56

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	302	12.06	7.58	10.26	22.50	19.54	33.19	30.79	36.53	39.40	5.71	21.63	36.66	36.01
Denver-Aurora-Lakewood MSA	1,322	52.77	6.56	12.18	18.25	21.41	32.30	32.15	42.50	34.27	8.97	20.61	28.78	41.64
Limited Review:														
Boulder MSA	228	9.10	3.79	2.63	28.50	35.96	37.95	29.39	29.77	32.02	3.17	20.75	41.82	34.26
CO Non-MSA	379	15.13	0.00	0.00	5.84	7.12	37.97	36.68	56.18	56.20	0.00	5.18	34.63	60.19
Grand Junction MSA	133	5.31	0.00	0.00	17.53	22.56	57.98	63.16	24.49	14.29	0.00	11.31	62.41	26.29
Pueblo MSA	141	5.63	3.06	2.13	27.60	35.46	29.75	25.53	39.27	36.88	5.36	26.00	26.62	42.03

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF COLORADO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	1	2.78	5.36	0.00	18.48	0.00	43.48	100.00	32.61	0.00	1.79	17.86	33.93	46.43
Denver-Aurora-Lakewood MSA	5	13.89	6.78	0.00	17.99	20.00	32.68	0.00	42.47	80.00	1.66	9.96	42.32	46.06
Limited Review:														
Boulder MSA	0	0.00	3.76	0.00	21.35	0.00	45.02	0.00	29.87	0.00	1.67	13.33	46.67	38.33
CO Non-MSA	20	55.56	0.00	0.00	5.49	5.00	47.29	70.00	47.22	25.00	0.00	11.40	64.47	24.12
Grand Junction MSA	3	8.33	0.00	0.00	10.48	0.00	45.40	100.00	44.12	0.00	0.00	2.22	71.85	25.93
Pueblo MSA	7	19.44	3.66	0.00	10.98	0.00	39.94	57.14	44.51	42.86	2.27	15.91	63.64	18.18

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 16	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	39	13.93	20.20	2.63	18.49	10.53	20.33	31.58	40.99	55.26	5.89	25.70	29.64	38.78
Denver-Aurora-Lakewood MSA	139	49.64	21.40	6.11	17.48	12.98	20.39	19.85	40.74	61.07	4.86	20.58	27.43	47.13
Limited Review:														
Boulder MSA	11	3.93	22.28	20.00	17.02	0.00	19.88	10.00	40.82	70.00	5.63	15.83	23.64	54.90
CO Non-MSA	74	26.43	16.22	1.41	16.30	16.90	19.48	22.54	48.00	59.15	2.43	12.03	21.21	64.33
Grand Junction MSA	6	2.14	21.63	0.00	17.99	66.67	19.92	33.33	40.46	0.00	5.90	21.33	29.52	43.25
Pueblo MSA	11	3.93	22.60	20.00	17.60	0.00	18.73	30.00	41.06	50.00	4.83	18.05	29.20	47.91

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 5.0% of loans originated and purchased by the bank.
16 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT														
	GEOGRAPHY: STATE OF COLORADO								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 17	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	3	12.00	20.20	0.00	18.49	66.67	20.33	33.33	40.99	0.00	6.44	18.60	27.27	47.69
Denver-Aurora-Lakewood MSA	13	52.00	21.40	18.18	17.48	9.09	20.39	9.09	40.74	63.64	7.88	20.97	25.94	45.21
Limited Review:														
Boulder MSA	1	4.00	22.28	0.00	17.02	0.00	19.88	0.00	40.82	100.00	8.28	17.88	25.00	48.84
CO Non-MSA	3	12.00	16.22	0.00	16.30	0.00	19.48	0.00	48.00	100.00	2.51	10.53	21.55	65.41
Grand Junction MSA	1	4.00	21.63	0.00	17.99	0.00	19.92	0.00	40.46	100.00	9.63	19.25	26.20	44.92
Pueblo MSA	4	16.00	22.60	0.00	17.60	25.00	18.73	0.00	41.06	75.00	3.85	12.64	19.78	63.74

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 8.0% of loans originated and purchased by the bank.
17 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			**GEOGRAPHY:** STATE OF COLORADO				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 18	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	24	10.53	20.20	8.33	18.49	4.17	20.33	41.67	40.99	45.83	7.63	19.77	25.85	46.75
Denver-Aurora-Lakewood MSA	118	51.75	21.40	10.19	17.48	11.11	20.39	22.22	40.74	56.48	6.81	20.46	27.71	45.01
Limited Review:														
Boulder MSA	21	9.21	22.28	4.76	17.02	4.76	19.88	28.57	40.82	61.90	8.51	17.78	26.05	47.67
CO Non-MSA	50	21.93	16.22	0.00	16.30	8.33	19.48	25.00	48.00	66.67	2.99	8.88	18.57	69.55
Grand Junction MSA	5	2.19	21.63	0.00	17.99	75.00	19.92	0.00	40.46	25.00	7.08	18.04	25.97	48.90
Pueblo MSA	10	4.39	22.60	22.22	17.60	33.33	18.73	22.22	41.06	22.22	4.81	13.38	25.82	55.99

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 6.1% of loans originated and purchased by the bank.
18 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		**GEOGRAPHY:** STATE OF COLORADO			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Colorado Springs MSA	302	12.02	88.03	34.44	87.75	7.95	4.30	16,664	7,801
Denver-Aurora-Lakewood MSA	1,330	52.92	87.68	23.08	85.04	7.74	7.22	87,662	38,007
Limited Review:									
Boulder MSA	228	9.07	89.08	23.25	93.42	3.95	2.63	12,948	5,569
CO Non-MSA	379	15.08	87.13	35.36	87.86	7.65	4.49	11,227	5,189
Grand Junction MSA	133	5.29	86.22	33.08	95.49	3.01	1.50	3,612	1,810
Pueblo MSA	141	5.61	84.61	31.21	95.74	3.55	0.71	2,454	1,156

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 52.25% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS **GEOGRAPHY:** STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Colorado Springs MSA	1	2.78	96.43	0.00	100.00	0.00	0.00	57	37
Denver-Aurora-Lakewood MSA	5	13.89	95.18	60.00	100.00	0.00	0.00	246	127
Limited Review:									
Boulder MSA	0	0.00	96.46	0.00	0.00	0.00	0.00	60	37
CO Non-MSA	20	55.56	96.80	75.00	90.00	10.00	0.00	239	158
Grand Junction MSA	3	8.33	98.53	66.67	66.67	33.33	0.00	139	107
Pueblo MSA	7	19.44	97.26	57.14	85.71	14.29	0.00	44	25

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 33.33% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**GEOGRAPHY:** STATE OF COLORADO			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Colorado Springs MSA	0	0	7	5	7	5	1.88	0	0
Denver-Aurora-Lakewood MSA	0	0	55	163	55	163	57.76	0	0
Limited Review:									
Boulder MSA	0	0	5	13	5	13	4.63	0	0
CO Non-MSA	0	0	19	24	19	24	8.41	0	0
Grand Junction MSA	0	0	11	27	11	27	9.51	0	0
Pueblo MSA	0	0	14	50	14	50	17.80	0	0
Broader Statewide or Regional:									
Statewide	15	11,694	2	10	17	11,704		0	0
Regional	2	717	4	16,000	6	16,717		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF COLORADO
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

	Deposits	Branches						Branch Openings/Closings						Population			
Assessment Area:	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Colorado Springs MSA	7.48	3	33.33	33.33	0.00	66.67	0.00	0	0	0	0	0	0	4.28	26.49	41.98	26.55
Denver-Aurora-Lakewood MSA	55.98	15	33.33	0.00	33.33	33.33	33.33	0	0	0	0	0	0	11.36	23.29	32.79	32.52
Limited Review:																	
Boulder MSA	9.43	3	100.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	6.89	18.39	45.80	28.91
CO Non-MSA	17.25	9	0.00	0.00	0.00	66.67	33.33	0	0	0	0	0	0	0.00	8.04	43.09	48.87
Grand Junction MSA	1.81	2	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	17.15	60.53	22.32
Pueblo MSA	8.05	5	40.00	0.00	40.00	40.00	20.00	0	0	0	0	0	0	7.79	23.43	35.03	32.43

State of Idaho

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2017):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Boise City MSA	31.66	71	18,117	757	45,141	89	7,493	4	19,899	921	90,650	23.94
ID Non-MSA	39.05	114	24,548	798	42,284	224	20,599	0	0	1,136	87,431	44.55
Limited Review:												
Idaho Falls MSA	21.59	42	9,225	514	44,390	72	5,453	0	0	628	59,068	22.86
Lewiston MSA	2.82	3	1,143	73	6,020	4	618	2	400	82	8,181	2.78
Pocatello MSA	4.88	9	1,973	130	7,264	3	689	0	0	142	9,926	5.87

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	33	25.98	1.44	0.00	24.41	9.09	46.04	51.52	28.11	39.39	0.36	19.34	44.57	35.72
ID Non-MSA	61	48.03	1.99	6.56	1.90	1.64	75.67	67.21	20.44	24.59	0.68	9.03	72.49	17.80
Limited Review:														
Idaho Falls MSA	26	20.47	0.00	0.00	12.71	11.54	60.03	50.00	27.26	38.46	0.00	13.02	63.02	23.97
Lewiston MSA	1	0.79	0.00	0.00	0.00	0.00	74.52	100.00	25.48	0.00	0.00	0.00	78.87	21.13
Pocatello MSA	6	4.72	3.03	16.67	14.80	0.00	49.37	33.33	32.80	50.00	1.75	13.30	58.84	26.11

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	7	25.00	1.44	0.00	24.41	0.00	46.04	28.57	28.11	71.43	0.24	19.79	48.70	31.27
ID Non-MSA	17	60.71	1.99	5.88	1.90	0.00	75.67	88.24	20.44	5.88	0.80	2.80	75.60	20.80
Limited Review:														
Idaho Falls MSA	4	14.29	0.00	0.00	12.71	0.00	60.03	75.00	27.26	25.00	0.00	9.70	58.58	31.72
Lewiston MSA	0	0.00	0.00	0.00	0.00	0.00	74.52	0.00	25.48	0.00	0.00	0.00	82.86	17.14
Pocatello MSA	0	0.00	3.03	0.00	14.80	0.00	49.37	0.00	32.80	0.00	0.00	10.61	57.58	31.82

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF IDAHO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	30	36.59	1.44	6.67	24.41	26.67	46.04	33.33	28.11	33.33	0.18	17.65	45.65	36.52
ID Non-MSA	36	43.90	1.99	2.78	1.90	0.00	75.67	69.44	20.44	27.78	0.80	6.70	66.81	25.69
Limited Review:														
Idaho Falls MSA	11	13.41	0.00	0.00	12.71	18.18	60.03	63.64	27.26	18.18	0.00	11.29	62.18	26.52
Lewiston MSA	2	2.44	0.00	0.00	0.00	0.00	74.52	100.00	25.48	0.00	0.00	0.00	78.53	21.47
Pocatello MSA	3	3.66	3.03	33.33	14.80	0.00	49.37	0.00	32.80	66.67	1.02	12.57	54.81	31.61

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			**GEOGRAPHY:** STATE OF IDAHO								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	1	50.00	15.20	100.00	37.70	0.00	30.45	0.00	16.65	0.00	2.38	45.24	33.33	19.05
ID Non-MSA	0	0.00	26.77	0.00	3.49	0.00	48.18	0.00	21.56	0.00	21.05	36.84	26.32	15.79
Limited Review:														
Idaho Falls MSA	1	50.00	0.00	0.00	47.72	100.00	30.34	0.00	21.94	0.00	0.00	85.71	14.29	0.00
Lewiston MSA	0	0.00	0.00	0.00	0.00	0.00	80.63	0.00	19.37	0.00	0.00	0.00	83.33	16.67
Pocatello MSA	0	0.00	18.38	0.00	18.47	0.00	54.58	0.00	8.57	0.00	25.00	25.00	37.50	12.50

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			**GEOGRAPHY:** STATE OF IDAHO								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	757	33.32	10.85	11.36	26.61	38.18	36.21	27.87	26.34	22.59	0.70	25.19	40.72	33.39
ID Non-MSA	798	35.12	4.28	6.39	5.30	4.51	71.35	74.44	19.07	14.66	1.63	6.59	68.88	22.91
Limited Review:														
Idaho Falls MSA	514	22.62	0.00	0.00	23.05	17.51	46.04	48.25	30.92	34.24	0.00	16.89	52.66	30.44
Lewiston MSA	73	3.21	0.00	0.00	0.00	0.00	82.20	84.93	17.80	15.07	0.00	30.50	60.57	8.93
Pocatello MSA	130	5.72	11.73	11.54	20.24	12.31	46.54	57.69	21.48	18.46	6.21	18.16	43.91	31.72

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	89	22.70	4.29	0.00	31.27	59.55	43.52	29.21	20.93	11.24	0.00	37.42	52.64	9.94
ID Non-MSA	224	57.14	1.34	0.00	0.58	0.45	79.76	86.61	18.32	12.95	0.00	1.20	81.73	17.07
Limited Review:														
Idaho Falls MSA	72	18.37	0.00	0.00	6.21	0.00	70.92	81.94	22.87	18.06	0.00	0.97	83.82	15.22
Lewiston MSA	4	1.02	0.00	0.00	0.00	0.00	78.71	75.00	21.29	25.00	0.00	15.38	78.21	6.41
Pocatello MSA	3	0.77	4.86	0.00	9.19	0.00	58.92	66.67	27.03	33.33	3.23	12.90	58.06	25.81

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	33	25.98	19.48	0.00	18.77	16.13	21.68	16.13	40.07	67.74	8.09	22.34	26.72	42.85
ID Non-MSA	61	48.03	20.11	1.82	17.18	10.91	20.39	9.09	42.32	78.18	4.22	20.68	26.97	48.14
Limited Review:														
Idaho Falls MSA	26	20.47	18.71	4.17	19.02	4.17	21.26	33.33	41.01	58.33	6.01	22.87	27.58	43.53
Lewiston MSA	1	0.79	18.04	0.00	19.31	100.00	22.34	0.00	40.32	0.00	4.30	24.96	28.57	42.17
Pocatello MSA	6	4.72	21.16	0.00	19.21	0.00	19.52	40.00	40.11	60.00	12.02	25.83	28.26	33.89

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 8.7% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		**GEOGRAPHY:** STATE OF IDAHO								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 19	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	7	25.00	19.48	0.00	18.77	0.00	21.68	28.57	40.07	71.43	9.73	20.64	25.50	44.13
ID Non-MSA	17	60.71	20.11	11.76	17.18	5.88	20.39	17.65	42.32	64.71	7.23	12.34	18.72	61.70
Limited Review:														
Idaho Falls MSA	4	14.29	18.71	0.00	19.02	50.00	21.26	50.00	41.01	0.00	4.56	10.27	22.81	62.36
Lewiston MSA	0	0.00	18.04	0.00	19.31	0.00	22.34	0.00	40.32	0.00	6.67	12.00	38.67	42.67
Pocatello MSA	0	0.00	21.16	0.00	19.21	0.00	19.52	0.00	40.11	0.00	4.55	28.79	22.73	43.94

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
19 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			**GEOGRAPHY:** STATE OF IDAHO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 20	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	30	36.59	19.48	0.00	18.77	11.11	21.68	11.11	40.07	77.78	7.33	17.75	26.29	48.62
ID Non-MSA	36	43.90	20.11	0.00	17.18	18.18	20.39	27.27	42.32	54.55	4.83	13.45	21.65	60.07
Limited Review:														
Idaho Falls MSA	11	13.41	18.71	0.00	19.02	10.00	21.26	20.00	41.01	70.00	5.41	15.19	22.88	56.52
Lewiston MSA	2	2.44	18.04	0.00	19.31	0.00	22.34	0.00	40.32	100.00	5.99	17.51	28.34	48.16
Pocatello MSA	3	3.66	21.16	0.00	19.21	33.33	19.52	0.00	40.11	66.67	7.48	19.98	27.94	44.61

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 8.5% of loans originated and purchased by the bank.
20 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			**GEOGRAPHY:** STATE OF IDAHO				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017		
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Boise City MSA	757	33.32	83.98	20.48	88.90	6.74	4.36	20,518	7,954
ID Non-MSA	798	35.12	81.20	23.06	89.85	5.76	4.39	9,240	3,893
Limited Review:									
Idaho Falls MSA	514	22.62	80.82	18.29	83.27	8.17	8.56	3,363	1,481
Lewiston MSA	73	3.21	77.01	13.70	84.93	6.85	8.22	1,233	506
Pocatello MSA	130	5.72	78.58	22.31	89.23	6.92	3.85	1,822	753

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 62.28% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS **GEOGRAPHY:** STATE OF IDAHO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Boise City MSA	89	22.70	94.40	55.06	76.40	13.48	10.11	480	298
ID Non-MSA	224	57.14	93.53	50.45	72.32	18.30	9.38	1,016	669
Limited Review:									
Idaho Falls MSA	72	18.37	94.15	48.61	76.39	16.67	6.94	416	297
Lewiston MSA	4	1.02	95.05	100.00	50.00	25.00	25.00	78	51
Pocatello MSA	3	0.77	97.84	33.33	33.33	33.33	33.33	32	25

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 40.05% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			**GEOGRAPHY:** STATE OF IDAHO			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Boise MSA	1	151	5	7	6	158	8.11	0	0
ID Non-MSA	0	0	5	4	5	4	0.18	0	0
Limited Review:									
Idaho Falls MSA	0	0	0	0	0	0	0.00	0	0
Lewiston MSA	1	1,774	5	6	6	1,780	91.50	0	0
Pocatello MSA	0	0	2	4	2	4	0.21	0	0
Broader Statewide or Regional:									
Statewide	1	43,070	0	0	1	43,070		0	0
Regional	2	13,362	4	16,000	6	29,362		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF IDAHO
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches							Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																		
Boise City MSA	23.94	6	66.67	16.67	50.00	0.00	33.33		0	1	0	0	-1	0	1.18	28.18	43.45	27.19
ID Non-MSA	44.55	12	16.66	8.33	8.33	66.67	16.67		0	0	0	0	0	0	3.03	9.74	71.32	15.92
Limited Review:																		
Idaho Falls MSA	22.86	3	33.33	0.00	33.33	33.33	33.33		0	0	0	0	0	0	0.00	17.32	62.31	20.37
Lewiston MSA	2.78	1	0.00	0.00	0.00	100.00	0.00		0	0	0	0	0	0	0.00	12.48	73.91	13.62
Pocatello MSA	5.87	1	0.00	0.00	0.00	100.00	0.00		0	1	0	0	-1	0	3.52	15.76	55.42	25.30

State of Nevada

Table 1. Lending Volume

LENDING VOLUME			**GEOGRAPHY:** STATE OF NEVADA				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2017):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Las Vegas-Henderson-Paradise MSA	64.90	495	190,124	2,472	131,435	2	40	45	18,912	3,014	340,511	67.97
NV Non-MSA	17.40	112	17,637	590	19,616	91	5,668	15	21,295	808	64,216	14.41
Limited Review:												
Carson City MSA	2.09	11	2,487	83	2,654	0	0	3	1,135	97	6,276	2.67
Reno MSA	15.61	67	24,368	647	36,585	1	75	10	4,665	725	65,693	14.95

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE **GEOGRAPHY:** STATE OF NEVADA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	239	73.31	1.90	0.42	16.89	10.88	41.71	31.38	39.50	57.32	1.05	9.97	46.38	42.59
NV Non-MSA	45	13.80	0.00	0.00	20.80	13.33	48.20	57.78	31.01	28.89	0.00	17.11	60.49	22.40
Limited Review:														
Carson City MSA	5	1.53	0.00	0.00	25.86	40.00	25.88	40.00	48.26	20.00	0.00	14.97	77.55	7.48
Reno MSA	37	11.35	2.67	0.00	12.54	5.41	44.71	32.43	40.07	62.16	2.01	12.17	42.28	43.54

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF NEVADA								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	40	55.56	1.90	2.50	16.89	35.00	41.71	40.00	39.50	22.50	0.88	9.71	42.43	46.98
NV Non-MSA	24	33.33	0.00	0.00	20.80	16.67	48.20	70.83	31.01	12.50	0.00	14.84	64.96	20.19
Limited Review:														
Carson City MSA	2	2.78	0.00	0.00	25.86	0.00	25.88	50.00	48.26	50.00	0.00	12.90	75.00	12.10
Reno MSA	6	8.33	2.67	0.00	12.54	33.33	44.71	50.00	40.07	16.67	1.03	10.55	38.57	49.84

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			**GEOGRAPHY:** STATE OF NEVADA							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	211	74.82	1.90	0.00	16.89	7.58	41.71	34.60	39.50	57.82	0.54	7.38	43.59	48.48
NV Non-MSA	43	15.25	0.00	0.00	20.80	18.60	48.20	55.81	31.01	25.58	0.00	15.59	60.30	24.11
Limited Review:														
Carson City MSA	4	1.42	0.00	0.00	25.86	25.00	25.88	25.00	48.26	50.00	0.00	15.57	76.31	8.12
Reno MSA	24	8.51	2.67	0.00	12.54	8.33	44.71	37.50	40.07	54.17	1.63	9.84	37.23	51.30

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY **GEOGRAPHY:** STATE OF NEVADA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans ****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	1	100.00	11.51	100.00	38.15	0.00	32.94	0.00	17.39	0.00	21.15	47.12	25.96	5.77
NV Non-MSA	0	0.00	0.00	0.00	29.34	0.00	50.43	0.00	20.23	0.00	0.00	44.44	55.56	0.00
Limited Review:														
Carson City MSA	0	0.00	0.00	0.00	44.92	0.00	27.57	0.00	27.51	0.00	0.00	20.00	80.00	0.00
Reno MSA	0	0.00	23.92	0.00	37.00	0.00	27.80	0.00	11.28	0.00	22.58	41.94	22.58	12.90

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			**GEOGRAPHY:** STATE OF NEVADA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	2,461	65.71	4.01	3.09	23.36	21.82	37.67	39.21	34.26	35.88	2.92	16.26	41.95	38.87
NV Non-MSA	590	15.75	0.00	0.00	22.82	21.36	47.92	45.93	29.21	32.71	0.28	12.56	61.03	26.14
Limited Review:														
Carson City MSA	83	2.22	0.00	0.00	27.07	25.30	20.92	13.25	52.01	61.45	0.00	12.22	76.48	11.30
Reno MSA	611	16.32	9.07	9.17	25.75	32.57	28.06	28.97	30.90	29.30	6.47	22.94	23.56	47.03

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS **GEOGRAPHY:** STATE OF NEVADA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms ***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	2	2.13	2.40	0.00	20.04	0.00	43.42	50.00	34.07	50.00	0.00	10.71	50.00	39.29
NV Non-MSA	91	96.81	0.00	0.00	17.17	5.49	52.88	49.45	29.95	45.05	1.36	2.27	84.55	11.82
Limited Review:														
Carson City MSA	0	0.00	0.00	0.00	21.52	0.00	20.25	0.00	58.23	0.00	0.00	16.67	83.33	0.00
Reno MSA	1	1.06	5.82	0.00	15.86	0.00	36.75	100.00	38.96	0.00	4.00	12.00	40.00	44.00

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			**GEOGRAPHY:** STATE OF NEVADA							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	243	73.64	20.67	2.22	18.35	10.67	20.51	13.33	40.47	73.78	4.60	20.08	27.08	48.24
NV Non-MSA	45	13.64	20.47	6.67	18.47	17.78	20.80	22.22	40.27	53.33	4.50	17.46	31.54	46.50
Limited Review:														
Carson City MSA	5	1.52	21.41	0.00	18.51	20.00	20.09	0.00	39.99	80.00	5.75	24.33	28.61	41.31
Reno MSA	37	11.21	21.03	5.71	17.28	8.57	20.70	11.43	40.99	74.29	3.45	16.96	28.12	51.47

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 6.1% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF NEVADA						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families [21]	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	40	55.56	20.67	7.69	18.35	30.77	20.51	35.90	40.47	25.64	6.71	17.76	23.38	52.15
NV Non-MSA	24	33.33	20.47	13.04	18.47	43.48	20.80	21.74	40.27	21.74	7.91	17.09	30.61	44.39
Limited Review:														
Carson City MSA	2	2.78	21.41	0.00	18.51	0.00	20.09	50.00	39.99	50.00	10.66	16.39	23.77	49.18
Reno MSA	6	8.33	21.03	0.00	17.28	50.00	20.70	33.33	40.99	16.67	5.73	17.52	27.49	49.26

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 2.8% of loans originated and purchased by the bank.
21 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			**GEOGRAPHY:** STATE OF NEVADA					**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families ***	% BANK Loans****	% Families 22	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	211	74.82	20.67	4.26	18.35	15.43	20.51	21.28	40.47	59.04	5.51	17.01	25.08	52.39
NV Non-MSA	43	15.25	20.47	10.26	18.47	17.95	20.80	33.33	40.27	38.46	5.44	16.03	25.53	53.00
Limited Review:														
Carson City MSA	4	1.42	21.41	25.00	18.51	0.00	20.09	0.00	39.99	75.00	8.71	21.90	27.35	42.04
Reno MSA	24	8.51	21.03	8.70	17.28	8.70	20.70	26.09	40.99	56.52	5.74	17.05	26.58	50.63

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 9.9% of loans originated and purchased by the bank.
22 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES **GEOGRAPHY:** STATE OF NEVADA **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Las Vegas-Henderson-Paradise MSA	2,472	65.19	83.06	23.95	91.67	4.21	4.13	48,369	21,866
NV Non-MSA	590	15.56	79.14	25.25	94.92	3.73	1.36	7,806	3,030
Limited Review:									
Carson City MSA	83	2.19	77.27	24.10	97.59	1.20	1.20	2,401	892
Reno MSA	647	17.06	80.31	27.67	92.43	3.09	4.48	16,006	6,412

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 56.99% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF NEVADA			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Las Vegas-Henderson-Paradise MSA	2	2.13	91.25	0.00	100.00	0.00	0.00	57	28
NV Non-MSA	91	96.81	92.86	42.86	81.32	10.99	7.69	245	141
Limited Review:									
Carson City MSA	0	0.00	98.73	0.00	0.00	0.00	0.00	6	4
Reno MSA	1	1.06	93.57	0.00	100.00	0.00	0.00	30	14

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 54.26% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**Geography:** STATE OF NEVADA			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Las Vegas-Henderson-Paradise MSA	1	4,596	47	4,360	48	8,956	83.53	0	0
NV Non-MSA	1	625	5	664	6	1,289	12.02	0	0
Limited Review:									
Carson City MSA	0	0	2	6	2	6	0.06	0	0
Reno MSA	0	0	7	471	7	471	4.39	0	0
Broader Statewide or Regional:									
Statewide	13	13,550	0	0	13	13,550		0	0
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF NEVADA
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Las Vegas-Henderson-Paradise MSA	67.97	30	20.00	3.33	16.67	43.33	36.67	1	1	0	0	-1	1	5.29	22.78	42.19	29.74
NV Non-MSA	14.41	13	23.08	0.00	23.08	53.85	23.08	0	0	0	0	0	0	1.49	18.23	63.99	16.29
Limited Review:																	
Carson City MSA	2.67	2	0.00	0.00	0.00	50.00	50.00	0	0	0	0	0	0	0.00	19.89	73.22	6.89
Reno MSA	14.95	5	60.00	20.00	40.00	20.00	20.00	1	0	0	0	1	0	10.11	22.33	34.85	32.66

State of New Mexico

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF NEW MEXICO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Farmington MSA	100.00	11	1,544	93	6,855	0	0	5	6,692	109	15,091	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE	**GEOGRAPHY:** STATE OF NEW MEXICO									**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	5	100.00	3.80	0.00	20.18	0.00	44.04	40.00	31.98	60.00	0.31	3.46	67.92	28.30

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			**GEOGRAPHY:** STATE OF NEW MEXICO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	2	100.00	3.80	0.00	20.18	50.00	44.04	0.00	31.98	50.00	2.94	2.94	75.49	18.63

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE **GEOGRAPHY:** STATE OF NEW MEXICO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	4	100.00	3.80	0.00	20.18	0.00	44.04	75.00	31.98	25.00	0.00	1.69	65.34	32.97

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			**GEOGRAPHY:** STATE OF NEW MEXICO								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	0	0.00	0.06	0.00	41.84	0.00	28.34	0.00	29.77	0.00	0.00	0.00	66.67	33.33

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES **GEOGRAPHY:** STATE OF NEW MEXICO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	93	100.00	0.33	0.00	28.36	25.81	41.35	40.86	29.95	33.33	0.52	11.20	59.72	28.56

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF NEW MEXICO						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	0	0.00	0.00	0.00	14.62	0.00	41.54	0.00	43.85	0.00	0.00	6.25	68.75	25.00

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE **GEOGRAPHY:** STATE OF NEW MEXICO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	5	100.00	24.48	0.00	16.27	25.00	17.46	75.00	41.79	0.00	2.90	19.47	30.83	46.80

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 20.0% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT **GEOGRAPHY:** STATE OF NEW MEXICO **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 23	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	2	100.00	24.48	0.00	16.27	50.00	17.46	0.00	41.79	50.00	13.86	18.81	20.79	46.53

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
23 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			**GEOGRAPHY:** STATE OF NEW MEXICO				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 24	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	4	100.00	24.48	0.00	16.27	0.00	17.46	25.00	41.79	75.00	4.18	15.02	20.90	59.91

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
24 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		**GEOGRAPHY:** STATE OF NEW MEXICO				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Farmington MSA	93	100.00	77.35	41.94	79.57	13.98	6.45	1,443	572

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 35.48% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			**GEOGRAPHY:** STATE OF NEW MEXICO			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Farmington MSA	0	0.00	97.69	0.00	0.00	0.00	0.00	17	12

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* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**GEOGRAPHY:** STATE OF NEW MEXICO			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Farmington MSA	1	33	5	13	6	46	100.00	0	0
Broader Statewide or Regional:									
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF NEW MEXICO
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Farmington MSA	100.00	1	100.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	5.84	11.27	67.07	15.82

State of Oregon

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF OREGON						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Portland-Vancouver-Hillsboro MSA	100.00	19	10,376	80	23,987	0	0	1	7,990	100	42,353	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: STATE OF OREGON								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	6	100.00	0.91	0.00	18.86	16.67	42.57	16.67	37.66	66.67	1.70	19.57	45.11	33.62

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: STATE OF OREGON								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*		
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	0.91	0.00	18.86	0.00	42.57	0.00	37.66	0.00	1.23	19.90	45.64	33.23

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: STATE OF OREGON								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	13	100.00	0.91	0.00	18.86	15.38	42.57	30.77	37.66	53.85	1.30	18.29	45.53	34.88

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF OREGON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	4.28	0.00	28.67	0.00	34.88	0.00	32.17	0.00	7.63	38.15	39.24	14.99

* Based on 2016 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF OREGON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	77	100.00	2.96	10.39	19.63	19.48	36.83	35.06	37.40	35.06	3.52	19.71	40.10	36.67

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF OREGON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	1.65	0.00	14.72	0.00	49.63	0.00	33.12	0.00	1.62	8.78	52.89	36.72

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF OREGON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 25	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	6	100.00	21.22	0.00	16.68	0.00	19.98	0.00	42.12	100.00	2.26	14.88	26.23	56.63

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 16.7% of loans originated and purchased by the bank.
25 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: STATE OF OREGON					**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 26	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	21.22	0.00	16.68	0.00	19.98	0.00	42.12	0.00	3.97	15.73	28.08	52.22

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
26 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF OREGON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	13	100.00	21.22	0.00	16.68	7.69	19.98	0.00	42.12	92.31	3.63	14.82	26.81	54.75

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
*** Percentage of Families is based on the 2015 ACS Census information.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES	Geography: STATE OF OREGON				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Portland-Vancouver-Hillsboro MSA	80	100.00	87.39	16.25	33.75	26.25	40.00	59,669	24,120

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 10.00% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: STATE OF OREGON		**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Portland-Vancouver-Hillsboro MSA	0	0.00	94.80	0.00	0.00	0.00	0.00	443	231

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**GEOGRAPHY:** STATE OF OREGON				**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**		
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)	
Full Review:										
Portland-Vancouver-Hillsboro MSA	0	0	4	2	4	2	100.00	0	0	
Broader Statewide or Regional:										
Regional	1	467	4	16,000	5	16,467		0	0	

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF OREGON **Evaluation Period**: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Portland-Vancouver-Hillsboro MSA	100.00	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	2.74	24.37	43.18	29.69

State of Texas

Table 1. Lending Volume

LENDING VOLUME		Geography: STATE OF TEXAS						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2017):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Houston-The Woodlands-Sugar Land MSA	84.13	1,613	656,815	4,056	373,867	15	529	32	110,257	5,716	1,141,468	90.04
Limited Review:												
Dallas-Plano-Irving MD	7.59	129	68,932	382	41,892	1	25	4	5,221	516	116,070	5.35
San Antonio-New Braunfels MSA	7.98	116	72,284	423	46,841	2	390	1	8,554	542	128,069	4.33
TX Non-MSA	0.29	10	2,013	10	300	0	0	0	0	20	2,313	0.28

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	866	83.67	5.28	2.54	21.20	9.35	28.63	12.59	44.89	75.52	1.64	10.95	30.07	57.34
Limited Review:														
Dallas-Plano-Irving MD	75	7.25	5.66	2.67	20.90	16.00	25.90	10.67	47.55	70.67	2.88	10.74	29.73	56.65
San Antonio-New Braunfels MSA	87	8.41	4.84	2.30	26.08	5.75	27.74	19.54	41.34	72.41	1.56	11.55	34.10	52.79
TX Non-MSA	7	0.68	0.00	0.00	19.79	0.00	38.38	42.86	41.83	57.14	0.00	4.24	47.46	48.31

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	376	95.19	5.28	3.72	21.20	27.13	28.63	28.72	44.89	40.43	2.81	12.15	26.19	58.86
Limited Review:														
Dallas-Plano-Irving MD	14	3.54	5.66	0.00	20.90	21.43	25.90	14.29	47.55	64.29	1.85	10.50	23.18	64.48
San Antonio-New Braunfels MSA	4	1.01	4.84	0.00	26.08	0.00	27.74	25.00	41.34	75.00	4.26	20.02	26.46	49.26
TX Non-MSA	1	0.25	0.00	0.00	19.79	0.00	38.38	0.00	41.83	100.00	0.00	6.52	47.83	45.65

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	356	84.36	5.28	1.97	21.20	9.83	28.63	25.00	44.89	63.20	1.40	10.01	27.02	61.57
Limited Review:														
Dallas-Plano-Irving MD	40	9.48	5.66	2.50	20.90	7.50	25.90	20.00	47.55	70.00	1.69	8.58	24.06	65.67
San Antonio-New Braunfels MSA	24	5.69	4.84	4.17	26.08	8.33	27.74	12.50	41.34	75.00	1.45	10.90	32.53	55.13
TX Non-MSA	2	0.47	0.00	0.00	19.79	0.00	38.38	0.00	41.83	100.00	0.00	2.33	53.49	44.19

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	15	93.75	25.39	13.33	27.81	26.67	21.37	33.33	25.42	26.67	19.72	31.46	26.76	22.07
Limited Review:														
Dallas-Plano-Irving MD	0	0.00	24.89	0.00	26.70	0.00	24.08	0.00	24.33	0.00	28.68	30.26	21.58	19.47
San Antonio-New Braunfels MSA	1	6.25	6.89	0.00	38.00	0.00	30.76	100.00	24.35	0.00	8.06	44.35	28.23	19.35
TX Non-MSA	0	0.00	0.00	0.00	47.09	0.00	36.71	0.00	16.20	0.00	0.00	0.00	0.00	0.00

* Based on 2016 Peer Mortgage Data -- US and PR
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: STATE OF TEXAS						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
Assessment Area:	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	4,052	83.48	10.35	8.29	20.00	17.97	23.23	23.79	46.21	49.95	7.52	18.07	24.69	49.72
Limited Review:														
Dallas-Plano-Irving MD	370	7.62	7.81	8.65	19.69	22.97	24.61	23.78	47.00	44.59	8.10	17.01	22.23	52.67
San Antonio-New Braunfels MSA	422	8.69	4.98	6.40	23.66	12.32	28.83	40.28	42.29	41.00	5.19	20.00	26.67	48.14
TX Non-MSA	10	0.21	0.00	0.00	26.07	0.00	38.32	10.00	35.61	90.00	0.00	5.80	55.94	38.26

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: STATE OF TEXAS							**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	15	83.33	5.89	6.67	18.82	6.67	30.98	13.33	44.20	73.33	1.78	15.60	47.70	34.92
Limited Review:														
Dallas-Plano-Irving MD	1	5.56	5.83	0.00	18.88	0.00	28.74	0.00	46.04	100.00	4.64	13.91	39.71	41.74
San Antonio-New Braunfels MSA	2	11.11	2.70	0.00	17.87	0.00	27.62	50.00	51.72	50.00	2.70	21.62	23.42	52.25
TX Non-MSA	0	0.00	0.00	0.00	16.99	0.00	28.49	0.00	54.52	0.00	0.00	4.09	43.86	52.05

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 27	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	866	83.67	24.38	1.31	16.03	4.76	17.03	7.86	42.56	86.07	2.51	14.14	22.79	60.56
Limited Review:														
Dallas-Plano-Irving MD	75	7.25	24.04	1.35	16.41	10.81	17.26	12.16	42.29	75.68	3.58	13.45	20.57	62.41
San Antonio-New Braunfels MSA	87	8.41	23.42	1.19	17.50	1.19	19.12	11.90	39.96	85.71	3.35	12.91	27.03	56.70
TX Non-MSA	7	0.68	21.56	0.00	16.08	0.00	19.89	14.29	42.47	85.71	1.77	10.95	19.79	67.49

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 2.9% of loans originated and purchased by the bank.
27 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 28	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	376	95.19	24.38	11.45	16.03	16.27	17.03	16.87	42.56	55.42	4.00	10.56	17.49	67.94
Limited Review:														
Dallas-Plano-Irving MD	14	3.54	24.04	0.00	16.41	7.14	17.26	7.14	42.29	85.71	4.66	11.28	16.58	67.49
San Antonio-New Braunfels MSA	4	1.01	23.42	0.00	17.50	0.00	19.12	0.00	39.96	100.00	8.47	13.70	18.26	59.56
TX Non-MSA	1	0.25	21.56	0.00	16.08	100.00	19.89	0.00	42.47	0.00	7.14	16.67	16.67	59.52

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 53.2% of loans originated and purchased by the bank.
28 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 29	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	356	84.36	24.38	2.61	16.03	11.88	17.03	16.52	42.56	68.99	3.68	10.66	19.01	66.64
Limited Review:														
Dallas-Plano-Irving MD	40	9.48	24.04	0.00	16.41	7.69	17.26	10.26	42.29	82.05	3.54	10.92	19.00	66.54
San Antonio-New Braunfels MSA	24	5.69	23.42	0.00	17.50	0.00	19.12	9.52	39.96	90.48	4.83	11.56	21.21	62.39
TX Non-MSA	2	0.47	21.56	0.00	16.08	0.00	19.89	0.00	42.47	100.00	0.70	7.04	12.68	79.58

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 3.6% of loans originated and purchased by the bank.
29 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Houston-The Woodlands-Sugar Land MSA	4,056	83.27	85.30	16.52	81.53	9.12	9.34	155,361	63,056
Limited Review:									
Dallas-Plano-Irving MD	382	7.84	85.34	22.51	77.75	10.99	11.26	109,903	46,617
San Antonio-New Braunfels MSA	423	8.68	84.21	16.31	73.52	16.31	10.17	36,329	14,495
TX Non-MSA	10	0.21	80.96	20.00	100.00	0.00	0.00	758	308

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 57.85% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF TEXAS **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Houston-The Woodlands-Sugar Land MSA	15	83.33	95.14	33.33	93.33	6.67	0.00	688	373
Limited Review:									
Dallas-Plano-Irving MD	1	5.56	94.48	0.00	100.00	0.00	0.00	348	156
San Antonio-New Braunfels MSA	2	11.11	94.92	0.00	50.00	0.00	50.00	118	59
TX Non-MSA	0	0.00	94.79	0.00	0.00	0.00	0.00	173	107

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 55.56% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**GEOGRAPHY:** STATE OF TEXAS				**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Houston-The Woodlands-Sugar Land MSA	7	18,761	53	32,994	60	51,755	74.78	0	0
Limited Review:									
Dallas-Plano-Irving MD	0	0	5	2,514	5	2,514	3.63	0	0
San Antonio-New Braunfels MSA	0	0	4	14,944	4	14,944	21.59	0	0
TX Non-MSA	0	0	0	0	0	0	0.00	0	0
Broader Statewide or Regional:									
Statewide	42	57,904	0	0	42	57,904		0	0
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF TEXAS **Evaluation Period**: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Houston-The Woodlands-Sugar Land MSA	90.04	62	24.19	4.84	19.35	25.81	50.00	2	6	-1	0	0	-3	9.44	25.92	28.43	35.86
Limited Review:																	
Dallas-Plano-Irving MD	5.35	8	12.50	0.00	12.50	25.00	62.50	0	0	0	0	0	0	11.85	25.21	26.19	36.75
San Antonio-New Braunfels MSA	4.33	5	20.00	20.00	0.00	20.00	60.00	1	1	0	-1	0	1	7.27	30.66	30.76	31.30
TX Non-MSA	0.28	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	4.54	63.90	31.56

State of Utah

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF UTAH						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2017):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Salt Lake City MSA	35.95	352	160,703	4,369	234,827	26	1,090	23	58,962	4,770	455,582	67.37
St George MSA	7.45	177	73,168	785	43,990	26	1,953	1	32	989	119,143	4.11
UT Non-MSA	23.78	357	116,113	2,464	110,607	329	16,739	5	4,100	3,155	247,559	9.94
Limited Review:												
Logan MMSA	5.45	77	15,104	631	25,196	14	768	1	2,136	723	43,204	5.45
Ogden-Clearfield MSA	14.82	191	71,385	1,697	103,499	74	6,290	4	4,311	1,966	185,485	14.82
Provo-Orem MSA	12.54	145	51,307	1,469	95,125	43	1,698	7	37,140	1,664	185,270	12.54

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	185	23.57	1.48	0.54	17.83	10.27	47.01	29.19	33.68	60.00	2.46	12.49	55.99	29.06
St George MSA	130	16.56	0.00	0.00	5.50	1.54	82.07	77.69	12.43	20.77	0.00	1.86	86.48	11.66
UT Non-MSA	218	27.77	0.66	0.00	15.41	17.89	65.94	57.80	17.99	24.31	0.00	9.28	67.03	23.69
Limited Review:														
Logan MMSA	47	100.00	1.50	0.00	12.65	8.51	47.27	44.68	38.58	46.81	2.23	16.00	47.83	33.95
Ogden-Clearfield MSA	131	16.69	0.90	1.53	17.54	6.11	48.04	40.46	33.51	51.91	1.02	16.13	58.46	24.39
Provo-Orem MSA	72	9.17	1.18	0.00	9.85	6.94	54.47	55.56	34.50	37.50	1.25	9.99	65.60	23.16

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	30.23	1.48	3.85	17.83	15.38	47.01	26.92	33.68	53.85	1.59	10.07	55.18	33.16
St George MSA	10	11.63	0.00	0.00	5.50	0.00	82.07	80.00	12.43	20.00	0.00	1.23	85.49	13.27
UT Non-MSA	23	26.74	0.66	0.00	15.41	8.70	65.94	82.61	17.99	8.70	0.00	6.05	65.34	28.60
Limited Review:														
Logan MMSA	7	100.00	1.50	0.00	12.65	14.29	47.27	42.86	38.58	42.86	1.23	12.27	48.47	38.04
Ogden-Clearfield MSA	12	13.95	0.90	0.00	17.54	33.33	48.04	41.67	33.51	25.00	0.60	10.68	55.16	33.55
Provo-Orem MSA	8	9.30	1.18	0.00	9.85	12.50	54.47	75.00	34.50	12.50	0.86	6.72	57.87	34.54

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: STATE OF UTAH								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	139	32.78	1.48	0.72	17.83	13.67	47.01	31.65	33.68	53.96	1.70	9.70	53.99	34.60
St George MSA	36	8.49	0.00	0.00	5.50	0.00	82.07	77.78	12.43	22.22	0.00	1.65	83.05	15.31
UT Non-MSA	112	26.42	0.66	0.00	15.41	16.07	65.94	66.07	17.99	17.86	0.00	7.50	62.85	29.65
Limited Review:														
Logan MMSA	23	100.00	1.50	0.00	12.65	8.70	47.27	52.17	38.58	39.13	1.63	10.55	47.52	40.30
Ogden-Clearfield MSA	48	11.32	0.90	0.00	17.54	10.42	48.04	37.50	33.51	52.08	0.47	10.54	56.80	32.20
Provo-Orem MSA	64	15.09	1.18	0.00	9.85	6.25	54.47	50.00	34.50	43.75	0.85	7.36	60.58	31.22

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	1	25.00	7.39	100.00	42.06	0.00	38.91	0.00	11.63	0.00	23.85	36.92	30.77	8.46
St George MSA	1	25.00	0.00	0.00	14.94	0.00	82.42	100.00	2.64	0.00	0.00	0.00	100.00	0.00
UT Non-MSA	1	25.00	0.24	0.00	14.90	100.00	32.38	0.00	52.49	0.00	0.00	50.00	50.00	0.00
Limited Review:														
Logan MMSA	0	0.00	24.98	0.00	45.26	0.00	24.30	0.00	5.46	0.00	100.00	0.00	0.00	0.00
Ogden-Clearfield MSA	0	0.00	5.89	0.00	45.96	0.00	35.01	0.00	13.14	0.00	6.00	34.00	50.00	10.00
Provo-Orem MSA	1	25.00	33.03	0.00	27.79	100.00	31.37	0.00	7.81	0.00	20.59	41.18	32.35	5.88

* Based on 2016 Peer Mortgage Data -- US and PR
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	4,336	38.02	3.16	2.86	22.61	27.28	40.75	36.65	32.60	33.21	4.32	18.23	42.18	35.27
St George MSA	785	6.88	0.00	0.00	7.40	9.17	82.41	83.69	10.19	7.13	0.00	5.22	80.02	14.77
UT Non-MSA	2,463	21.60	0.05	0.04	16.83	12.67	55.48	72.68	27.54	14.62	0.00	8.33	63.71	27.96
Limited Review:														
Logan MMSA	631	100.00	6.77	6.66	22.38	20.76	40.05	39.30	30.80	33.28	0.08	31.41	47.45	21.05
Ogden-Clearfield MSA	1,697	14.88	4.94	5.48	18.43	16.21	42.33	43.43	34.30	34.89	3.09	11.61	48.96	36.34
Provo-Orem MSA	1,469	12.88	5.44	5.11	12.56	14.64	47.08	53.71	34.92	26.55	2.17	13.26	50.51	34.06

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	4.72	2.08	3.85	20.10	15.38	43.47	61.54	33.90	19.23	0.00	15.00	45.00	40.00
St George MSA	26	4.72	0.00	0.00	11.61	15.38	73.81	76.92	14.58	7.69	0.00	0.00	74.29	25.71
UT Non-MSA	329	59.71	0.08	0.00	12.61	12.46	73.22	81.76	14.00	5.78	0.00	5.12	85.71	9.17
Limited Review:														
Logan MMSA	14	100.00	0.77	0.00	8.25	7.14	62.37	64.29	28.61	28.57	0.00	8.11	83.78	8.11
Ogden-Clearfield MSA	74	13.43	1.66	0.00	14.51	5.41	54.55	77.03	29.28	17.57	0.65	1.29	78.71	19.35
Provo-Orem MSA	43	7.80	1.60	0.00	8.47	4.65	60.61	74.42	29.33	20.93	0.00	6.17	76.54	17.28

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: STATE OF UTAH				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 30	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	186	23.60	19.72	4.14	17.84	13.02	22.22	10.06	40.22	72.78	8.33	29.48	29.33	32.86
St George MSA	130	16.50	17.73	1.59	19.64	5.56	23.28	14.29	39.35	78.57	4.48	19.96	29.01	46.55
UT Non-MSA	220	27.92	20.44	6.73	17.78	16.83	22.15	14.90	39.63	61.54	8.14	20.20	23.43	48.22
Limited Review:														
Logan MMSA	47	100.00	19.40	9.52	18.53	16.67	22.53	26.19	39.54	47.62	5.56	24.75	32.41	37.28
Ogden-Clearfield MSA	131	16.62	17.60	1.75	19.26	12.28	24.08	14.91	39.05	71.05	12.46	30.90	29.70	26.94
Provo-Orem MSA	72	9.14	19.44	1.52	17.89	13.64	22.33	21.21	40.35	63.64	4.72	26.86	31.73	36.69

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 7.7% of loans originated and purchased by the bank.
30 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 31	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	30.23	19.72	12.00	17.84	28.00	22.22	12.00	40.22	48.00	7.33	20.09	28.08	44.50
St George MSA	10	11.63	17.73	0.00	19.64	10.00	23.28	40.00	39.35	50.00	3.80	15.19	26.90	54.11
UT Non-MSA	23	26.74	20.44	15.00	17.78	25.00	22.15	15.00	39.63	45.00	6.72	15.62	24.95	52.71
Limited Review:														
Logan MMSA	7	100.00	19.40	0.00	18.53	14.29	22.53	42.86	39.54	42.86	5.19	15.58	27.27	51.95
Ogden-Clearfield MSA	12	13.95	17.60	8.33	19.26	33.33	24.08	25.00	39.05	33.33	5.88	16.58	32.43	45.11
Provo-Orem MSA	8	9.30	19.44	12.50	17.89	12.50	22.33	25.00	40.35	50.00	3.28	15.39	28.91	52.43

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 4.7% of loans originated and purchased by the bank.
31 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF UTAH **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 32	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	139	32.71	19.72	10.40	17.84	18.40	22.22	16.80	40.22	54.40	6.30	20.08	29.47	44.16
St George MSA	36	8.47	17.73	2.78	19.64	5.56	23.28	25.00	39.35	66.67	3.82	16.41	27.75	52.03
UT Non-MSA	113	26.59	20.44	9.52	17.78	20.95	22.15	25.71	39.63	43.81	6.03	14.03	22.50	57.43
Limited Review:														
Logan MMSA	23	100.00	19.40	8.70	18.53	34.78	22.53	13.04	39.54	43.48	6.24	21.99	28.15	43.62
Ogden-Clearfield MSA	48	11.29	17.60	2.56	19.26	20.51	24.08	23.08	39.05	53.85	6.45	19.92	31.66	41.96
Provo-Orem MSA	64	15.06	19.44	9.84	17.89	13.11	22.33	19.67	40.35	57.38	3.53	16.99	30.36	49.12

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 8.0% of loans originated and purchased by the bank.
32 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: STATE OF UTAH				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017		
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Salt Lake City MSA	4,369	38.20	83.99	16.00	90.66	5.29	4.05	33,654	13,112
St George MSA	785	6.86	86.19	18.98	90.06	5.22	4.71	6,258	2,138
UT Non-MSA	2,464	21.54	82.61	18.55	92.61	4.59	2.80	9,944	3,994
Limited Review:									
Logan MMSA	631	100.00	83.41	15.21	93.03	5.39	1.58	2,428	912
Ogden-Clearfield MSA	1,697	14.84	85.35	18.68	88.92	5.54	5.54	13,969	5,554
Provo-Orem MSA	1,469	12.84	87.97	16.54	88.63	6.40	4.97	15,483	5,803

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 69.03% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: STATE OF UTAH		**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Salt Lake City MSA	26	4.72	94.58	15.38	96.15	3.85	0.00	61	29
St George MSA	26	4.72	97.62	30.77	80.77	3.85	15.38	35	16
UT Non-MSA	329	59.71	97.87	55.02	87.54	9.42	3.04	495	313
Limited Review:									
Logan MMSA	14	100.00	96.39	42.86	85.71	7.14	7.14	38	17
Ogden-Clearfield MSA	74	13.43	97.03	64.86	72.97	17.57	9.46	161	113
Provo-Orem MSA	43	7.80	96.32	34.88	93.02	4.65	2.33	83	45

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 45.37% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			**GEOGRAPHY:** STATE OF UTAH				**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017		
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Salt Lake City MSA	1	4,991	81	34,235	82	39,226	44.67	0	0
St George MSA	0	0	3	3	3	3	0.00	0	0
UT Non-MSA	8	30,854	18	7,276	26	38,130	43.42	0	0
Limited Review:									
Ogden-Clearfield MSA	1	1,930	18	2,865	19	4,795	5.46	0	0
Provo-Orem MSA	0	0	13	49	13	49	0.06	0	0
Logan MSA	0	0	9	5,607	9	5,607	6.39	0	0
Broader Statewide or Regional:									
Statewide	3	90,923	1	50	4	90,973		0	0
Regional	2	13,362	4	16,000	6	29,362		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF UTAH **Evaluation Period**: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Salt Lake City MSA	67.37	32	28.13	3.13	25.00	43.75	28.13	0	3	0	-1	-1	-1	3.90	17.59	51.26	26.89
St George MSA	4.11	8	12.50	0.00	12.50	87.50	0.00	0	0	0	0	0	0	0.00	2.44	83.57	13.98
UT Non-MSA	9.94	24	16.67	0.00	16.67	75.00	8.33	0	0	0	0	0	0	0.00	13.91	69.22	16.86
Limited Review:																	
Logan MMSA	2.50	15	28.13	6.67	26.67	53.33	13.33	0	1	-1	0	0	0	2.17	26.70	55.37	15.76
Ogden-Clearfield MSA	7.17	13	38.46	15.38	23.08	53.85	7.69	0	0	0	0	0	0	1.90	17.82	53.87	26.40
Provo-Orem MSA	8.89	5	40.00	40.00	0.00	60.00	0.00	1	0	0	0	1	0	6.56	15.68	51.79	25.96

State of Washington

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:** STATE OF WASHINGTON						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Seattle-Bellevue-Everett MSA	100.00	8	3,190	36	8,815	0	0	7	35,343	51	47,348	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	4	100.00	3.35	25.00	17.40	0.00	46.13	75.00	33.12	0.00	1.80	15.13	51.00	32.06

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	3.35	0.00	17.40	0.00	46.13	0.00	33.12	0.00	1.52	13.79	53.31	31.37

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	3	100.00	3.35	0.00	17.40	0.00	46.13	66.67	33.12	33.33	1.25	12.01	51.34	35.39

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	1	100.00	15.33	0.00	33.38	100.00	31.85	0.00	19.44	0.00	8.24	43.53	41.18	7.06

* Based on 2016 Peer Mortgage Data -- US and PR
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	36	100.00	8.80	13.89	20.76	13.89	39.98	44.44	30.46	27.78	4.51	13.82	43.91	37.75

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	4.22	0.00	16.55	0.00	46.28	0.00	32.95	0.00	0.68	7.53	47.26	44.52

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2017			Geography: STATE OF WASHINGTON							**Evaluation Period**: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 33	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	4	100.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	100.00	4.98	18.20	24.78	52.04

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 50.0% of loans originated and purchased by the bank.
33 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 34	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	0.00	6.45	17.37	29.21	46.96

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
34 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: STATE OF WASHINGTON								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 35	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	3	100.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	0.00	4.76	16.27	25.39	53.58

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 100.0% of loans originated and purchased by the bank.
35 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF WASHINGTON **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
Seattle-Bellevue-Everett MSA	36	100.00	86.94	27.78	41.67	27.78	30.56	75,222	29,325

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 19.44% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: STATE OF WASHINGTON			**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Seattle-Bellevue-Everett MSA	0	0.00	95.89	0.00	0.00	0.00	0.00	151	89

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			**Geography:** STATE OF WASHINGTON			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Seattle-Bellevue-Everett MSA	1	611	29	148	30	758	100.00	0	0
Broader Statewide or Regional:									
Statewide	2	487	0	0	2	487		0	0
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF WASHINGTON
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Seattle-Bellevue-Everett MSA	100.00	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.71	20.41	49.28	26.59

State of Wyoming

Table 1. Lending Volume

LENDING VOLUME		**GEOGRAPHY:**: STATE OF WYOMING						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
WY Non-MSA	100.00	15	18,645	18	2,817	0	0	0	0	33	21,462	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.
*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: STATE OF WYOMING						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	8	100.00	0.00	0.00	0.00	0.00	39.45	37.50	60.55	62.50	0.00	0.00	8.48	91.52

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	39.45	0.00	60.55	0.00	0.00	0.00	11.76	88.24

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	7	100.00	0.00	0.00	0.00	0.00	39.45	57.14	60.55	42.86	0.00	0.00	6.33	93.67

* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	52.20	0.00	47.80	0.00	0.00	0.00	0.00	100.00

* Based on 2016 Peer Mortgage Data -- US and PR
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	18	100.00	0.00	0.00	0.00	0.00	53.10	38.89	46.90	61.11	0.00	0.00	17.97	82.03

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	38.67	0.00	61.33	0.00	0.00	0.00	0.00	100.00

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: STATE OF WYOMING						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 36	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	8	100.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	100.00	1.75	6.64	17.48	74.13

* Based on 2016 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 12.5% of loans originated and purchased by the bank.
36 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: STATE OF WYOMING						**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 37	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	0.00	7.14	7.14	14.29	71.43

* Based on 2016 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
37 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: STATE OF WYOMING								**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 38	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	7	100.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	100.00	1.78	6.09	13.45	78.68

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* Based on 2016 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2015 ACS Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
38 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: STATE OF WYOMING				**Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017		
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Full Review:									
WY Non-MSA	18	100.00	84.07	22.22	61.11	16.67	22.22	1,419	715

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 38.89% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF WYOMING **Evaluation Period**: JANUARY 1, 2017 TO DECEMBER 31, 2017									
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
WY Non-MSA	0	0.00	92.00	0.00	0.00	0.00	0.00	9	6

* Based on 2016 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2016).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		**Geography:** STATE OF WYOMING			**Evaluation Period**: JULY 28, 2015 TO DECEMBER 31, 2017				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
WY Non-MSA	0	0	0	0	0	0	0.00	0	0
Broader Statewide or Regional:									
Regional	1	467	4	16,000	5	16,467		0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS **GEOGRAPHY:** STATE OF WYOMING **Evaluation Period**: JULY 28, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
WY Non-MSA	100.00	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	10.66	89.34

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to __________

COMMISSION FILE NUMBER 001-12307

ZIONS BANCORPORATION, NATIONAL ASSOCIATION
(Exact name of registrant as specified in its charter)

United States of America	**87-0189025**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)
One South Main	
Salt Lake City, Utah	**84133-1109**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (801) 844-7637

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbols	Name of Each Exchange on Which Registered
Common Stock, par value $0.001	ZION	The NASDAQ Stock Market LLC
Depositary Shares each representing a 1/40th ownership interest in a share of:		
Series A Floating-Rate Non-Cumulative Perpetual Preferred Stock	ZIONP	The NASDAQ Stock Market LLC
Series G Fixed/Floating-Rate Non-Cumulative Perpetual Preferred Stock	ZIONO	The NASDAQ Stock Market LLC
Series H 5.75% Non-Cumulative Perpetual Preferred Stock	ZIONN	The NASDAQ Stock Market LLC
6.95% Fixed-to-Floating Rate Subordinated Notes due September 15, 2028	ZIONL	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Aggregate Market Value of Common Stock Held by Non-affiliates at June 30, 2020 $5,470,950,404

Number of Common Shares Outstanding at February 8, 2021 164,214,100 shares

Documents Incorporated by Reference: Part III of this Annual Report on Form 10-K incorporates by reference specified portions of Zions Bancorporation, National Association's Proxy Statement for its 2021 Annual Meeting of Shareholders, which the registrant anticipates will be filed with the Securities and Exchange Commission approximately March 18, 2021.

FORM 10-K TABLE OF CONTENTS

PART I

FORWARD-LOOKING INFORMATION

This annual report on Form 10-K includes "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and assumptions regarding future events or determinations, all of which are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, market trends, industry results or regulatory outcomes to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements include, among others:

- statements with respect to the beliefs, plans, objectives, goals, targets, commitments, designs, guidelines, expectations, anticipations, and future financial condition, results of operations and performance of Zions Bancorporation, National Association and its subsidiaries (collectively "Zions Bancorporation, N.A.," "the Bank," "we," "our," "us"); and
- statements preceded by, followed by, or that include the words "may," "might," "can," "continue," "could," "should," "would," "believe," "anticipate," "estimate," "forecasts," "expect," "intend," "target," "commit," "design," "plan," "projects," "will," and the negative thereof and similar words and expressions.

These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Actual results and outcomes may differ materially from those presented, either expressed or implied, due to various factors including, but not limited to, those presented in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and Risk Factors in this Form 10-K.

Although there can be no assurance that any list of risks and uncertainties is complete, important factors that may cause such material differences are often related to changes in general economic, regulatory, and industry conditions; changes and uncertainties in fiscal, monetary, regulatory, trade and tax policies and legislative and regulatory changes, including the broad changes that often occur as a result of a new presidential administration; changes in interest rates and uncertainty regarding the transition away from the London Interbank Offered Rate ("LIBOR") toward other alternative reference rates; the quality and composition of our loan and securities portfolios; competitive pressures and other factors that may affect aspects of our business, such as pricing and demand for our products and services; our ability to execute our strategic plans, manage our risks, and achieve our business objectives; our ability to develop and maintain information security systems and controls designed to guard against fraud, cyber and privacy risks; and the effects of the COVID-19 pandemic and similar outbreaks that may occur in the future and governmental responses to such matters.

We caution against undue reliance on forward-looking statements, which reflect our views only as of the date they are made. Except to the extent required by law, we specifically disclaim any obligation to update any factors or to publicly announce the revisions to any of the forward-looking statements included herein to reflect future events or developments.

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

ACL	Allowance for Credit Losses	Basel Committee	Basel Committee on Banking Supervision
AFS	Available-for-Sale	BOLI	Bank-Owned Life Insurance
ALCO	Asset/Liability Committee	bps	basis points
ALLL	Allowance for Loan and Lease Losses	CB&T	California Bank & Trust, a division of Zions Bancorporation, National Association
ALM	Asset Liability Management	CCAR	Comprehensive Capital Analysis
Amegy	Amegy Bank, a division of Zions Bancorporation, National Association	CECL	Current Expected Credit Loss
AOCI	Accumulated Other Comprehensive Income	CET1	Common Equity Tier 1 (Basel III)
ASC	Accounting Standards Codification	CFPB	Consumer Financial Protection Bureau
ASU	Accounting Standards Update	CLTV	Combined Loan-to-Value Ratio
ATM	Automated Teller Machine	CMC	Capital Management Committee

COSO	Committee of Sponsoring Organizations of the Treadway Commission	Municipalities	State and Local Governments
CRA	Community Reinvestment Act	NASDAQ	National Association of Securities Dealers Automated Quotations
Crapo Bill	Economic Growth, Regulatory Relief, and Consumer Protection Act	NAV	Net Asset Value
CRE	Commercial Real Estate	NBAZ	National Bank of Arizona, a division of Zions Bancorporation, National Association
CSA	Credit Support Annex	NIM	Net Interest Margin
CSV	Cash Surrender Value	NSB	Nevada State Bank, a division of Zions Bancorporation, National Association
CVA	Credit Valuation Adjustment	OCC	Office of the Comptroller of the Currency
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act	OCI	Other Comprehensive Income
DTA	Deferred Tax Asset	OREO	Other Real Estate Owned
DTL	Deferred Tax Liability	PCAOB	Public Company Accounting Oversight Board
EaR	Earnings at Risk	PEI	Private Equity Investment
ERM	Enterprise Risk Management	PPNR	Pre-provision Net Revenue
ERMC	Enterprise Risk Management Committee	PPP	Paycheck Protection Program
EVE	Economic Value of Equity at Risk	PPPLF	Payroll Protection Program Liquidity Facility
FAMC	Federal Agricultural Mortgage Corporation, or “Farmer Mac”	ROC	Risk Oversight Committee
FASB	Financial Accounting Standards Board	ROU	Right-of-Use
FDIC	Federal Deposit Insurance Corporation	RULC	Reserve for Unfunded Lending Commitments
FDICIA	Federal Deposit Insurance Corporation Improvement Act	S&P	Standard and Poor's
FHLB	Federal Home Loan Bank	SBA	Small Business Administration
FINRA	Financial Industry Regulatory Authority	SBIC	Small Business Investment Company
FSOC	Financial Stability Oversight Council	SEC	Securities and Exchange Commission
FTP	Funds Transfer Pricing	SIFI	Systemically Important Financial Institution
GAAP	Generally Accepted Accounting Principles	SOFR	Secured Overnight Financing Rate
HECL	Home Equity Credit Line	TCBW	The Commerce Bank of Washington, a division of Zions Bancorporation, National Association
HTM	Held-to-Maturity	TDR	Troubled Debt Restructuring
IMG	International Manufacturing Group	Tier 1	Common Equity Tier 1 (Basel III) and Additional Tier 1 Capital
ISDA	International Swaps and Derivative Association	U.S.	United States
LCR	Liquidity Coverage Ratio	Vectra	Vectra Bank Colorado, a division of Zions Bancorporation, National Association
LIBOR	London Interbank Offered Rate	VIE	Variable Interest Entity
MD&A	Management’s Discussion and Analysis	Zions Bank	Zions Bank, a division of Zions Bancorporation, National Association

ITEM 1. BUSINESS

DESCRIPTION OF BUSINESS

Zions Bancorporation, National Association and its subsidiaries (collectively “Zions Bancorporation, N.A.,” “the Bank,” “we,” “our,” “us”) together comprise a bank headquartered in Salt Lake City, Utah with assets of $81 billion at December 31, 2020, and annual net revenue of $2.8 billion for the year 2020. We provide a wide range of banking products and related services, primarily in the states of Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. We have over one million customers, served by our 422 branches at year-end 2020. We had 9,678 full-time equivalent employees at December 31, 2020. At year end, we had a strong capital position, with a Common Equity Tier 1 ("CET1") capital to total risk-weighted assets ratio of 10.8%. When combined with our allowance for credit losses ("ACL"), this ratio was one of the highest among peer banks.

We conduct our operations primarily through seven separately managed "affiliates," or "affiliate banks," each with its own local branding and management team. These affiliate banks comprise our primary business segments as referred to throughout this document. We emphasize local authority and responsibility, local pricing, and customization of certain products (as applicable), designed to maximize customer satisfaction and strengthen community relations. For further information about our segments, see "Business Segment Results" on page 46 in MD&A and Note 22 of the Notes to Consolidated Financial Statements.

We are focused on the communities in our geographic footprint, as well as providing banking services to businesses and their owners and executives in those communities with whom relationships are particularly important. Our experienced bankers develop long-lasting relationships with our customers by providing valuable advice and award-winning service. Such relationships are further enhanced by many of the high-quality digital products we offer. Building such relationships is essential to maintaining and improving upon our high-quality deposit franchise. Currently, we have one of the lowest costs of deposits and one of the highest proportions of noninterest-bearing demand deposits among peer banks.

PRODUCTS AND SERVICES

We provide the following banking products and services:

- corporate banking;
- commercial banking, including a focus on small- and medium-sized businesses;
- commercial real estate banking;
- municipal and public finance services;
- retail banking, including residential mortgages;
- trust services;
- wealth management and private client banking; and
- capital markets products and services.

COMPETITION

We operate in a highly competitive environment. Our most direct competition for loans and deposits comes from other commercial banks, credit unions, and thrifts, including financial institutions that do not have a physical presence in our market footprint, but solicit business via the Internet and other means. In addition, we compete with finance companies, mutual fund companies, insurance companies, brokerage firms, securities dealers, investment banking companies, financial technology and other nontraditional lending and banking companies, and a variety of other types of companies. These companies may have fewer regulatory constraints, and some have lower cost structures or tax burdens.

The primary components of our business that we believe differentiate us from our competitors are the quality of service delivered, our local community knowledge, convenience of office locations, online banking functionality and other delivery methods, range of products offered, pricing, and the overall relationship with our clients. We strive to compete effectively in all of these areas to remain successful.

SUPERVISION AND REGULATION

This section describes the material elements of selected laws and regulations applicable to us. The descriptions are not intended to be complete and are qualified in their entirety by reference to the full text of the statutes and regulations described. Changes in applicable laws or regulations, and in their application by regulatory agencies cannot be predicted; however, they may have a material effect on our business and results.

On September 30, 2018, we completed the merger of Zions Bancorporation, our former holding company, with and into Zions Bancorporation, N.A., sometimes referred to herein as the "restructuring." More information about the restructuring and its effects can be found in the proxy statement filed by Zions Bancorporation with the SEC on July 24, 2018. In connection with completing the restructuring, we also received approval of an application filed with the Financial Stability Oversight Council ("FSOC") seeking a determination that we are not "systemically important" as defined by provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act").

The banking and financial services business in which we engage is highly regulated. Such regulation is intended to improve the stability of banking and financial companies and to protect the interests of customers and taxpayers. These regulations are not generally intended to protect the interests of our shareholders or creditors, and may have the consequence of reducing returns to our shareholders. Banking laws and regulations have given financial regulators expanded powers over many aspects of the financial services industry, which have reduced, and may continue to reduce, returns earned by shareholders.

Legislative changes to laws governing the financial industry occur frequently. Some of this legislation materially affects the manner in which we and other financial institutions operate, including increasing the costs and other burdens of conducting our businesses. In addition, the banking agencies regularly promulgate new regulations or modify existing regulations, which also have significant impact on the financial industry. The content and impact of such regulatory changes cannot presently be determined. We are committed to both satisfying regulatory expectations and providing attractive shareholder returns. However, given the ever-evolving regulatory environment, the results of these efforts cannot yet be known.

General

We are subject to the provisions of the National Bank Act and other statutes governing national banks, as well as the rules and regulations of the OCC, the CFPB, and the FDIC. We are also subject to examination and supervision by the OCC and examination by the CFPB in respect of federal consumer financial regulations. We, as well as some of our subsidiaries, are also subject to regulation by other federal and state agencies. These regulatory agencies may exert considerable influence over our activities through their supervisory and examination roles. Our brokerage and investment advisory subsidiaries are regulated by the SEC, Financial Industry Regulatory Authority ("FINRA"), and state securities regulators.

The National Bank Act

Prior to the restructuring, Zions Bancorporation's corporate affairs were governed by Utah state law, and securities law matters were governed by the federal securities laws, including the Securities Act of 1933 ("Securities Act") and the Securities Exchange Act of 1934 ("Exchange Act"), as administered by the SEC. Each of these legal frameworks is well-developed and used widely by public companies.

Following the restructuring, our corporate affairs are governed by the National Bank Act and related regulations administered by the OCC. With respect to securities matters, we are not subject to the Securities Act, but are subject to OCC regulations governing securities offerings. Our common stock and certain other securities are registered, or deemed registered, under the Exchange Act, which vests the OCC with the power to administer and enforce certain sections of the Exchange Act applicable to banks, though we continue to make filings required by the Exchange Act with the SEC as a voluntary filer. These statutory and regulatory frameworks are not as well-developed as the corporate and securities law frameworks applicable to many other publicly held corporations.

The Dodd-Frank Act

The Dodd-Frank Act and related regulations broadly affect the financial services industry. Among other things, the Dodd-Frank Act involves mandatory divestiture of certain equity investments, increased regulation of executive and incentive-based compensation, increased bank fees to regulatory agencies, and numerous other provisions aimed at strengthening the sound operation of the financial services sector. Regulations promulgated under the Dodd-Frank

Act require many banks to maintain greater levels of capital and liquid assets and adhere to the annual Comprehensive Capital Analysis ("CCAR") process administered by the Federal Reserve Bank ("FRB"). As a result of the restructuring and FSOC approval, we are no longer subject to these capital and CCAR requirements. However, we continue to conduct internal stress testing and capital management measures that are similar to CCAR requirements, and remain subject to other regulatory requirements that may reduce our flexibility to return capital to shareholders and respond to other market developments and opportunities. These regulatory requirements include the OCC's heightened standard guidelines, which establish minimum standards for certain large insured financial institutions, such as us, for the design and implementation of a risk governance framework and for board oversight of such framework's design and implementation.

We also remain subject to the Dodd-Frank Act's provisions and related regulations that affect the fees we must pay to regulatory agencies and the pricing of certain products and services, including debit card interchange fees and the assessment base for federal deposit insurance, among others.

The Dodd-Frank Act also created the CFPB, which is responsible for promulgating regulations designed to protect consumers' financial interests and examining large financial institutions for compliance with, and enforcing, those regulations. The Dodd-Frank Act adds prohibitions on unfair, deceptive or abusive acts and practices to the scope of consumer protection regulations overseen and enforced by the CFPB. The Dodd-Frank Act subjected national banks to the possibility of further regulation by restricting the preemption of state laws by federal laws. Restricting the scope of federal preemption could burden national banks with the requirement that they also comply with certain state laws covering matters already covered by federal law. In addition, the Dodd-Frank Act gives greater power to state attorneys general to pursue legal actions against banking organizations for violations of federal law.

We, and other companies subject to the Dodd-Frank Act, must adhere to requirements regarding the time, manner, and form of compensation given to key executives and other personnel receiving incentive compensation. These restrictions include documentation and governance, deferral, risk-balancing, and clawback requirements. Any deficiencies in compensation practices may be incorporated into the organization's supervisory ratings, which can affect its ability to make acquisitions or engage in other activities, or could result in regulatory enforcement actions.

Capital Standards – Basel Framework

The Basel III capital rules define the components of capital and address other issues affecting the numerator in banking institutions' regulatory capital ratios and also address risk weights and other issues affecting the denominator in banking institutions' regulatory capital ratios. The Basel III capital rules, among other things, (1) introduced a new capital measure called "Common Equity Tier 1" ("CET1"), (2) specified that Tier 1 capital consists of CET1 and "Additional Tier 1 capital" instruments meeting specified requirements, (3) applied most deductions/adjustments to regulatory capital measures to CET1 and not to the other components of capital, thus potentially requiring higher levels of CET1 in order to meet minimum ratios, and (4) expanded the scope of the deductions/adjustments from capital, as compared with prior regulations.

Under the Basel III capital rules, the minimum capital ratio requirements are as follows:

- 4.5% CET1 to risk-weighted assets;
- 6.0% Tier 1 capital (i.e., CET1 plus Additional Tier 1) to risk-weighted assets;
- 8.0% Total capital (i.e., Tier 1 plus Tier 2) to risk-weighted assets; and
- 4.0% Tier 1 capital to average consolidated assets as reported on consolidated financial statements (known as the "leverage ratio").

The Basel III capital rules also require us to maintain a 2.5% "capital conservation buffer" designed to absorb losses during periods of economic stress, composed entirely of CET1, on top of the minimum risk-weighted asset ratios, effectively resulting in minimum ratios of (1) CET1 to risk-weighted assets of at least 7.0%, (2) Tier 1 capital to risk-weighted assets of at least 8.5%, and (3) Total capital to risk-weighted assets of at least 10.5%. Banking institutions with a ratio of CET1 to risk-weighted assets above the minimum but below the capital conservation buffer face constraints on dividends, equity repurchases, and compensation based on the amount of the shortfall.

The severity of the constraint depends on the amount of the shortfall and the institution's "eligible retained income" (that is four quarter trailing net income, net of distributions and tax effect not reflected in net income).

The Basel III capital rules also prescribed a standardized approach for calculating risk-weighted assets that expanded the risk-weighting categories from Basel I-derived categories (0%, 20%, 50%, and 100%) to a much larger and more risk-sensitive number of categories, depending on the nature of the assets, generally ranging from 0% for U.S. government and agency securities, to 600% for certain equity exposures, to 1,250% for certain securitization exposures, and resulting in higher risk weights for a variety of asset categories. In addition, the Basel III capital rules provided more advantageous risk weights for derivatives and repurchase-style transactions cleared through a qualifying central counterparty and increased the scope of eligible guarantors and eligible collateral for purposes of credit risk mitigation.

On July 9, 2019, the federal banking agencies issued a final rule to simplify certain aspects of the regulatory capital rules for "nonadvanced approach" banking organizations. The final rule simplifies the regulatory capital requirements for mortgage servicing assets, certain deferred tax assets arising from temporary differences, and investments in the capital of unconsolidated financial institutions. The final rule replaces multiple deduction thresholds with a single 25% deduction threshold for each of these categories and requires that a 250% risk weight be applied to mortgage servicing assets and deferred tax assets that are not deducted from capital.

As allowed under the Basel III capital rules, we made a one-time permanent election as of January 1, 2015 to exclude the effects of accumulated other comprehensive income ("AOCI") items in determining regulatory capital and capital ratios.

Basel III also required additional regulatory capital disclosures to be made that are commonly referred to as "Pillar 3" disclosures. These disclosures require us to make prescribed regulatory disclosures on a quarterly basis regarding our capital structure adequacy and risk-weighted assets. We began publishing these Pillar 3 disclosures in 2015, and such disclosures are available on our website.

The Basel Committee has issued a series of updates that propose other changes to capital regulations. In one of these, the Basel Committee finalized a revised framework for calculating minimum capital requirements for market risk, with an effective date for reporting under the revised framework for market risk capital of January 1, 2022. We are currently not subject to the market risk capital rules as we do not engage in substantial trading activity. The U.S. federal bank regulatory agencies have not yet proposed rules implementing these revisions for U.S. banking organizations. We met all capital adequacy requirements under the Basel III capital rules as of December 31, 2020.

Capital Planning and Stress Testing

We continue to utilize stress testing as an important mechanism to inform our decisions on the appropriate level of capital, based upon actual and hypothetically stressed economic conditions. The stress test results reflect a set of forward-looking stress tests based upon hypothetical economic scenarios generated in conjunction with Moody's Analytics. Moody's Protracted Slump scenario, a downside 4% scenario, is the primary stress scenario we considered for our internal stress scenario, certain variables of which we adjusted to test certain idiosyncrasies that may be unique to us. Detailed disclosure of our historical internal stress test results can be found on our website. The 2020 internal stress test included hypothetical scenarios reflective of the ongoing economic impact of the COVID-19 pandemic. The results of the stress test indicated that we would maintain capital ratios at levels adequate for our risk profile throughout the nine-quarter horizon for the hypothetical stress test.

Liquidity

Historically, regulation and monitoring of bank liquidity has been addressed as a supervisory matter, both in the U.S. and internationally, without required formulaic measures. However, in January 2016, the FRB and other banking regulators enacted final rules ("Final Liquidity Coverage Ratio ("LCR") Rule") implementing a U.S. version of the Basel Committee's LCR requirement. The LCR is intended to ensure that banks hold sufficient amounts of securities and other liquid assets to cover the anticipated net cash outflows during a hypothetical acute 30-day stress scenario. The Final LCR Rule applies to large, internationally active banking organizations (those with at least $250 billion in total assets or at least $10 billion in on-balance sheet foreign exposure). While the Final LCR Rule does not apply to us, we manage liquidity in accordance with the Basel III liquidity requirements. Furthermore, we utilize internal liquidity stress tests as our primary tool for establishing and managing liquidity guidelines including, but not limited to, holdings of investment securities and other liquid assets, maintaining levels of readily available contingency funding, concentrations of funding sources, and maturity profile of liabilities.

Financial Privacy and Cyber Security

The federal banking regulators have enacted rules that limit the ability of banks and other financial institutions to disclose nonpublic information about consumers to nonaffiliated third parties, including provisions of the Gramm-Leach-Bliley Act, which require financial institutions to disclose privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a nonaffiliated third party. These regulations affect how consumer information is transmitted through diversified financial companies and conveyed to outside vendors. In addition, consumers may also prevent disclosure of certain information among affiliated companies that is assembled or used to determine eligibility for a product or service, such as that shown on consumer credit reports and asset and income information from applications. Consumers also have the option to direct banks and other financial institutions not to share information about transactions and experiences with affiliated companies for the purpose of marketing products or services. Federal law makes it a criminal offense, except in limited circumstances, to obtain or attempt to obtain customer information of a financial nature by fraudulent or deceptive means.

In October 2016, the federal banking regulators jointly issued an advance notice of proposed rulemaking on enhanced cyber risk management standards that is intended to increase the operational resilience of large and interconnected entities under their supervision. Although the joint proposal was withdrawn in early 2020, cybersecurity remains a regulatory priority and is likely to be the subject of future rulemaking.

State regulators have been increasingly active in implementing privacy and cybersecurity standards and regulations. Recently, several states have enacted regulations requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs, including data encryption requirements. Many states have also recently implemented or modified their data breach notification and data privacy requirements. In June 2018, the California legislature passed the California Consumer Privacy Act of 2018 (the “CCPA”), which took effect on January 1, 2020. On November 3, 2020, the CCPA was amended and expanded by the approval of California ballot initiative, Proposition 24, known as the California Privacy Rights Act (the “CPRA”). The CCPA, as amended, covers businesses that obtain or access personal information on California residents, grants them enhanced privacy rights and control over their personal information, and imposes significant requirements on covered companies with respect to individual data privacy rights. Some of the rights afforded to California residents also extend to California employees, though the CPRA amendments now exempt certain employee information and employer usage from some of the CPRA provisions until at least January 1, 2023. Other states have implemented, or are considering, similar privacy laws. We expect this trend of state-level activity to continue and are continually monitoring developments in the states in which we operate.

In May 2018, the General Data Protection Regulation (the “GDPR”) established new requirements regarding the handling of personal data of European Union (“EU”) residents. We believe the applicability of the GDPR to us is minimal as we do not offer goods or services to EU residents or monitor their behaviors. Data and cybersecurity laws and regulations are evolving rapidly, remain a focus of state and federal regulators, and will continue to have a significant impact on our risk management practices.

Prompt Corrective Action

The Federal Deposit Insurance Corporation Improvement Act (“FDICIA”) requires each federal banking agency to take prompt corrective action to resolve the problems of insured depository institutions, including but not limited to those that fall below one or more prescribed minimum capital ratios. Pursuant to FDICIA, the FDIC promulgated regulations defining the following five categories in which an insured depository institution will be placed, based on the level of its capital ratios: well-capitalized, adequately capitalized, undercapitalized, significantly under-capitalized, and critically under-capitalized. Under the prompt corrective action provisions of FDICIA as modified by the Basel III capital rules, an insured depository institution will generally be classified as well-capitalized if it has a CET1 ratio of at least 6.5%, a Tier 1 risk-based capital ratio of at least 8%, a total capital ratio of at least 10% and a Tier 1 leverage ratio of at least 5%. In addition, an insured depository institution will generally be classified as under-capitalized if its CET1 ratio is under 4.5%, its total risk-based capital ratio is less than 8%, its Tier 1 risk-based capital ratio is less than 6%, or its Tier 1 leverage ratio is less than 4%. An institution that, based upon its capital levels, is classified as "well-capitalized," "adequately capitalized," or "under-capitalized," may be treated as though it were in the next lower capital category if the appropriate federal banking agency, after notice and opportunity for hearing, determines that an unsafe or unsound condition or an unsafe or unsound practice warrants such treatment. At each successive lower capital category, an insured depository institution is subject to more restrictions and prohibitions, including restrictions on growth, restrictions on interest rates paid on deposits, restrictions or prohibitions on payment of dividends and restrictions on the acceptance of brokered deposits. Furthermore, if a bank is classified in one of the under-capitalized categories, it is required to submit a capital restoration plan to the federal bank regulator.

Other Regulations

We are subject to a wide range of other requirements and restrictions contained in both the laws of the U.S. and the states in which we and our subsidiaries operate. These regulations include but are not limited to the following:

- Limitations on dividends payable to shareholders. Our ability to pay dividends on both our common and preferred stock is subject to regulatory restrictions. See Note 15 of the Notes to Consolidated Financial Statements for additional information.
- Safety and soundness standards prescribed in the FDICIA, including standards related to internal controls, information systems, internal audit, loan documentation, credit underwriting, interest rate exposure, asset growth and compensation, as well as other operational and management standards deemed appropriate by the federal banking agencies. The safety and soundness requirements give bank regulatory agencies significant latitude in their supervisory authority over us.
- Requirements for approval of acquisitions and activities and restrictions on other activities. The National Bank Act requires regulatory and shareholder approval of all mergers between a national bank and another national or state bank and do not allow for the direct merger into a national bank of a nonaffiliated nonbank. See discussion under "*Risk Factors*." Other laws and regulations governing national banks contain similar provisions concerning acquisitions and activities.
- Limits on bank organization activities, which are more limited than activities that can be conducted by bank holding company organizations.
- Limitations on the amount of loans to a borrower and its affiliates.
- Limitations on transactions with affiliates, as expanded by the Dodd-Frank Act.
- Restrictions on the nature and amount of any investments and ability to underwrite certain securities.
- Requirements for opening of branches and the acquisition of other financial entities.
- Fair lending and truth in lending requirements to provide equal access to credit and to protect consumers in credit transactions.
- Broker-dealer and investment advisory regulations. One of our subsidiaries is a broker-dealer that is authorized to engage in securities underwriting and other broker-dealer activities. This company is registered with the SEC and is a member of FINRA. Another subsidiary is a registered investment adviser under the Investment Advisers Act of 1940, as amended, and as such, is supervised by the SEC. Certain of our subsidiaries are also subject to various U.S. federal and state laws and regulations. These laws and regulations generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the carrying on of business for failure to comply with such laws.
- Community Reinvestment Act ("CRA") requirements. The CRA requires banks to help serve the credit needs in their communities, including providing credit to low- and moderate-income individuals. If we fail to adequately serve our communities, penalties may be imposed including denials of applications to add branches, relocate, add subsidiaries and affiliates, and merge with or purchase other financial institutions.

- Anti-money laundering regulations. The Bank Secrecy Act, Title III of the Uniting and Strengthening of America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (“USA Patriot Act”), and other federal laws require financial institutions to assist U.S. government agencies in detecting and preventing money laundering and other illegal acts by maintaining policies, procedures and controls designed to detect and report money laundering, terrorist financing, and other suspicious activity.

We are subject to the Sarbanes-Oxley Act of 2002, certain provisions of the Dodd-Frank Act, and other federal and state laws and regulations which address, among other issues, corporate governance, auditing and accounting, executive compensation, and enhanced and timely disclosure of corporate information. The National Association of Securities Dealers Automated Quotations (“NASDAQ”) has also enacted corporate governance rules, which are intended to allow shareholders and investors to more easily and efficiently monitor the performance of companies and their directors.

Our Board of Directors has overseen management’s establishment of a comprehensive system of corporate governance and risk practices. This system includes policies and guidelines such as Corporate Governance Guidelines; a Code of Business Conduct and Ethics for Employees; a Directors Code of Conduct; a Related Party Transaction Policy; Stock Ownership and Retention Guidelines; a Compensation Clawback Policy; an insider trading policy including provisions prohibiting hedging and placing restrictions on the pledging of bank stock by insiders; and charters for the Executive, Audit, Risk Oversight, Compensation, and Nominating and Corporate Governance Committees. More information on our corporate governance practices is available on our website at www.zionsbancorporation.com. Our website is not part of this Annual Report on Form 10-K.

We have adopted policies, procedures and controls to address compliance with the requirements of the banking, securities, and other laws and regulations described above or otherwise applicable to us. Management monitors these laws and regulations and regularly reviews and updates its policies, procedures and controls in anticipation of industry and regulatory changes.

Regulators, Congress, state legislatures, and international consultative bodies continue to enact rules, laws, and policies to regulate the financial services industry and public companies and to protect consumers and investors. The nature of these laws and regulations and the effect of such policies on our future business and earnings results cannot be predicted.

GOVERNMENT MONETARY AND FISCAL POLICIES AND ACTIONS

Our business and earnings results are affected not only by general economic conditions, but also by policies enacted by various governmental authorities. We are particularly affected by the monetary and fiscal policies of the FRB, including the current low level of both short-term and long-term interest rates and the national supply of bank credit. We are also affected by the actions of various governmental authorities in response to the economic effects of terrorism or other geopolitical instabilities, natural disasters, severe weather conditions, and public health emergencies, such as the economic stimulus programs included in the 2020 Coronavirus Aid, Relief, and Economic Security (“CARES”) Act resulting from the COVID-19 pandemic.

In view of the changing conditions in the economy and the effect of such policies, it is difficult to predict future changes in loan demand, deposit levels and interest rates, or their effect on our business and earnings. Monetary, fiscal, and other policy initiatives and actions have had a significant effect on the operating results of commercial banks in the past and are expected to continue to do so in the future.

HUMAN CAPITAL MANAGEMENT

We are proud of our employees who bring their unique, diverse talents to work each day. Our management and Board value our employees and are committed to identifying, recognizing, and creating fulfilling opportunities for people within our organization, and rewarding them for their contributions to our success.

COVID-19 has had a significant impact on how we work and the work we perform. At the outset of the pandemic, we quickly transitioned more than 70% of our employees to working remotely and implemented safety procedures and policies to keep our branch employees as safe as possible while they performed essential in-person services. We were also heavily involved in supporting customers with PPP loans, rewarding employees directly involved in the effort with meaningful incentives, and paying $1,000 bonuses to all our employees with salaries less than $150,000 for supporting this important effort.

Our total full-time equivalent employees at December 31, 2020 was 9,678, a decrease of 5% from the prior year period. The following schedule describes certain demographic attributes of our employees.

Schedule 1

	Women	Minorities
Employee Roles		
Management	51 %	27 %
Non-management	60 %	37 %
Overall	58 %	35 %

We have an exceptional team of women senior leaders that was recognized as one of five “Top Teams” for 2020 in *American Banker* magazine’s issue of the “Most Powerful Women in Banking and Finance.” This year marks the fifth time we have been honored as a Top Team. Additionally, in the November 2020 issue of *American Banker* magazine, we were honored among 85 of the “Best Banks to Work For in 2020,” and we ranked sixth among large banks with assets greater than $10 billion. We have been recognized on this list for all eight years of its existence.

We manage our human capital through the following programs and initiatives:

Cultivating a diverse, equitable, and inclusive environment for our customers and our employees

We believe in an environment where people are respected and valued, regardless of their differences, along with a talented workforce that reflects our diverse communities. We also believe that our performance is stronger when we are able to draw upon the talents and experience of a diverse team of employees.

Our 2020 Corporate Responsibility Report highlights several achievements in this area. For example, our Banker Development Program, College Internship Program, and Mentor Program have significant participation from women and minorities.

Throughout the organization, employee business resource groups foster a sense of community and enable greater connectivity and support among employees through forum meetings and discussions. This includes groups for African Americans, Hispanic/Latinx, LGBTQIA, and women, among others. These groups are open to all employees and offer networking and initiatives that support our commitment to diversity, both internally and externally.

Attracting and developing talent for long-term success

We are committed to recruiting and retaining the most qualified individuals who reflect the diversity of the markets we serve, to helping our employees grow in their careers, and to actively developing talent for future leadership opportunities. As we attract and hire talent, we proactively consider the demand for competencies that will be needed within the workforce of the future.

We are proud to offer more than 2,000 learning options for employees to create tailored learning plans for personal and professional development. We make available new manager programs, tuition reimbursement, education sponsorship opportunities, job shadowing, coaching, and formal mentoring programs. Our talent development program and individual development plans focus on education, experience, and exposure to help create well-rounded, successful employees.

Recognizing, engaging, and rewarding our employees

We support a culture of integrity, engagement, and achievement through comprehensive rewards and recognition. Our programs are designed to enhance the employee experience, drive retention, promote recognition, and reward high performance. We provide meaningful upside opportunities for those who take accountability for business objectives that help us deliver superior results while reducing risk.

We routinely assess pay equity among employees across our organization by analyzing potential disparities in pay based on gender, minority status, and other factors. These actions help us compensate employees fairly. During 2020, we enlisted the services of an independent third party who found that after adjusting for relevant variables such as education, experience, and geography, women are paid, on average, approximately 99% of what men are paid, and minorities are paid approximately 98% of what non-minorities are paid. In a relatively few cases, we identified outlier situations that have been subsequently addressed.

Our employees provide regular feedback through our robust listening strategy, which includes quarterly leadership calls, biannual employee opinion surveys, and targeted focus groups. These forums for employee input continue to help strengthen working relationships with managers, improve clarity of organizational purpose and goals, and reinforce our guiding principles and code of business conduct and ethics.

Finally, we value work-life balance and strive to create a work environment that supports our employees with mental, physical, social, and financial wellness. Some of our key benefits include the following:

- Corporate match for our 401(k) plan of 4.5% of earnings, plus annual profit-sharing contributions;
- Health care plan options including behavioral health, wellness, and autism spectrum disorder services;
- Preventive prescription drug coverage not subject to deductibles;
- Paid parental program allowing time off for mothers, fathers, and domestic partners;
- Adoption assistance program; and
- Company paid time off for charitable contributions to our giving campaign and volunteer opportunities.

ITEM 1A. RISK FACTORS

Our growth strategy is driven by key factors while adhering to defined risk parameters. The key elements of our strategy reflect our prudent risk-taking philosophy. We generate revenue by taking prudent and appropriately priced risks. These factors are outlined in our Risk Management Framework.

Our Board of Directors has established an Audit Committee, a Compensation Committee, and a Risk Oversight Committee of the Board, approved a Risk Management Framework, and appointed an Enterprise Risk Management Committee ("ERMC") to oversee and implement the Risk Management Framework. The ERMC is comprised of senior management and is chaired by the Chief Risk Officer. Our most material risk exposure has traditionally come from the acceptance of credit risk inherent in extensions of credit to relationship customers. In addition to credit risk, these committees also monitor the following level one risk areas: market and interest rate risk; liquidity risk; strategic and business risk; operational risk; technology risk; cyber risk; capital/financial reporting risk; legal/compliance risk (including regulatory risk); and reputational risk, as outlined in our risk taxonomy. Although not a specific risk identified in our risk taxonomy, an additional risk factor related to the COVID-19 pandemic has been added below. Additional governance and oversight include Board-approved policies and management committees with direct focus on these specific risk categories.

Although not comprehensive, the following describes several risk factors that are material to us:

Credit Risk

Credit quality has adversely affected us in the past and may adversely affect us in the future.

Credit risk is one of our most significant risks. A decline in the strength of the U.S. economy in general or the local economies in which we conduct operations could result in, among other things, deterioration in credit quality and/or reduced demand for credit, including a resultant adverse effect on the income from our loan portfolio, an increase in charge-offs, and an increase in the ACL.

We have concentrations of risk in our loan portfolio, including loans secured by real estate, oil and gas-related lending, and leveraged and enterprise value lending, which may have unique risk characteristics that may adversely affect our results.

Concentration or counterparty risk could adversely affect us. Concentration risk across our loan and investment portfolios could pose significant additional credit risk to us due to exposures which perform in a similar fashion. Counterparty risk could also pose additional credit risk.

We engage in commercial term real estate lending, as well as construction and land acquisition and development lending, primarily in our Western states footprint. We also have a concentration in oil and gas-related lending, primarily in Texas. Both commercial real estate ("CRE") and oil and gas-related lending are subject to specific risks, including volatility and potential significant and prolonged declines in collateral values and activity levels. Because our real estate lending is concentrated in the Western states, collateral values in that area may behave differently than in other parts of the U.S. We may have other unidentified concentrated or correlated risks in our loan portfolio.

Our business is highly correlated to local economic conditions in a specific geographic region of the U.S.

We provide a wide range of banking products and related services through our local management teams and unique brands in Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. Approximately 74% of our total net interest income relates to our banking operations in Utah/Idaho, Texas, and California for both of the years ended December 31, 2020 and December 31, 2019, respectively. As a result of this geographic concentration, our financial results depend largely upon economic conditions in these market areas. Accordingly, adverse economic conditions affecting these three states in particular could significantly affect our consolidated operations and financial results. For example, our credit risk could be elevated to the extent that our lending practices in these three states focus on borrowers or groups of borrowers with similar economic characteristics, which are similarly affected by the same adverse economic events. At December 31, 2020, loan balances associated with our banking operations in Utah/Idaho, Texas, and California comprised 76% of our commercial lending portfolio, 73% of the CRE lending portfolio, and 70% of the consumer lending portfolio.

We could be negatively affected by adverse economic conditions.

Adverse economic conditions negatively affect our business, including our loan and securities portfolios, capital levels, results of operations, and financial condition. Most recently, the COVID-19 pandemic has created significant uncertainties and disruptions in the U.S. and global economies, including widespread effects on our customers, business, financial results, and overall condition. These conditions have adversely affected, and may continue to affect, some of our customer's ability to make timely payments on obligations, particularly in industries hard hit by the pandemic, such as hospitality, retail, and commercial real estate. Pandemic conditions have also reduced certain types of fee income due to reduced loan origination activity and credit card spending. Government stimulus and other programs designed to support the U.S. and global economies during the pandemic, which have provided additional liquidity to individuals and small businesses, and have contributed to increased deposits, may be discontinued or may not be sufficient to improve these conditions. Any sustained weakness or further weakening in economic conditions would adversely affect us.

For information about how we manage credit risk, see "Credit Risk Management" on page 55 in MD&A.

Market and Interest Rate Risk

Failure to effectively manage our interest rate risk and prolonged periods of low interest rates could adversely affect our results.

Net interest income is the largest component of our revenue. A prolonged period of low interest rates, such as the one that exists today, has a materially adverse impact on our net interest income and results in declining net interest margins. Interest rate risk is managed by the Asset Liability Management Committee. Factors beyond our control can significantly influence the interest rate environment and increase our risk. These factors include competitive pricing pressures for our loans and deposits, adverse shifts in the mix of deposits and other funding sources, and volatile market interest rates resulting from general economic conditions and the policies of governmental and regulatory agencies, in particular the FRB. As interest rates on earning assets decline, our cost of funds may not decline commensurately.

Some components of our balance sheet are very sensitive to rising and falling rates. On an ongoing basis, we use various strategies to manage our interest rate risk, such as entering into interest rate swaps, caps and floors.

Interest rates on our financial instruments might be subject to change based on developments related to LIBOR, which could adversely impact our revenue, expenses, and value of those financial instruments.

In July 2017, the Financial Conduct Authority, the authority regulating LIBOR, along with various other regulatory bodies, announced that LIBOR would likely be discontinued at the end of 2021. LIBOR makes up the most liquid and common interest rate index in the world and is commonly referenced in financial instruments. We have exposure to LIBOR in a variety of our financial contracts. Instruments that may be impacted include loans, securities, and derivatives, among other financial contracts indexed to LIBOR and that mature after December 31, 2021.

While there is no consensus on what reference rate or rates may become acceptable alternatives to LIBOR, in May 2018, the Alternative Reference Rates Committee, a steering committee comprised of U.S. financial market participants, selected by the Federal Reserve Bank of New York, started to publish the Secured Overnight Financing Rate ("SOFR") as an alternative to LIBOR. SOFR is a broad measure of the cost of overnight borrowings collateralized by Treasury securities that was selected by the Alternative Reference Rates Committee due to the depth and robustness of the U.S. Treasury repurchase market. At this time, it is not certain whether SOFR will become an accepted alternative to LIBOR, especially for the types of commercial loans that constitute a major portion of our loan portfolio.

The market transition away from LIBOR to an alternative reference rate, such as SOFR, is complex and could have a range of adverse effects on our business, financial condition, and results of operations. In particular, any such transition could:

- adversely affect the interest rates paid or received on, and the value of, our floating-rate obligations, loans, deposits, derivatives, and other financial instruments indexed to LIBOR, or other securities or financial arrangements given LIBOR's dominant role in determining market interest rates globally;
- result in a replacement rate for LIBOR that does not adjust for changes in the credit environment and does not have a term structure;
- prompt inquiries or other actions from regulators with respect to our preparation and readiness for the replacement of LIBOR with an alternative reference rate;
- result in disputes, litigation or other actions with counterparties regarding the interpretation and enforceability of certain fallback language in LIBOR-based loans and securities; and
- require the transition to, or development of, appropriate systems and analytics to effectively transition our risk management processes from LIBOR-based products to those based on the applicable alternative pricing benchmark, such as SOFR.

The manner and impact of this transition, as well as the effect of these developments on our funding costs, loan and investment and trading securities portfolios, asset-liability management, and business, is uncertain.

For further information about how we manage LIBOR, market and interest rate risk, see "Interest Rate and Market Risk Management" on page 67 in MD&A.

Liquidity Risk

We and the holders of our securities could be adversely affected by unfavorable rating actions from rating agencies.

Our ability to access the capital markets is important to our overall funding profile. This access is affected by the ratings assigned to us by rating agencies and particular classes of securities that we issue. The rates we pay on our securities are also influenced by, among other things, the credit ratings that we and our securities receive from recognized rating agencies. Ratings downgrades to us or our securities could increase our costs or otherwise have a negative effect on our liquidity position, financial condition or the market prices of our securities.

Changes in sources of liquidity and capital and liquidity requirements may limit our operations and potential growth.

Our primary source of liquidity is our supply of deposits from our customers. The continued availability of this supply depends on customers maintaining those deposits with us. While we make significant efforts to consider and plan for changes in our deposit funding, market-related forces and a wide variety of other events could impact the liquidity value we derive from our deposits.

Liquidity requirements and sources are also subject to the comprehensive, consolidated supervision and regulation of the OCC and the FDIC, including risk-based and leverage capital ratio requirements, as well as Basel III liquidity requirements tailored to institutions with assets under $100 billion.

For information about how we manage liquidity risk, see "Liquidity Risk Management" on page 73 in MD&A.

Strategic and Business Risk

Problems encountered by other financial institutions could adversely affect financial markets generally and have indirect adverse effects on us.

The soundness and stability of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. As a result, concerns about, or a default or threatened default by, one institution could lead to significant market-wide liquidity and credit problems, losses or defaults by other institutions. This is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which we interact on a daily basis, and therefore could adversely affect us. Information security and vendor management processes are in place to actively identify, manage and monitor actual and potential impacts.

The regulation of incentive compensation under the Dodd-Frank Act may adversely affect our ability to retain our highest performing employees.

Bank regulatory agencies have published regulations and guidance that limit the manner and amount of compensation that banking organizations provide to employees. These regulations and guidance may adversely affect our ability to attract and retain key personnel. If we were to suffer such adverse effects with respect to our employees, our business, financial condition and results of operations could be adversely affected, perhaps materially.

We have made, and are continuing to make, significant changes that include, among other things, organizational restructurings, efficiency initiatives, and replacement or upgrades of certain core technology systems to improve our control environment and operating efficiency. The ultimate success and completion of these changes, and their effect on us, may vary significantly from initial planning, which could materially adversely affect us.

Over the last several years, we have completed numerous improvement projects, including the merger of our bank holding company into the Bank; combining the legal charters of our seven affiliate banks into one; consolidating 15 loan operations sites into two; replacing our core loan systems; upgrading our accounting systems; installing a credit origination work flow system; streamlining our small business and retail lending, mortgage, wealth management and foreign exchange businesses; and investing in data quality and information security. Ongoing investment continues in a multi-year project to replace our core deposit systems, a collection of customer-facing digital capabilities, and a variety of other projects to simplify how we do business.

These initiatives and changes continue to be implemented and are in various stages of completion. By their very nature, projections of duration, cost, expected savings, expected efficiencies, and related items are subject to change and significant variability. There can be no certainty that we will achieve the expected benefits or other intended results associated with these projects.

We may encounter significant adverse developments in the completion and implementation of these projects. These may include significant time delays, cost overruns, loss of key people, technological problems, processing failures, and other adverse developments. We may also experience operational disruptions, failure, or capacity constraints due to the performance, level of concentration, replacement costs, and our dependence on third-party vendors. Any or all of these issues could result in disruptions to our systems, processes, control environment, procedures, and employees, which may adversely impact our customers and our ability to conduct business.

We have plans, controls, policies, and procedures designed to prevent or limit the negative effect of these potential adverse developments. However, there can be no assurance that any such adverse developments will not occur or, if they do occur, that they will be adequately remediated. The ultimate effect of any adverse development could subject us to additional regulatory scrutiny or expose us to civil litigation and possible financial liability, any of which could materially affect us, including our control environment, operating efficiency, and results of operations.

Operational Risk

Catastrophic events including, but not limited to, hurricanes, tornadoes, earthquakes, fires, floods, prolonged drought, and pandemics may adversely affect us and the general economy, financial and capital markets, and specific industries.

We have significant operations and a significant customer base in Utah, Texas, California, and other regions where natural and other disasters may occur. These regions are known for being vulnerable to natural disasters and other risks, such as hurricanes, tornadoes, earthquakes, fires, floods, prolonged droughts, and other weather-related events. These types of natural catastrophic events at times have disrupted the local economy, our business and customers, and have posed physical risks to our property. In addition, catastrophic events occurring in other regions of the world may have an impact on us and our customers. Although we have business continuity and disaster recovery programs in place, a significant catastrophic event could materially and adversely affect our operating results.

We could be adversely affected by failure in our internal controls.

We have established internal controls over financial reporting and other operations. Because of their inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. A failure in our internal controls could have a significant negative impact not only on our earnings, but also on the perception that customers, regulators, and investors may have of us. We continue to devote a significant amount of effort, time, and resources to improving our controls and ensuring operational soundness and compliance with complex accounting standards and regulations. These efforts also include the management of controls to mitigate operational risks for programs and processes across the Bank.

We could be adversely affected by internal, as well as external, fraud schemes.

We have systems and procedures in place to monitor our operations and to detect and mitigate attempts to commit fraud by both internal and external actors. We also mitigate certain of these risks through the purchase of insurance. However, there can be no certainty that we will identify, prevent or otherwise mitigate all instances of fraud that have the potential to result in material losses.

We use models in the management of the Bank. There is risk that these models are inaccurate in various ways, which can cause us to make suboptimal decisions.

We attempt to carefully develop, document, back test, and validate the models used in the management of the Bank. For example, we use models to inform our estimate of the allowance for credit losses, to manage interest rate and liquidity risk, to project stress losses in various segments of our loan and securities portfolios, and to project net revenue under stress. Models are inherently imperfect for a number of reasons and cannot perfectly predict outcomes. Management decisions based in part on such models, therefore, may be suboptimal.

We outsource various operations to third party vendors which could adversely impact our business and operational performance.

We rely on various vendors to perform operational activities to conduct our business. We have established operational controls and monitoring through our third-party vendor management programs to oversee and manage these vendors to help ensure they operate in a manner consistent with the business standards and practices that we must adhere to or with which we must comply. We have developed and implemented service level agreements and contractual controls to assist us in that effort and have implemented regular reporting to monitor and manage our third-party vendors. Replacing or finding alternatives for vendors who do not perform adequately, however, can be difficult and costly and may adversely impact our customers and other operations.

For information about how we manage operational risk, see "Operational, Technology, and Cyber Risk Management" on page 76 in MD&A.

Technology Risk

We could be adversely affected by our ability to develop, adopt, and implement technology advancements.

Our ability to remain competitive is increasingly dependent upon our ability to maintain critical technological capabilities, and to identify and develop new, value-added products for existing and future customers. These technological competitive pressures arise from both traditional banking and non-traditional sources. Larger banks may have greater resources and economies of scale attendant to maintaining existing capabilities and developing digital and other technologies, while financial technology companies, referred to as "FinTechs," and technology platform companies, continue to emerge and compete with traditional financial institutions across a wide variety of products and services. Our failure to remain technologically competitive could impede our time to market and reduce customer satisfaction, product accessibility, and relevance.

We could be adversely impacted by system vulnerabilities, failures or outages impacting operations and customer services such as online and mobile banking.

We rely on hundreds of information technology systems that work together in supporting internal operations and customer services. Vulnerabilities in, or a failure or outage of one or many of these systems could impact the ability to perform internal operations and provide services to customers such as online banking, mobile banking, remote deposit capture and other services dependent on system processing. These risks increase as systems and software approach the end of their useful life or require more frequent updates and modifications. We have response and recovery processes in place to address these types of issues but cannot guarantee that such occurrences will not still have an operational or customer impact.

For information regarding risks associated with the replacement or upgrades of our core technology systems, see "Strategic and Business Risk" on page 16 in Risk Factors. For information about how we manage technology risk, see "Operational, Technology, and Cyber Risk Management" on page 76 in MD&A.

Cyber Risk

We are subject to a variety of system failure and cyber security risks that could adversely affect our business and financial performance.

The Board and the Risk Committee of the Board have invested significant time on overseeing management's efforts to continue to strengthen our infrastructure and staffing, and to enhance our controls while improving the client and customer experience. Cyber defense and improving our resiliency against cybersecurity threats remain a key focus at all levels of management, and of our Board.

We rely heavily on communications and information systems to conduct our business. We, our customers, and other financial institutions with which we interact, are subject to ongoing, continuous attempts to penetrate key systems by individual hackers, organized criminals, and in some cases, state-sponsored organizations. Information security risks for large financial institutions have increased significantly in recent years, in part because of the proliferation of new technologies and internet connections (e.g., Internet of things, the Internet, and mobile banking to conduct financial transactions) and the increased sophistication and activities of organized crime, hackers, terrorists, nation-states, activists, and other external third parties. Third parties with whom we do business also present operational and information security risks to us, including security breaches or failures of their own systems. The possibility of employee error, failure to follow security procedures, or malfeasance also presents these risks.

As cyber threats continue to evolve, we will be required to expend significant additional resources to continue to modify or enhance our layers of defense or to investigate or remediate any information security vulnerabilities.

System enhancements and updates may also create risks associated with implementing new systems and integrating them with existing ones. Due to the complexity and interconnectedness of information technology systems, the process of enhancing our layers of defense can itself create a risk of systems disruptions and security issues. In addition, addressing certain information security vulnerabilities, such as hardware-based vulnerabilities, may affect the performance of our information technology systems. The ability of our hardware and software providers to deliver patches and updates to mitigate vulnerabilities and our ability to implement them in a timely manner can introduce additional risks, particularly when a vulnerability is being actively exploited by threat actors. The occurrence of any failure, interruption or security breach of our information systems could damage our reputation, result in a loss of customer business, subject us to additional regulatory scrutiny, or expose us to civil litigation and possible financial liability.

For information about how we manage cyber risk, see “Operational, Technology, and Cyber Risk Management” on page 76 in MD&A.

Capital/Financial Reporting Risk

Internal stress testing and capital management, as well as provisions of the National Bank Act and OCC regulations, may limit our ability to increase dividends, repurchase shares of our stock, and access the capital markets.

We are required to submit stress tests to the OCC because we have assets in excess of the OCC $10 billion threshold, and we continue to utilize stress testing as an important mechanism to inform our decisions on the appropriate level of capital, based upon actual and hypothetically stressed economic conditions. The stress testing and other applicable regulatory requirements may, among other things, require us to increase our capital levels, limit our dividends or other capital distributions to shareholders, modify our business strategies, or decrease our exposure to various asset classes.

Under the National Bank Act and OCC regulations, certain capital transactions, including share repurchases, may be subject to the approval of the OCC. These requirements may limit our ability to respond to and take advantage of market developments.

Economic and other circumstances may require us to raise capital at times or in amounts that are unfavorable to us.

We must maintain certain risk-based and leverage capital ratios, as required by our banking regulators, which can change depending upon general economic conditions, as well as the particular conditions, risk profiles and growth plans of the Bank. Compliance with capital requirements may limit our ability to expand and has required, and may require, us or our subsidiaries to raise additional capital. These uncertainties and risks, including those created by legislative and regulatory uncertainties, may increase our cost of capital and other financing costs.

We could be adversely affected by accounting, financial reporting, and regulatory compliance risk.

We are exposed to accounting, financial reporting, and regulatory compliance risk. We use a number of complex financial products and services for our own capital, funding, investment and risk management needs, in addition to providing them to our customers. Estimates, judgments, and interpretations of complex and changing accounting and regulatory policies are required in order to provide and account for these products and services. Changes in our accounting policies or in accounting standards could materially affect how we report our financial results and conditions. The level of regulatory compliance oversight continues to be heightened as a result of rapid changes in regulations that affect financial institutions. The administration of some of these regulations and related changes has required us to comply before their formal adoption. Therefore, identification, interpretation, and implementation of complex and changing accounting standards, as well as compliance with regulatory requirements, pose an ongoing risk.

The value of our goodwill may decline in the future.

As of December 31, 2020, we had $1 billion of goodwill that was allocated to Amegy Bank (“Amegy”), California Bank & Trust (“CB&T”) and Zions Bank. If the fair value of a reporting unit is determined to be less than its carrying value, we may have to take a charge related to the impairment of our goodwill. Such a charge would occur if we were to experience increases in the book value of a reporting unit in excess of the increase in the fair value of equity of a reporting unit. A significant decline in our expected future cash flows, a significant adverse change in the business climate, slower economic growth or a significant and sustained decline in the price of our common stock, any or all of which could be materially impacted by many of the risk factors described herein, may necessitate us taking charges in the future related to the impairment of our goodwill. If we were to conclude in the future that a write-down of our goodwill is necessary, we would record the appropriate charge, which could have a material adverse effect on our results of operations.

For information about how we manage capital, see “Capital Management” on page 77 in MD&A.

Legal/Compliance Risk

Laws and regulations applicable to us and the financial services industry impose significant limitations on our business activities and subject us to increased regulation and additional costs.

We, and the entire financial services industry, have incurred, and will continue to incur, substantial personnel, systems, consulting, and other costs to comply with banking regulations, including those promulgated under the Dodd-Frank Act. See “Supervision and Regulation” on page 5 of this Annual Report on Form 10-K for further information about the regulations applicable to us and the financial services industry generally.

Bank regulatory agencies and international regulatory consultative bodies have proposed or are considering new regulations and requirements, some of which may be imposed without formal promulgation. Our deposits are insured by the FDIC up to legal limits. Accordingly, we are subject to FDIC insurance assessments.

There can be no assurance that any or all of these regulatory changes or actions will ultimately be enacted. However, if enacted, some of these proposals could adversely affect us by, among other things: impacting after-tax returns earned by financial services firms in general; limiting our ability to grow; increasing taxes or fees on some of our funding or activities; limiting the range of products and services that we could offer; and requiring us to raise capital at inopportune times.

Political developments may also result in substantial changes in tax, international trade, immigration, and other policies. The extent and timing of any such changes are uncertain, as are the potential direct and indirect impacts, whether beneficial or adverse. Regulations and laws may be modified or repealed, and new legislation may be enacted that will affect us and our subsidiaries.

The ultimate impact of these proposals cannot be predicted as it is unclear which, if any, may be enacted.

We could be adversely affected by legal and governmental proceedings.

We are subject to risks associated with legal claims, litigation, and regulatory and other government proceedings. Our exposure to these proceedings has increased and may further increase as a result of stresses on customers, counterparties, and others arising from the past or current economic environments, new regulations promulgated under recently enacted statutes, the creation of new examination and enforcement bodies, and enforcement and legal actions against banking organizations. Any such matters may result in material adverse consequences to our results of operations, financial condition or ability to conduct our business, including adverse judgments, settlements, fines, penalties (e.g., civil money penalties under applicable banking laws), injunctions, restrictions on our business activities, or other relief. Our involvement in any such matters, even if the matters are ultimately determined in our favor, could also cause significant harm to our reputation and divert management attention from the operation of our business. In general, the amounts paid by financial institutions in settlement of proceedings or investigations, including those relating to anti-money laundering matters, have been increasing dramatically. In addition, any enforcement matters could impact our supervisory and CRA ratings, which may restrict or limit our activities.

The corporate and securities laws applicable to us are not as well-developed as those applicable to a state-chartered corporation, which may impact our ability to effect corporate transactions in an efficient and optimal manner.

Prior to the restructuring, the corporate affairs of our holding company were governed by Utah state law, and securities law matters were governed by the federal securities laws, including the Securities Act and the Exchange Act, as administered by the SEC. Each of these legal frameworks is well-developed and used widely by public companies.

Post-restructuring, our corporate affairs are governed by the National Bank Act and related regulations administered by the OCC. With respect to securities matters, we are not subject to the Securities Act, but rather to OCC regulations governing securities offerings. Our common stock and certain other securities are registered or deemed registered under the Exchange Act, which vests the OCC with the power to administer and enforce certain sections of the Exchange Act applicable to banks, though we currently make, and intend to continue to make, filings required by the Exchange Act with the SEC as a voluntary filer. These OCC statutory and regulatory frameworks have been used by publicly traded banking organizations relatively rarely and are not as well-developed as the corporate and securities law frameworks applicable to corporations. While certain specific risks associated with operating under these frameworks are described below, unless and until these frameworks are further developed and established over time, the uncertainty of how these frameworks might apply to any given corporate or securities matters may prevent us from effecting transactions in an efficient and optimal manner or perhaps at all.

Differences between the National Bank Act and state law requirements regarding mergers could hinder our ability to execute acquisitions as efficiently and advantageously as bank holding companies or other financial institutions.

Unlike state corporate law, the National Bank Act requires shareholder approval of all mergers between a national bank and another national or state bank and does not allow for exceptions in the case of various “minor” mergers, such as a parent company’s merger with a subsidiary or an acquirer’s merger with an unaffiliated entity in which the shares issued by the acquirer do not exceed a designated percentage. The National Bank Act and related regulations may also complicate the structuring of certain nonbank acquisitions.

These differences could adversely affect the ability of the Bank and other banks registered under the National Bank Act to efficiently consummate acquisition transactions. In addition, such differences could make us less competitive as a potential acquirer in certain circumstances given that our acquisition proposal may be conditioned on Bank shareholder approval while our competitors’ proposals will not have such a condition.

Differences between the National Bank Act and state law could reduce our ability to pay dividends or repurchase shares when compared with those capacities that existed for Zions Bancorporation prior to the restructuring.

The regulations and limitations applicable to us regarding the payment of dividends and repurchases or redemptions of outstanding common and preferred shares differ from the limitations and considerations that applied to our holding company prior to the restructuring. While we do not believe this change in legal restrictions resulting from the restructuring will constrain us from executing any capital plans that are currently contemplated or otherwise reasonably foreseeable in the near term, there can be no assurance that the change in legal restrictions will not have an adverse effect on our ability to pay dividends and repurchase or redeem stock in the future.

Shares of common stock of a national bank are assessable, which may cause investors to view our common stock less favorably than that of Zions Bancorporation prior to the restructuring.

The National Bank Act provides that under certain circumstances the common stock of a national bank is assessable, i.e., holders may be subject to a levy for more funds if so determined by the OCC. In contrast, the common stock of state corporations is not subject to assessment. However, the OCC has confirmed that under the applicable provisions of the National Bank Act, assessability is limited to the par value of a national bank’s stock. Our common stock has a par value of $0.001. Moreover, according to the OCC, it has not exercised its authority to levy assessments since 1933 and views the assessability authority as a mechanism for addressing capital deficiency that has long been overtaken by developments in statute and regulation, including robust capital standards, prompt corrective action requirements, and supervisory and enforcement authorities requiring an institution to maintain capital at a particular level. Nonetheless, potential investors may be unfamiliar with the concept of assessment and, as a result, view us less favorably as an investment.

The ability of investors to access financial and other reports filed by us readily could be adversely affected if such reports were not able to be made available publicly through the SEC or a system operated by the OCC comparable to that of the SEC.

We have been permitted to and currently make our Exchange Act filings as a voluntary filer with the SEC. However, there can be no assurance that the OCC or SEC will continue to allow us to make filings as a voluntary filer or that the OCC will develop a comparable system for making Exchange Act filings publicly available. If our Exchange Act filings ceased to be as readily available as those of bank holding companies, investors could view us less favorably.

Our ability to issue securities in an optimal manner may be adversely affected by the fact that the OCC's securities offering regulations and organizational structure are less well-developed than those of the SEC, which applied to our holding company prior to the restructuring.

The SEC maintains a well-developed regulatory framework and well-staffed organization relating to securities offerings under, or exempt from, the Securities Act. For example, the SEC has developed integrated disclosure rules, which allow Exchange Act filings to be incorporated by reference into prospectuses distributed as required by the Securities Act. In addition, under the SEC's rules seasoned issuers who are timely in their filings are permitted to use "automatic shelf registration," allowing them to offer securities under a registration statement that is automatically effective upon filing. The OCC maintains its own securities offering framework applicable to national banks and their securities offerings, with which we will need to comply in order to access the public capital markets. Similar to the SEC's offering rules, the OCC's framework requires that registration statements be reviewed and declared or become effective. However, given that there are currently no other nationally chartered banks whose common stock has been issued under the OCC's securities offering framework, it is unknown at this point whether and how the OCC staff would review registration statements. It is also unclear whether the OCC would apply the same mechanics for automatic shelf registration filings used by SEC-filers, or how, more generally, the OCC will function as a securities regulator. Given the extent to and manner in which we have accessed capital markets historically, or to which we currently contemplate accessing such markets, we do not believe there will be a material adverse impact on our ability to access capital markets effectively, although there can be no assurance that this will be the case. It is possible that operating under the OCC's securities offering framework could impede our ability to sell securities at the most advantageous times or to achieve optimum pricing in offerings.

We are subject to restrictions on permissible activities that would limit the types of business we may conduct and that may make acquisitions of other financial companies more challenging.

Under applicable laws and regulations, bank holding companies and banks are generally limited to business activities and investments that are related to banking or are financial in nature. The range of permissible financial activities is set forth in the Gramm-Leach-Bliley Act and is more limited for banks than for bank holding company organizations. The differences relate mainly to insurance underwriting (but not insurance agency activities) and merchant banking (but not broker-dealer and investment advisory activities). Loss of the bank holding company status, because of the restructuring, could make future acquisitions of financial institutions with such operations more challenging.

Our common stock is not an insured deposit.

Shares of our common stock are not a bank deposit and, therefore, losses in value are not insured by the FDIC, any other deposit insurance fund, or by any other public or private entity. Investment in shares of our common stock is inherently risky and is subject to the same market forces and investment risks that affect the price of common stock in any other company, including the possible loss of some or all principal invested.

Reputational Risk

We are presented with various reputational risk issues that could stem from operational, regulatory, compliance, and legal risks.

Any of the aforementioned risks may give rise to adverse publicity and damaged relationships, giving rise to reputational risk. A Reputational Risk Council was established to monitor, manage, and develop strategies to effectively manage reputational risk which includes, but is not limited to, addressing communication logistics, legal, and regulatory issues.

Other Risk

Our business, financial condition, liquidity and results of operations have been, and will likely continue to be, adversely affected by the COVID-19 pandemic.

The COVID-19 pandemic has created economic and financial disruptions that have adversely affected, and are likely to continue to adversely affect, our business, financial condition, and results of operations. The extent to which the COVID-19 pandemic will continue to negatively affect these aspects of our business will depend on future developments, which are highly uncertain, including the scope and duration of the pandemic, the continued effectiveness of our business continuity plan, the direct and indirect impact of the pandemic on our employees, customers, communities, counterparties and service providers, as well as other market participants, and actions taken by governmental authorities and other third parties in response to the pandemic.

The COVID-19 pandemic has contributed to the following, any of which could have an adverse effect on our business, financial condition, and results of operations:

- Increased unemployment and decreased consumer confidence and business activity generally, leading to an increased risk of delinquencies, defaults, and foreclosures.
- Ratings downgrades, credit deterioration and defaults in many sectors and industries, including, but not limited to, municipalities, retail, oil and gas, hotels and casinos, restaurants, telecommunications/media, real estate/construction, airlines and transportation, and leisure and recreation.
- A sudden and significant reduction in the values of the equity, fixed-income and commodity markets, and the significant increase in the volatility of those markets.
- A decrease in the rates and yields on U.S. Treasury and other securities, which may lead to decreased net interest income.
- Heightened cybersecurity, information security, and operational risks as a result of work-from-home arrangements.

We are prioritizing the safety of our customers, communities, and employees, by, among other things, limiting branch activity to a specified number of individuals at any given time, encouraging the use of drive-through services or in-office appointments, and transitioning many of our employees to working remotely. If these measures are not effective in serving our customers or affect the productivity of our employees, they may lead to significant disruptions in our business operations.

Many of our counterparties and third-party service providers have also been, and may further be, affected by “stay-at-home” orders, market volatility, and other factors that increase their risk of business disruption or that may otherwise affect their ability to perform under the terms of any agreements with us or to provide essential services.

We have offered, and may offer in the future, special financial assistance to support customers who are experiencing financial hardships related to the COVID-19 pandemic, including waivers of certain withdrawal fees from CDs, savings and money market accounts, loan payment deferrals and extensions, credit card payment extensions, temporary consumer mortgage payment forbearance and payment deferrals, suspension of new automobile and other vehicle repossessions, and suspension of new residential property foreclosures on consumer real estate loans. If such measures are not effective in mitigating the effects of the COVID-19 pandemic on borrowers, we may experience higher rates of default and increased credit losses in future periods.

Certain segments and industries where we have elevated credit exposure, including, but not limited to, municipalities, retail, oil and gas, hotels and casinos, restaurants, telecommunications/media, commercial and other real estate/construction/development, airlines and transportation, and leisure and recreation, have experienced significant operational challenges and financial stress as a result of the COVID-19 pandemic. These challenges have been particularly pronounced for many small businesses, which make up a significant portion of our customer base. The effects of the COVID-19 pandemic may also hinder our customers' ability to pay their loans on a timely basis or may decrease the value of collateral, which would likely cause increases in our credit losses.

Net interest income is the largest component of our revenue and is significantly affected by market rates of interest. The significant reductions to the federal funds rate have led to a decrease in the rates and yields on U.S. Treasury securities, in some rare cases declining below zero. If interest rates are reduced further in response to the COVID-19 pandemic, we expect that our net interest income will decline, perhaps significantly. The overall effect of lower interest rates on the economic environment cannot be predicted with certainty and will depend on future actions the Federal Reserve may take to increase or reduce the targeted federal funds rate in response to the COVID-19 pandemic and resulting economic conditions.

Governmental authorities have taken unprecedented measures to provide economic assistance to individual households and businesses, stabilize the markets, and support economic growth. The success of these measures is unknown, and they may not be sufficient to fully mitigate the negative impact of the COVID-19 pandemic. Additionally, some measures, such as a suspension of mortgage and other loan payments and foreclosures, may have a negative impact on our business, financial condition, and results of operations. We also face an increased risk of litigation and governmental and regulatory scrutiny because of the effects of the COVID-19 pandemic on market and economic conditions and actions governmental authorities take in response to those conditions.

The length of the pandemic and the efficacy of the extraordinary measures being put in place to address it are unknown. Until the pandemic subsides, we expect reduced revenues and increased customer and client defaults. Even after the pandemic subsides, the U.S. economy may experience a recession, which may be prolonged and could materially and adversely affect our business, financial condition, and results of operations. To the extent the COVID-19 pandemic adversely affects our business, financial condition, or results of operations, it may also have the effect of heightening many of the other risks described in this report.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved written comments that were received from the SEC’s or OCC’s staff 180 days or more before the end of our fiscal year relating to our periodic or current reports filed under the Securities Exchange Act of 1934.

ITEM 2. PROPERTIES

At December 31, 2020, we operated 422 branches, of which 273 are owned and 149 are leased. We also lease our headquarters in Salt Lake City, Utah. Other operations facilities are either owned or leased. The annual rentals under long-term leases for leased premises are determined under various formulas and factors, including operating costs, maintenance and taxes. For additional information regarding leases and rental payments, see Note 8 of the Notes to Consolidated Financial Statements.

ITEM 3. LEGAL PROCEEDINGS

The information contained in Note 16 of the Notes to Consolidated Financial Statements is incorporated by reference herein.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

PREFERRED STOCK

We have 4.4 million authorized shares of preferred stock without par value and with a liquidation preference of $1,000 per share. As of December 31, 2020, 66,139, 138,391, 126,221, 98,555, and 136,368 of preferred shares series A, G, H, I, and J respectively, are outstanding. See Note 14 of the Notes to Consolidated Financial Statements for further information regarding our preferred stock. On December 31, 2019, we switched the listing of the preferred stock series A, G, & H to the NASDAQ Global Select Market from the New York Stock Exchange.

COMMON STOCK

Market Information

Our common stock is traded on the NASDAQ Global Select Market under the symbol "ZION." The last reported sale price of the common stock on NASDAQ on February 8, 2021 was $48.65 per share.

Equity Capital and Dividends

As of February 8, 2021, there were 3,856 holders of record of our common stock. In February 2021, our Board of Directors declared a dividend of $0.34 per common share payable on February 25, 2021 to shareholders of record on February 18, 2021. We expect to continue our policy of paying regular cash dividends on a quarterly basis, although there is no assurance as to future dividends because they may be influenced by future earnings, capital requirements, financial conditions, and regulatory approvals.

Common Stock Warrants

On May 22, 2020, 29.2 million common stock warrants (NASDAQ: ZIONW) expired out-of-the-money. Each common stock warrant was convertible into 1.10 shares at an exercise price of $33.31. See Capital Management and Note 14 of the Notes to Consolidated Financial Statements for further information about the warrants.

Share Repurchases

During 2020, we repurchased 1.7 million shares of common stock from our publicly announced plans, with a fair value of $75 million at an average price of $45.02 per share. During 2019, we repurchased 23.5 million shares of common stock from our publicly announced plans with a fair value of $1.1 billion at an average price of $46.80. In February 2021, we repurchased 1.0 million shares of common stock from our publicly announced plans with a fair value of $50 million at an average price of $49.78. The following schedule summarizes our share repurchases for the fourth quarter of 2020:

Fourth Quarter of 2020 Share Repurchases

Period	Total number of shares repurchased [1]	Average price paid per share
October	—	$ —
November	5,801	40.73
December	—	—
Fourth quarter	5,801	40.73

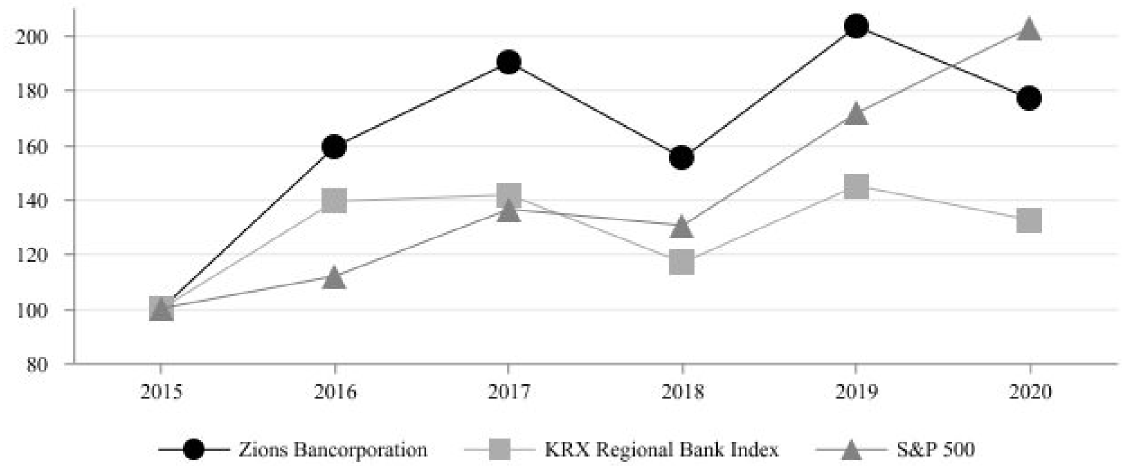
[1] Represents common shares acquired in connection with our stock compensation plan. Shares were acquired from employees to pay for their payroll taxes and stock option exercise cost upon the exercise of stock options under provisions of an employee share-based compensation plan.

Performance Graph

The following stock performance graph compares the five-year cumulative total return of our common stock with the Standard and Poor's ("S&P") 500 Index and the Keefe, Bruyette & Woods, Inc. ("KBW") Regional Bank Index

(“KRX”). The KRX is a modified market capitalization-weighted regional bank and thrift stock index developed and published by KBW, a nationally recognized brokerage and investment banking firm specializing in bank stocks. The index is composed of 50 geographically diverse stocks representing regional banks or thrifts. The stock performance graph is based upon an initial investment of $100 on December 31, 2015 and assumes reinvestment of dividends.

PERFORMANCE GRAPH FOR ZIONS BANCORPORATION, N.A.
INDEXED COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN



	2015	2016	2017	2018	2019	2020
Zions Bancorporation, N.A.	100.0	159.2	189.9	155.2	203.4	176.7
KRX Regional Bank Index	100.0	139.1	141.6	116.9	144.8	132.2
S&P 500	100.0	112.0	136.4	130.4	171.4	203.0

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The information contained in Item 12 of this Form 10-K is incorporated by reference herein.

ITEM 6. SELECTED FINANCIAL DATA

FINANCIAL HIGHLIGHTS

(Dollar amounts in millions, except per share amounts)	2020/2019 Change	2020	2019	2018	2017	2016
For the Year						
Net interest income	-2 %	$ 2,216	$ 2,272	$ 2,230	$ 2,065	$ 1,867
Noninterest income	+2 %	574	562	552	544	516
Total net revenue	-2 %	2,790	2,834	2,782	2,609	2,383
Provision for credit losses	NM	414	39	(40)	17	83
Noninterest expense	-2 %	1,704	1,742	1,679	1,656	1,595
Income before income taxes	-36 %	672	1,053	1,143	936	705
Income taxes	-44 %	133	237	259	344	236
Net income	-34 %	539	816	884	592	469
Net earnings applicable to common shareholders	-35 %	505	782	850	550	411
Per Common Share						
Net earnings – diluted	-27 %	3.02	4.16	4.08	2.60	1.99
Net earnings – basic	-31 %	3.06	4.41	4.36	2.71	2.00
Dividends declared	+6 %	1.36	1.28	1.04	0.44	0.28
Book value at year-end	+8 %	44.61	41.12	37.39	36.01	34.10
Market price – end	-16 %	43.44	51.92	40.74	50.83	43.04
Market price – high	+1 %	52.48	52.08	59.19	52.20	44.15
Market price – low	-40 %	23.58	39.11	38.08	38.43	19.65
At Year-End						
Assets	+18 %	81,479	69,172	68,746	66,288	63,239
Loans and leases, net of unearned income and fees	+10 %	53,476	48,709	46,714	44,780	42,649
Deposits	+22 %	69,653	57,085	54,101	52,621	53,236
Long-term debt	-22 %	1,336	1,723	724	383	535
Federal funds and other short-term borrowings	-23 %	1,572	2,053	5,653	4,976	827
Preferred equity	— %	566	566	566	566	710
Common equity	+8 %	7,320	6,787	7,012	7,113	6,924
Performance Ratios						
Return on average assets		0.71 %	1.17 %	1.33 %	0.91 %	0.78 %
Return on average common equity		7.2 %	11.2 %	12.1 %	7.7 %	6.0 %
Return on average tangible common equity		8.4 %	13.1 %	14.2 %	9.0 %	7.1 %
Net interest margin		3.15 %	3.54 %	3.61 %	3.45 %	3.37 %
Capital Ratios at Year End						
Equity-to-assets		9.7 %	10.6 %	11.0 %	11.6 %	12.1 %
Common equity tier 1 capital		10.8 %	10.2 %	11.7 %	12.1 %	12.1 %
Tier 1 leverage		8.3 %	9.2 %	10.3 %	10.5 %	11.1 %
Tier 1 risk-based capital		11.8 %	11.2 %	12.7 %	13.2 %	13.5 %
Total risk-based capital		14.1 %	13.2 %	13.9 %	14.8 %	15.2 %
Tangible common equity		7.8 %	8.5 %	8.9 %	9.3 %	9.5 %
Tangible equity		8.5 %	9.3 %	9.7 %	10.2 %	10.6 %
Selected Information						
Weighted average diluted common shares outstanding *(in thousands)*	-11 %	165,613	186,504	206,501	209,653	204,269
Bank common shares repurchased - from publicly announced plans *(in thousands)*	-93 %	1,666	23,505	12,943	7,009	2,889
Common dividend payout ratio [1]		44.6 %	29.0 %	23.8 %	16.1 %	14.0 %
Capital distributed as a percentage of net earnings applicable to common shareholders [2]		59 %	170 %	103 %	74 %	36 %
Full-time equivalent employees	-5 %	9,678	10,188	10,201	10,083	10,057
Branches	-3 %	422	434	433	433	436

[1] *The common dividend payout ratio is equal to common dividends paid divided by net earnings applicable to common shareholders.*

[2] *This ratio is the common dividends paid plus share repurchases for the year, divided by net earnings applicable to common shareholders.*

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MANAGEMENT'S DISCUSSION AND ANALYSIS

GAAP to NON-GAAP RECONCILIATIONS

This Form 10-K presents non-GAAP financial measures, in addition to GAAP financial measures, to provide investors with additional information. The adjustments to reconcile from the applicable GAAP financial measures to the non-GAAP financial measures are presented in the following schedules. We consider these adjustments to be relevant to ongoing operating results and provide a meaningful base for period-to-period and company-to-company comparisons. These non-GAAP financial measures are used by management to assess our performance and financial position and for presentations of our performance to investors. We further believe that presenting these non-GAAP financial measures will permit investors to assess our performance on the same basis as applied by management and the banking industry.

Non-GAAP financial measures have inherent limitations and are not required to be uniformly applied by individual entities. Although non-GAAP financial measures are frequently used by stakeholders to evaluate a company, they have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of results reported under GAAP. The following are the non-GAAP financial measures presented in this Form 10-K and a discussion of the reasons for which management and investors use these non-GAAP measures.

Return on Average Tangible Common Equity — This schedule also includes "net earnings applicable to common shareholders, excluding the effects of amortization of core deposit and other intangibles, net of tax," and "average tangible common equity." Return on average tangible common equity is a non-GAAP financial measure that management believes provides useful information to management and others about our use of shareholders' equity. Management believes the use of ratios that utilize tangible equity provides additional useful information about performance because they present measures of those assets that can generate income.

Schedule 2

RETURN ON AVERAGE TANGIBLE COMMON EQUITY (NON-GAAP)

(Dollar amounts in millions)		Year Ended December 31, 2020	2019	2018
Net earnings applicable to common shareholders (GAAP)		$ 505	$ 782	$ 850
Amortization of core deposit and other intangibles, net of tax		—	—	1
Net earnings applicable to common shareholders, excluding amortization of core deposit and intangibles, net of tax (non-GAAP)	(a)	$ 505	$ 782	$ 851
Average common equity (GAAP)		$ 7,050	$ 6,965	$ 7,024
Average goodwill and intangibles		(1,015)	(1,014)	(1,015)
Average tangible common equity (non-GAAP)	(b)	$ 6,035	$ 5,951	$ 6,009
Return on average tangible common equity (non-GAAP)	(a/b)	8.4 %	13.1 %	14.2 %

Tangible Equity Ratio, Tangible Common Equity Ratio, and Tangible Book Value per Common Share — This schedule also includes "tangible equity," "tangible common equity," and "tangible assets." Tangible equity ratio, tangible common equity ratio, and tangible book value per common share are non-GAAP financial measures that management believes provide additional useful information about the levels of tangible assets and tangible equity. Management believes the use of ratios that utilize tangible equity provides additional useful information about capital adequacy because the ratios present measures of those assets that can generate income.

Schedule 3

TANGIBLE EQUITY RATIO, TANGIBLE COMMON EQUITY RATIO, AND TANGIBLE BOOK VALUE PER COMMON SHARE (ALL NON-GAAP MEASURES)

(Dollar amounts in millions, except per share amounts)		December 31, 2020	2019	2018
Total shareholders’ equity (GAAP)		$ 7,886	$ 7,353	$ 7,578
Goodwill and intangibles		(1,016)	(1,014)	(1,015)
Tangible equity (non-GAAP)	(a)	6,870	6,339	6,563
Preferred stock		(566)	(566)	(566)
Tangible common equity (non-GAAP)	(b)	$ 6,304	$ 5,773	$ 5,997
Total assets (GAAP)		$ 81,479	$ 69,172	$ 68,746
Goodwill and intangibles		(1,016)	(1,014)	(1,015)
Tangible assets (non-GAAP)	(c)	$ 80,463	$ 68,158	$ 67,731
Common shares outstanding (thousands)	(d)	164,090	165,057	187,554
Tangible equity ratio (non-GAAP)	(a/c)	8.5 %	9.3 %	9.7 %
Tangible common equity ratio (non-GAAP)	(b/c)	7.8 %	8.5 %	8.9 %
Tangible book value per common share (non-GAAP)	(b/d)	$38.42	$34.98	$31.97

Efficiency Ratio and Adjusted Pre-provision Net Revenue — This schedule also includes “adjusted noninterest expense,” “taxable-equivalent net interest income,” “adjusted taxable-equivalent revenue,” “pre-provision net revenue (“PPNR”),” and “adjusted PPNR.” The methodology of determining the efficiency ratio may differ among companies. Management makes adjustments to exclude certain items, as identified in the subsequent schedule, which it believes allows for more consistent comparability among periods. Management believes the efficiency ratio provides useful information regarding the cost of generating revenue. Adjusted noninterest expense provides a measure as to how well we are managing our expenses, and adjusted PPNR enables management and others to assess our ability to generate capital to cover credit losses through a credit cycle. Taxable-equivalent net interest income allows management to assess the comparability of revenue arising from both taxable and tax-exempt sources.

Schedule 4

EFFICIENCY RATIO (NON-GAAP) AND ADJUSTED PRE-PROVISION NET REVENUE (NON-GAAP)

(Dollar amounts in millions)		2020	2019	2018
Noninterest expense (GAAP)	(a)	$ 1,704	$ 1,742	$ 1,679
Adjustments:				
Severance costs		1	25	3
Other real estate expense, net		1	(3)	1
Amortization of core deposit and other intangibles		—	1	1
Restructuring costs		1	15	2
Pension termination-related expense		28	—	—
Total adjustments	(b)	31	38	7
Adjusted noninterest expense (non-GAAP)	(a-b)=(c)	$ 1,673	$ 1,704	$ 1,672
Net interest income (GAAP)	(d)	$ 2,216	$ 2,272	$ 2,230
Fully taxable-equivalent adjustments	(e)	27	26	22
Taxable-equivalent net interest income (non-GAAP)	(d+e)=(f)	2,243	2,298	2,252
Noninterest income (GAAP)	(g)	574	562	552
Combined income (non-GAAP)	(f+g)=(h)	2,817	2,860	2,804
Adjustments:				
Fair value and nonhedge derivative loss		(6)	(9)	(1)
Securities gains, net		7	3	1
Total adjustments	(i)	1	(6)	—
Adjusted taxable-equivalent revenue (non-GAAP)	(h-i)=(j)	$ 2,816	$ 2,866	$ 2,804
Pre-provision net revenue (non-GAAP)	(h)-(a)	$ 1,113	$ 1,118	$ 1,125
Adjusted pre-provision net revenue (non-GAAP)	(j-c)	1,143	1,162	1,132
Efficiency ratio (non-GAAP) [1]	(c/j)	59.4 %	59.5 %	59.6 %

[1] *Excluding the $30 million charitable contribution, the efficiency ratio for 2020, would have been 58.3%.*

Key Corporate Objectives

While we serve a variety of customers, we are particularly focused on serving small businesses, mid-sized commercial businesses, affluent customers, and providing capital markets products to our commercial customers. The subsequent graphic illustrates our key corporate objectives. We conduct our operations through seven separately managed affiliates, each with its own local branding and management team. We continue to invest in relevant capabilities to maintain a competitive advantage.

To facilitate the service to these customers, we are investing in the following five key areas, referred to as "strategic enablers":

- *Risk Management* — we continue to invest in enhanced risk management practices to ensure prudent risk taking and appropriate oversight.
- *People and Empowerment* — we are investing significantly in training our employees and providing them the tools and resources to build their capabilities, while promoting a diverse, inclusive, and equitable culture.
- *Technology* — we are investing heavily in technologies that customers value most, that will make us more efficient, and that enable us to compete now and in the future against the largest banks, while helping to insulate us from the risks of bank-disrupting technology companies.
- *Operational Excellence* — we continue to support ongoing improvements in how we safely and securely deliver value to our customers, both internal and external.
- *Data and Analytics* — we continue to invest in advanced enterprise data and analytics to support local execution.

RESULTS OF OPERATIONS

COVID-19 Pandemic: The Backdrop for Our 2020 Financial Performance

The year 2020 presented a great number of challenges, and the COVID-19 pandemic resulted in hardships for many. Key examples of our response to the challenging environment are set forth below.

- Although the sharp reduction of shorter-term benchmark interest rates to nearly zero and a significant flattening of the interest rate curve resulted in a reduction of revenue, the fiscal stimulus provided by the CARES Act and specifically the PPP, allowed us to provide relief to more than 47,000 customers — 14,700 customers of which were new to us — by facilitating a lending lifeline to these businesses. These new customers helped increase the total number of our business customers by nearly 8% in 2020.
- We ranked as the ninth largest originator of PPP loans by dollar volume of all the participating financial institutions, as disclosed by the SBA. Our market share of this program was approximately 3.5 times our overall national deposit market share, as measured by deposits. We attribute this success to two key factors:
    - We leveraged our relationship-based, high-touch approach to banking. During the development and roll-out of the PPP loans, many of our employees worked long hours to call on customers, and to ensure their questions were answered and that the process was as efficient as possible.
    - We rapidly deployed technology solutions that expedited the flow of applications. This was made possible due to the streamlining and advancements we have made in technology in recent years.
- We originated $3.5 billion of residential mortgages in 2020, enabling many consumers to lower their monthly payments. This record origination volume was made possible in part by our investments in residential mortgage banking technology and operations over the past several years.
- We were able to quickly transition more than 70% of our employees to a work-from-home environment to help reduce the spread of the COVID-19 virus, and to keep our employees and communities safe. For our banking branches, we modified the hours of operation and limited lobby visits through scheduled in-branch appointments and expanded use of drive-through banking facilities.
- In recent years, we invested significantly in technology that enabled customers to open accounts without visiting a branch or office. Mobile and online banking for retail customers increased 10% in 2020 from

2019, as measured by total logins, thereby enabling customers to fulfill many of their banking needs from the convenience of their mobile devices and computers.

Executive Summary of Our Financial Performance

Net Earnings Applicable to Common Shareholders (in millions)	Diluted EPS	Adjusted PPNR (in millions)	Efficiency ratio

The decline in net earnings applicable to common shareholders in 2020 from 2019 was primarily due to a higher provision for credit losses.

Although earnings for 2020 decreased 35% when compared with 2019, diluted EPS declined by 27%, due to our repurchasing 1.7 million shares, and the expiration of 29.2 million out-of-the-money warrants during 2020. Average diluted shares from the warrants were 1.6 million, 9.9 million, and 12.0 million shares in 2020, 2019, and 2018, respectively.

The decline in adjusted PPNR was primarily the result of lower benchmark interest rates and their downward pressure on our net interest income and margin, and lower fees, due to fee waivers and reduced business activity. All of this was attributable to the effects of the pandemic. We successfully offset a portion of the revenue decline with income from PPP loans and lower adjusted noninterest expense.

Our efficiency ratio for 2020 was affected by the $30 million charitable contribution. Excluding this contribution, our efficiency ratio for 2020 would have been 58.3%.

The financial performance of 2020 relative to 2019 reflects:

- Moderate reduction in net interest income due to interest rate-driven compression of the net interest margin (“NIM”), which was partially offset by an increase in earning asset balances due to PPP loan originations.
- A strong increase in average deposits.
- An increase in customer-related noninterest income, primarily attributable to strong residential mortgage loan originations and sales.
- A decrease in adjusted noninterest expense. Excluding infrequent items such as severance, restructuring, and pension termination, noninterest expense declined 2%, compared with 2019.
- A deterioration of asset quality and a significant increase in the allowance for credit losses. The allowance for credit losses increased $309 million from January 1, 2020, which resulted in an increase in the provision for credit losses of $375 million from the prior year. Net loan and lease charge-offs were $105 million, or 0.2%, of average non-PPP loans, up from $37 million, or 0.1%, of average loans in the prior year.

The net result of the above factors yielded a 35% decrease in net earnings applicable to common shareholders to $505 million for 2020, from $782 million for 2019. Earnings per diluted share of $3.02 for 2020 declined by 27%, compared with $4.16 for 2019.

Schedule 5

KEY DRIVERS OF PERFORMANCE

Driver	2020	2019	Change increase/(decrease)
	(In billions)		
Average net loans and leases	$ 53.0	$ 48.3	10 %
Average money market investments	3.1	1.3	138 %
Average total securities	15.0	15.2	(1) %
Average noninterest-bearing deposits	28.9	23.4	24 %
Average total deposits	63.7	55.1	16 %
	(In millions)		
Net interest income	$ 2,216	$ 2,272	(2) %
Provision for credit losses	414	39	962 %
Noninterest income	574	562	2 %
Customer-related fee income	549	525	5 %
Noninterest expense	1,704	1,742	(2) %
Net interest margin	3.15 %	3.54 %	(39) bps
Nonaccrual loans [1]	$ 367	$ 243	51 %
Ratio of net charge-offs to average loans and leases	0.20 %	0.08 %	12 bps
Ratio of nonperforming assets to loans and leases and other real estate owned [1]	0.69 %	0.51 %	18 bps
Ratio of total allowance for credit losses to loans and leases outstanding	1.56 %	1.14 %	42 bps

[1] *Includes loans held for sale.*

Net Interest Income and Net Interest Margin

Net interest income is the difference between interest earned on interest-earning assets and interest paid on interest-bearing liabilities and is approximately 79% of our net revenue. Net interest income is derived from both the volume of interest-earning assets and interest-bearing liabilities and their respective yields and rates.

Schedule 6

INTEREST-EARNING ASSETS, INTEREST-BEARING LIABILITIES, AND NET INTEREST MARGIN — 2020 vs. 2019

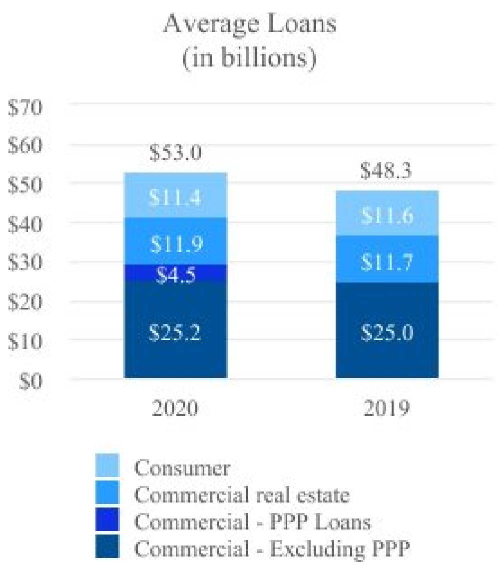
(Dollar amounts in millions)	2020			2019		
	Average balance	Amount of interest	Average rate [1]	Average balance	Amount of interest	Average rate [1]
ASSETS						
Total interest-earning assets	$ 71,159	$ 2,396	3.37 %	$ 64,942	$ 2,709	4.17 %
Total interest-bearing liabilities	38,238	153	0.40	37,675	411	1.09
Impact of net noninterest-bearing sources of funds			0.18			0.46
Net interest margin		$ 2,243	3.15 %		$ 2,298	3.54 %

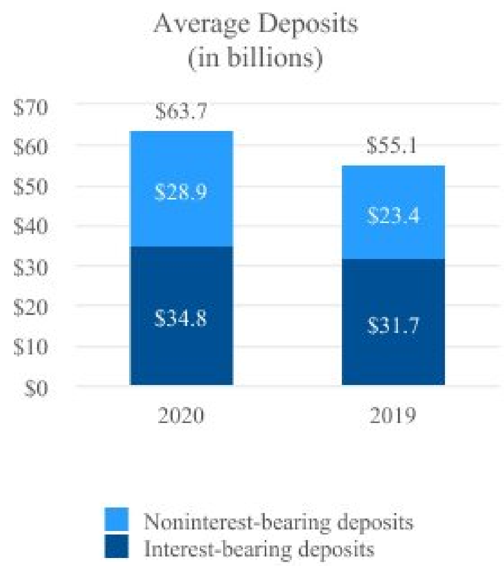
[1] *Rates are calculated using amounts in thousands and a tax rate of 21% for the periods presented. The taxable-equivalent rates used are the rates that were applicable at the time of each respective reporting period.*

Net interest income and taxable-equivalent net interest income were both $2.2 billion during 2020, a decrease of $0.1 billion, or 4%, compared with $2.3 billion during 2019. The tax rate used for calculating all taxable-equivalent adjustments was 21% for 2020 and 2019. Yields on loans and securities decreased by 88 bps and 36 bps, respectively, while yields on deposits and borrowed funds decreased by 50 bps and 125 bps, respectively. The impact of lower interest rates was partially offset by loan growth from PPP activity, and a shift in liability balances from federal funds purchased and other short-term borrowings to lower-cost deposits.

The NIM compressed to 3.15% in 2020, compared with 3.54% in 2019. Due to the lower interest rate environment, the net impact of noninterest-bearing sources of funds on the NIM decreased to 0.18% in 2020, compared with 0.46% in 2019.

Average interest-earning assets increased $6.2 billion, or 10%, in 2020, from 2019, with the average yield decreasing 80 bps. The yield on average interest-earning assets includes the dilutive effect of $4.5 billion (6% of earning assets) of PPP loans with a yield of 3.22%, as compared with a yield on the non-PPP loan portfolio of 3.96%.





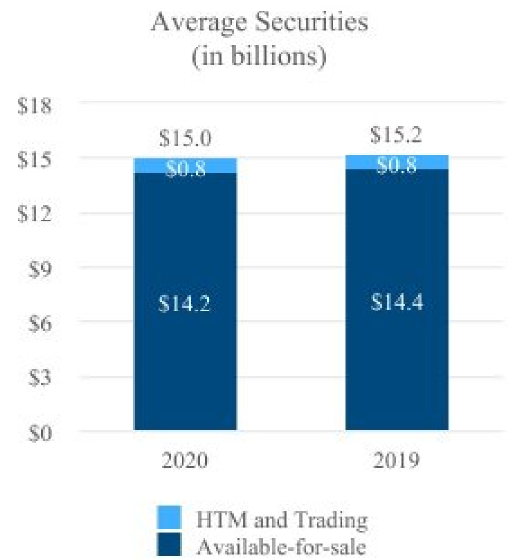
Average loans increased in 2020, primarily due to PPP loan originations, which were funded mainly through deposit growth. The average loan yield decreased 88 bps over the same prior year period, with decreases of 75 bps, 124 bps, and 51 bps in non-PPP commercial loans, CRE, and consumer loans, respectively. Recently, as benchmark interest rates have settled at a lower level, yields on new loans have been only modestly lower than yields on maturing loans.

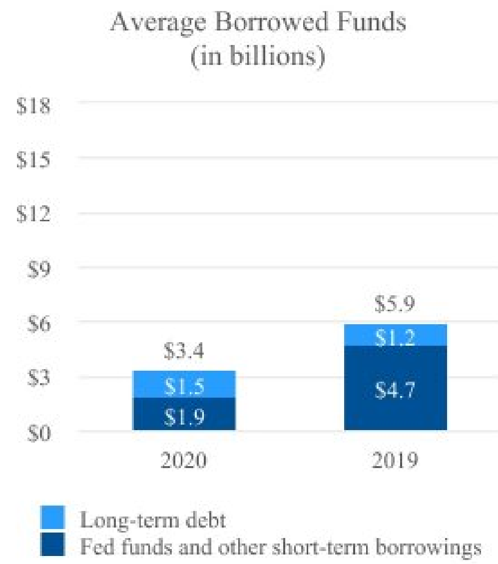
During 2020, we provided assistance to many small businesses through the PPP. Loan processing fees paid to us by the SBA are accounted for as loan origination fees, which are deferred with the loan origination costs, and are recognized over the life of the loan as a yield adjustment. Toward the end of the third quarter of 2020, we extended the maturity dates of PPP loans with an initial two-year maturity to five years, which lengthened the period of time the remaining unamortized net deferred fees are recognized into interest income as a yield adjustment. When a PPP loan is paid off or forgiven by the SBA prior to its maturity date, the remaining unamortized net deferred fees are immediately recognized into interest income at that time, and impact the PPP loan portfolio yield in that period. As of December 31, 2020, there were approximately $102 million of unamortized net origination fees related to the PPP loans.

The PPP loan yield in 2020 was 3.22%. Beginning in October 2020, the SBA initiated forgiveness of the PPP loans. During 2020, about 9,900 PPP loans, totaling $1.3 billion, received forgiveness by the SBA and contributed $26 million of interest income through accelerated recognition of net unamortized deferred fees on these loans. Additionally, on December 27, 2020, the Consolidated Appropriations Act was signed into law, which extended the PPP and provided government funding for additional forgivable PPP loans. These developments, and other potential future program changes, will affect PPP interest income and the effective yield of the PPP loans in future periods.

Benchmark interest rates decreased in 2020 and 2019, resulting in the previously described negative effect on yields. A portion of our variable-rate loans, such as those with longer initial fixed-rate periods or longer reset frequencies (e.g., five- and seven-year fixed-rate adjustable mortgages), have not yet been affected by declines in benchmark interest rates. Generally, a larger portion of our interest-earning assets reprice when compared with our funding sources, partly because nearly half of our deposits are noninterest-bearing.

Average available-for-sale ("AFS") securities balances decreased by $181 million in 2020. Yields on average AFS securities decreased by 36 bps over the same time period. The duration of the AFS securities portfolio is 3.1%. Principal repayment volume on AFS securities during 2020 was $4.4 billion, or 32% of the December 31, 2019 balance. We purchased $6.2 billion of AFS securities during 2020.





Average interest-bearing liabilities increased $563 million in 2020, from 2019, and the average rate paid on interest-bearing liabilities decreased 69 bps to 40 bps. Average total deposits were $63.7 billion at an average cost of 17 bps during 2020, compared with $55.1 billion at an average cost of 46 bps during 2019. Various government stimulus programs have provided additional liquidity to individuals and small businesses, which has indirectly contributed to deposit growth. Average interest-bearing deposits grew 10%, and were $34.8 billion at an average cost of 30 bps during 2020, compared with $31.7 billion at an average cost of 80 bps during 2019.

Average borrowed funds decreased $2.5 billion during 2020, from 2019, with average short-term borrowings decreasing $2.8 billion, and average long-term borrowings increasing $308 million during the same period. Strong deposit growth allowed us to reduce short-term borrowings and to repurchase $429 million of our outstanding long-term debt maturing in 2021 and 2022. During 2020, the average interest rate paid on short-term borrowings and the rate paid on long-term debt decreased by 184 bps and 124 bps, respectively, due to lower short-term rates and interest rate hedges on our long-term fixed-rate debt.

The 29 bps decline in the cost of total deposits and the 50 bps decline in the cost of interest-bearing deposits can be largely attributed to the previously mentioned decline in benchmark market rates which reduced competitive pricing pressure for deposits.

Although we utilize a wide variety of sources for our funding needs, we benefit from access to deposits from a significant number of small- to mid-sized business customers, which provides us with a low cost of funds that has a positive impact on our NIM. Because many of our deposit accounts are of an operating nature for businesses and households, we expect our noninterest-bearing deposits to remain a competitive advantage. Average noninterest-bearing demand deposits increased by $5.5 billion, or 24%, in 2020, from 2019. Average noninterest-bearing deposits comprised 45% and 42% of average total deposits for 2020 and 2019, respectively. The net positive impact of noninterest-bearing sources of funds on the NIM was 0.18% during 2020, compared with 0.46% during 2019, reflecting the decline in benchmark interest rates.

Interest expense decreased $259 million in 2020, compared with 2019, primarily due to both a decrease in the cost of deposits and wholesale funds, as well as a shift in balances from higher-to-lower cost funding sources which included a decrease in the quantity of borrowed funds and brokered deposits, and an increase in the quantity of both noninterest-bearing and interest-bearing deposits.

The spread on average interest-bearing funds was 2.97% and 3.08% during 2020 and 2019, respectively, and was affected by the same factors that impacted the NIM. Interest rate spreads and margins are impacted by the mix of assets we hold, the composition of our loan and securities portfolios, and the type of funding used. Our interest rate risk position estimates are highly dependent upon a number of assumptions regarding the repricing behavior of various deposit and loan types in response to changes in both short-term and long-term interest rates, balance sheet composition, and other modeling assumptions, as well as the actions of competitors and customers in response to those changes. Further detail on interest rate risk is described in “Interest Rate and Market Risk Management” on page 67. Refer to the “Liquidity Risk Management” section beginning on page 73 for more information on how we manage liquidity risk.

Schedule 7

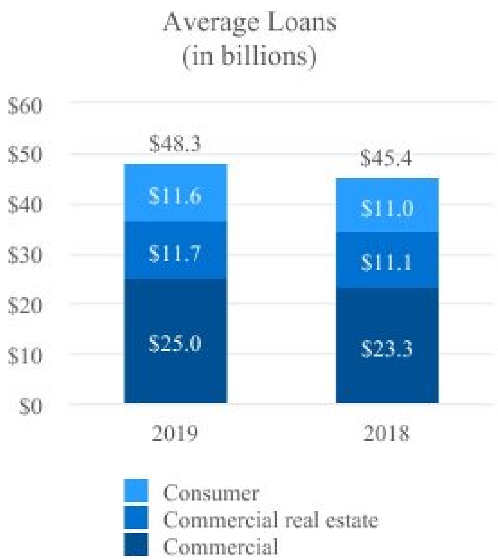
INTEREST-EARNING ASSETS, INTEREST-BEARING LIABILITIES, AND NET INTEREST MARGIN — 2019 vs. 2018

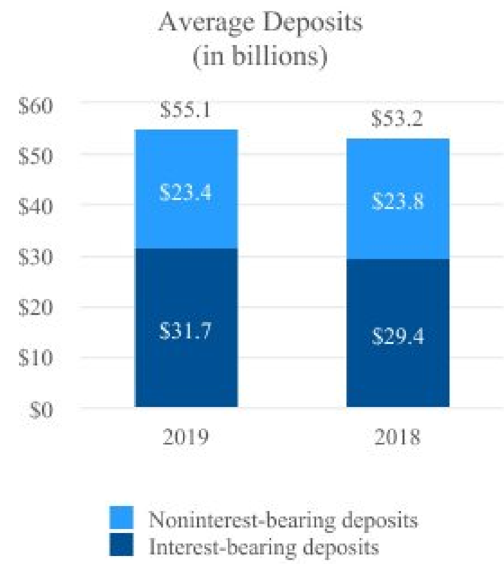
(Dollar amounts in millions)	2019			2018		
	Average balance	**Amount of interest [1]**	**Average rate**	**Average balance**	**Amount of interest [1]**	**Average rate**
ASSETS						
Total interest-earning assets	$ 64,942	$ 2,709	4.17 %	$ 62,440	$ 2,503	4.01 %
Total interest-bearing liabilities	37,675	411	1.09	34,453	251	0.73
Impact of net noninterest-bearing sources of funds			0.46			0.33
Net interest margin		$ 2,298	3.54 %		$ 2,252	3.61 %

[1] *Rates are calculated using amounts in thousands and tax rate of 21% for the periods presented. The taxable-equivalent rates used are the rates that were applicable at the time of each respective reporting period.*

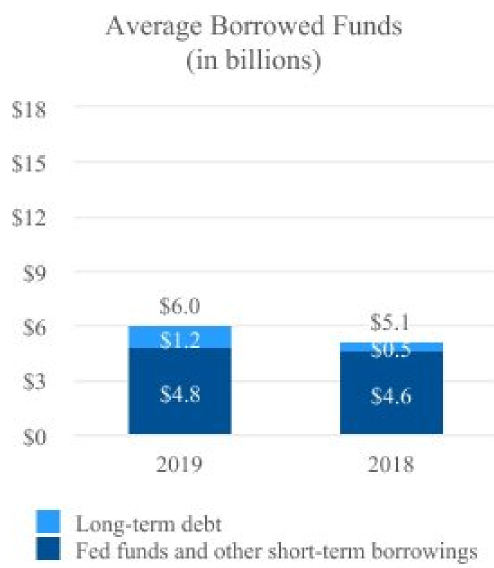
Net interest income was $2.3 billion during 2019, a slight increase from $2.2 billion during 2018. Taxable-equivalent net interest income was $2.3 billion in both 2019 and 2018.

The NIM was 3.54% and 3.61% for 2019 and 2018, respectively. When comparing 2019 with 2018, higher interest rates and a greater concentration of loans in the earning asset mix led to an increase in earning asset yield, which was more than offset by an increase in deposit rates and a modestly greater reliance on higher-cost borrowed funds. Funding loan growth with wholesale borrowings negatively impacted the NIM relative to deposit funding, although it was accretive to net interest income. The net impact of noninterest-bearing sources of funds on the NIM increased to 0.46% in 2019, compared with 0.33% in 2018.





Average loans increased $2.9 billion, or 6%, in 2019, due to widespread growth in essentially all loans categories, with average commercial loans accounting for over half of the growth. Loan growth was funded through a mix of deposits, securities run-off, and wholesale borrowings. Yields on average loan balances increased by 7 bps, 16 bps, and 18 bps in the commercial, CRE, and consumer portfolios, respectively. The commercial loan growth was in municipal, commercial and industrial, and owner-occupied loans, where our yields are generally lower than commercial real estate ("CRE"), but higher than consumer. The federal funds target rate decreased three times in 2019 after increasing four times in 2018.



The average balance of our investment securities portfolio decreased $0.4 billion in 2019, while the year-end balance decreased $1.1 billion.

Average noninterest-bearing demand deposits comprised 42% of average total deposits, which totaled $55.1 billion in 2019, compared with 45% of average total deposits, which totaled $53.2 billion, for 2018. Average interest-bearing deposits increased 8% in 2019, compared with 2018. During 2019, the Federal Reserve decreased the overnight benchmark federal funds rate by 75 bps, while the rate paid on our interest-bearing deposits increased 34 bps.

The average balance of long-term debt increased $701 million in 2019, compared with 2018, while the average rate decreased 152 bps. Overall interest expense on long-term debt increased $18 million in 2019. We used short-term Federal Home Loan Bank ("FHLB") borrowings to fund some of our balance sheet growth during 2019 and 2018. Average short-term debt grew $0.2 billion and the rate paid increased 43 bps in 2019.

Interest expense increased $160 million in 2019, compared with 2018 results, attributable to both an increase in the cost and quantity of deposits and wholesale funding. Interest expense on deposits increased $119 million on $31.7 billion of average interest-bearing deposits. Average interest-bearing liabilities increased $3.2 billion, while average rates increased 36 bps.

The spread on average interest-bearing funds was 3.08% in 2019, compared with 3.28% in 2018. The spread on average interest-bearing funds for these periods was affected by the same factors that had an impact on the NIM.

The following schedule summarizes the average balances, the amount of interest earned or incurred, and the applicable yields for interest-earning assets and the costs of interest-bearing liabilities that generate taxable-equivalent net interest income.

Schedule 8

AVERAGE BALANCE SHEETS, YIELDS AND RATES

(Dollar amounts in millions)	2020 Average balance	2020 Amount of interest	2020 Average rate [1]	2019 Average balance	2019 Amount of interest	2019 Average rate [1]
ASSETS						
Money market investments	$ 3,054	$ 14	0.46 %	$ 1,346	$ 32	2.41 %
Securities:						
Held-to-maturity	618	22	3.54	706	26	3.69
Available-for-sale	14,208	284	2.00	14,389	340	2.36
Trading account	167	7	4.36	147	6	4.45
Total securities [2]	14,993	313	2.09	15,242	372	2.45
Loans held for sale	96	4	3.89	89	3	2.90
Loans and leases [3]						
Commercial - excluding PPP loans	25,193	1,036	4.11	24,990	1,215	4.86
Commercial - PPP loans	4,534	146	3.22	—	—	—
Commercial real estate	11,854	458	3.87	11,675	597	5.11
Consumer	11,435	425	3.71	11,600	490	4.22
Total loans and leases	53,016	2,065	3.89	48,265	2,302	4.77
Total interest-earning assets	71,159	2,396	3.37	64,942	2,709	4.17
Cash and due from banks	619			610		
Allowance for credit losses on loans and debt securities	(733)			(501)		
Goodwill and intangibles	1,015			1,014		
Other assets	3,997			3,506		
Total assets	$ 76,057			$ 69,571		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing deposits:						
Saving and money market	$ 31,100	$ 60	0.19 %	$ 26,852	$ 160	0.60 %
Time	3,706	45	1.22	4,868	94	1.94
Foreign	—	—	—	—	—	—
Total interest-bearing deposits	34,806	105	0.30	31,720	254	0.80
Borrowed funds:						
Federal funds purchased and other short-term borrowings	1,888	10	0.52	4,719	111	2.36
Long-term debt	1,544	38	2.45	1,236	46	3.69
Total borrowed funds	3,432	48	1.39	5,955	157	2.64
Total interest-bearing liabilities	38,238	153	0.40	37,675	411	1.09
Noninterest-bearing demand deposits	28,883			23,361		
Other liabilities	1,320			1,004		
Total liabilities	68,441			62,040		
Shareholders' equity:						
Preferred equity	566			566		
Common equity	7,050			6,965		
Total shareholders' equity	7,616			7,531		
Total liabilities and shareholders' equity	$ 76,057			$ 69,571		
Spread on average interest-bearing funds			2.97			3.08
Net impact of noninterest-bearing sources of funds			0.18			0.46
Net interest margin		$ 2,243	3.15		$ 2,298	3.54
Memo: total loans and leases, excluding PPP loans	48,482	1,919	3.96	48,265	2,302	4.77
Memo: total cost of deposits			0.17			0.46
Memo: total deposits and interest-bearing liabilities	67,121	153	0.22	61,036	411	0.67

[1] *Rates are calculated using amounts in thousands and tax rates of 21% for 2020, 2019 and 2018, and 35% for 2017 and 2016. The taxable-equivalent rates used are the rates that were applicable at the time of each respective reporting period.*
[2] *Interest on total securities included $111 million and $126 million of taxable-equivalent premium amortization for 2020 and 2019, respectively.*
[3] *Net of unearned income and fees, net of related costs. Loans include nonaccrual and restructured loans.*

2018			2017			2016		
Average balance	Amount of interest	Average rate [1]	Average balance	Amount of interest	Average rate [1]	Average balance	Amount of interest	Average rate [1]
$ 1,360	$ 29	2.12 %	$ 1,539	$ 19	1.23 %	$ 3,664	$ 21	0.59 %
781	28	3.56	776	31	3.95	675	30	4.40
14,712	328	2.23	14,907	313	2.10	9,546	184	1.93
109	4	3.97	64	2	3.75	83	3	3.76
15,602	360	2.31	15,747	346	2.20	10,304	217	2.11
53	2	4.63	87	3	3.56	140	5	3.36
23,333	1,118	4.79	22,116	964	4.36	21,748	913	4.20
—	—	—	—	—	—	—	—	—
11,079	549	4.95	11,184	504	4.50	11,131	472	4.24
11,013	445	4.04	10,201	391	3.84	9,183	351	3.83
45,425	2,112	4.65	43,501	1,859	4.27	42,062	1,736	4.13
62,440	2,503	4.01	60,874	2,227	3.65	56,170	1,979	3.53
549			786			675		
(495)			(548)			(601)		
1,015			1,019			1,027		
3,060			2,985			2,779		
$ 66,569			$ 65,116			$ 60,050		
$ 25,480	$ 81	0.32 %	$ 25,453	$ 39	0.15 %	$ 25,672	$ 37	0.15 %
3,876	54	1.38	2,966	20	0.69	2,333	12	0.49
—	—	—	—	—	—	128	—	0.28
29,356	135	0.46	28,419	59	0.21	28,133	49	0.18
4,562	88	1.93	4,096	44	1.05	456	1	0.27
535	28	5.21	417	24	5.79	703	37	5.18
5,097	116	2.27	4,513	68	1.49	1,159	38	3.25
34,453	251	0.73	32,932	127	0.38	29,292	87	0.30
23,827			23,781			22,462		
699			624			625		
58,979			57,337			52,379		
566			631			756		
7,024			7,148			6,915		
7,590			7,779			7,671		
$ 66,569			$ 65,116			$ 60,050		
		3.28			3.27			3.23
		0.33			0.18			0.14
	$ 2,252	3.61		$ 2,100	3.45		$ 1,892	3.37
45,425	2,112	4.65	43,501	1,859	4.27	42,062	1,736	4.13
		0.25			0.11			0.10
58,280	251	0.78	56,713	127	0.40	51,754	87	0.26

Schedule 9 analyzes the year-to-year changes in net interest income on a fully taxable-equivalent basis for the years indicated. For purposes of calculating the yields in these schedules, the average loan balances also include the principal amounts of nonaccrual and restructured loans. However, interest received on nonaccrual loans is included in income only to the extent that cash payments have been received and not applied to principal reductions. In addition, interest on restructured loans is generally accrued at reduced rates.

Schedule 9

ANALYSIS OF INTEREST CHANGES DUE TO VOLUME AND RATE

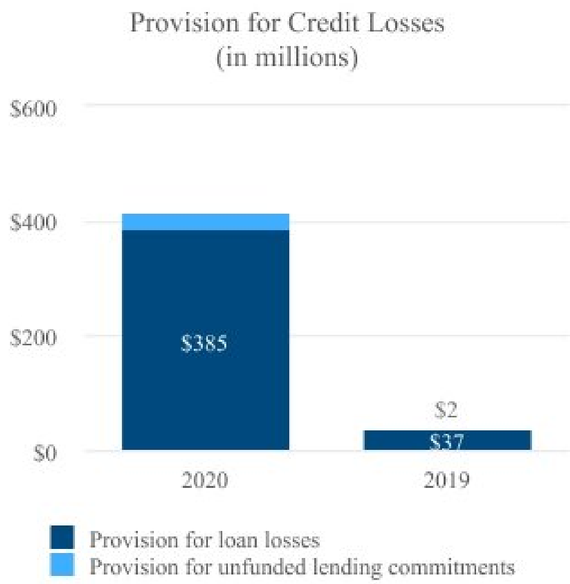
	2020 over 2019			2019 over 2018		
	Changes due to			Changes due to		
(In millions)	Volume	Rate[1]	Total changes	Volume	Rate[1]	Total changes
INTEREST-EARNING ASSETS						
Money market investments	$ 8	$ (26)	$ (18)	$ —	$ 3	$ 3
Securities:						
Held-to-maturity	(3)	(1)	(4)	(3)	1	(2)
Available-for-sale	(4)	(52)	(56)	(7)	19	12
Trading account	1	—	1	1	1	2
Total securities	(6)	(53)	(59)	(9)	21	12
Loans held for sale	(1)	2	1	1	—	1
Loans and leases[2]						
Commercial - excluding SBA PPP loans	9	(188)	(179)	81	16	97
Commercial - SBA PPP loans	—	146	146	—	—	—
Commercial real estate	6	(145)	(139)	30	18	48
Consumer	(5)	(60)	(65)	25	20	45
Total loans and leases	10	(247)	(237)	136	54	190
Total interest-earning assets	11	(324)	(313)	128	78	206
INTEREST-BEARING LIABILITIES						
Interest-bearing deposits:						
Saving and money market	9	(109)	(100)	5	74	79
Time	(14)	(35)	(49)	15	25	40
Total interest-bearing deposits	(5)	(144)	(149)	20	99	119
Borrowed funds:						
Federal funds purchased and other short-term borrowings	(15)	(86)	(101)	3	20	23
Long-term debt	8	(16)	(8)	26	(8)	18
Total borrowed funds	(7)	(102)	(109)	29	12	41
Total interest-bearing liabilities	(12)	(246)	(258)	49	111	160
Change in taxable-equivalent net interest income	$ 23	$ (78)	$ (55)	$ 79	$ (33)	$ 46

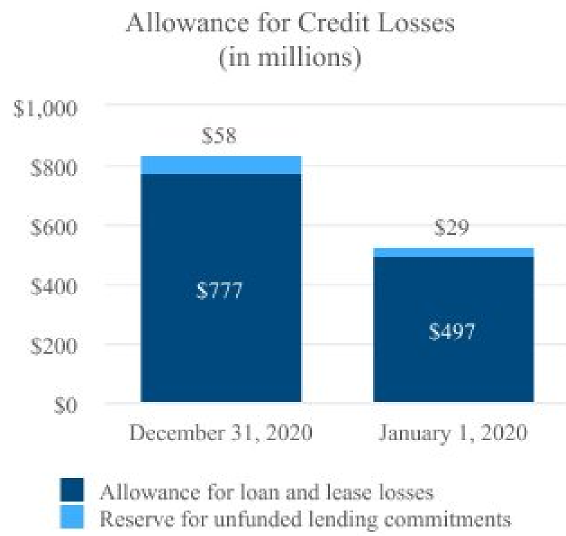
[1] Taxable-equivalent rates used where applicable.
[2] Net of unearned income and fees, net of related costs. Loans include nonaccrual and restructured loans.
In the analysis of interest changes due to volume and rate, changes due to the volume/rate variance are allocated to volume with the following exceptions: when volume and rate both increase, the variance is allocated proportionately to both volume and rate; when the rate increases and volume decreases, the variance is allocated to rate.

Provision for Credit Losses

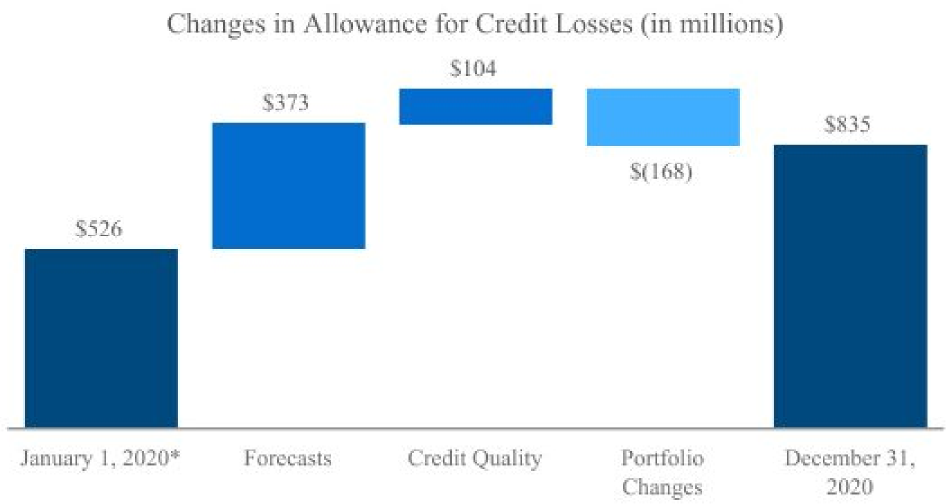
The allowance for credit losses ("ACL") is the combination of both the allowance for loan and lease losses ("ALLL") and the reserve for unfunded lending commitments ("RULC"). The ALLL represents the estimated current expected credit losses over the contractual term of the loan and lease portfolio as of the balance sheet date. The RULC represents the estimated reserve for current expected credit losses associated with off-balance sheet commitments. Changes in the ALLL and RULC, including changes in net charge-offs, are recorded in the provision for loan and lease losses and the provision for unfunded lending commitments in the income statement, respectively. The ACL for debt securities is estimated separately from loans.

On January 1, 2020, we adopted ASU 2016-13, *Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* and its subsequent updates, often referred to as the Current Expected Credit Loss ("CECL") model. Upon adoption of this ASU, we recorded the full amount of the ACL for loans and leases of $526 million, compared with $554 million at December 31, 2019, resulting in an after-tax increase to retained earnings of $20 million. The impact of the adoption of CECL for our securities portfolio was less than $1 million. As a result of the CECL accounting standard, the ACL is subject to economic forecasts that may change materially from period to period.





The provision for credit losses, which is the combination of both the provision for loan losses and the provision for unfunded lending commitments, was $414 million in 2020, compared with $39 million in 2019. The ACL increased $309 million to $835 million at December 31, 2020, compared with $526 million at January 1, 2020. The increase in the ACL is almost entirely due to economic stress caused by the COVID-19 pandemic coupled with the effect of low oil and gas prices. The ratio of net charge-offs to average loans during 2020 was 0.20%, compared with 0.08% during 2019. The provision for credit losses for debt securities was less than $1 million during 2020.



** January 1, 2020 amount is used instead of December 31, 2019, for comparative purposes because this is the date the CECL accounting standard became effective.*

The total ACL was $835 million at December 31, 2020, compared with $526 million at January 1, 2020. The bar chart above shows the broad categories of change in the ACL. The second bar represents the change in ACL due to changes in economic forecasts. The $373 million increase from January 1, 2020 is our estimate of the change in credit losses due to the change in economic forecasts brought on by the onset of the COVID-19 pandemic and the resulting economic downturn, including the impact of low oil and gas prices. As of December 31, 2020, our base forecast shows economic improvement continuing throughout 2021, gradually stabilizing by 2022. Credit quality factors represented by the third bar include risk-grade migration and specific reserves against loans, which, when combined, add $104 million to the ACL when compared with 2019, showing credit quality deterioration during the year. Lastly, portfolio changes, driven by non-PPP loan balances declining, the aging of the portfolio, decreased utilization, and other similar factors, generated a $168 million reduction in the ACL.

See Note 6 of the Notes to Consolidated Financial Statements for more information on how we determine the appropriate level for the ALLL and the RULC.

Noninterest Income

Noninterest income represents revenues we earn for products and services that have no associated interest rate or yield and is classified as either customer-related or noncustomer-related fee income. We believe a subtotal of customer-related fees provides a better view of income over which we have more direct near-term control and excludes items such as mark-to-market adjustments on certain derivatives, dividends, insurance-related income, and securities gains and losses.

Total noninterest income increased by $12 million, to $574 million in 2020, compared with $562 million in 2019, and $552 million in 2018. Noninterest income accounted for approximately 21% and 20% of net revenue during 2020 and 2019, respectively.

Schedule 10 presents a comparison of the major components of noninterest income for the past three years.

Schedule 10

NONINTEREST INCOME

(Dollar amounts in millions)	2020	Amount change	Percent change	2019	Amount change	Percent change	2018
Commercial account fees	$ 125	$ 4	3 %	$ 121	$ (1)	(1)%	$ 122
Card fees	82	(10)	(11)	92	(2)	(2)	94
Retail and business banking fees	68	(10)	(13)	78	—	—	78
Loan-related fees and income	109	34	45	75	1	1	74
Capital markets and foreign exchange fees	77	(1)	(1)	78	20	34	58
Wealth management and trust fees	62	2	3	60	5	9	55
Other customer-related fees	26	5	24	21	(6)	(22)	27
Customer-related fees	549	24	5 %	525	17	3 %	508
Fair value and nonhedge derivative income (loss)	(6)	3	(33)	(9)	(8)	NA	(1)
Dividends and other income	24	(19)	(44)	43	(1)	(2)	44
Securities gains, net	7	4	NA	3	2	NA	1
Total noninterest income	$ 574	$ 12	2 %	$ 562	$ 10	2 %	$ 552

Customer-related fees

Growing customer-related fee income is a key strategic priority, and several strategic initiatives are underway to support this effort. We are working to leverage our relationship with commercial and small business customers to accelerate sales of capital markets products, treasury management products, and wealth advisory services.

Total customer-related fees increased to $549 million in 2020, compared with $525 million in 2019, and $508 million in 2018. Loan-related fees and income increased $34 million in 2020, due to residential mortgage loan originations and sales, which benefited from the reduction in benchmark interest rates and our enhanced customer-facing digital fulfillment process. Retail and business banking fees decreased $10 million in 2020, due to fee waivers as a result of the COVID-19 pandemic. Card fees decreased $10 million in 2020, due to reduced economic activity and transaction volume.

Customer-related fees increased by $17 million, or 3%, during 2019. Capital markets and foreign exchange fees increased by $20 million as a result of an $11 million increase in income from arranging interest rate hedges for our loan customers, a $4 million increase in loan syndication arrangement fees, and a $3 million increase in foreign exchange fees. Wealth management and trust fees increased by $5 million, or 9%, as a result of increased corporate and personal trust revenue. Other customer-related fees decreased by $6 million, or 22%, primarily as a result of the sale of a minor business in 2019.

Noncustomer-related fees

Dividends and other income decreased by $19 million during 2020, primarily due to lower dividends received from the Federal Home Loan Bank (“FHLB”), reflecting less FHLB stock held by us.

When comparing 2019 with 2018, fair value and nonhedge derivative income decreased by $8 million due to valuation adjustments on client-related interest rate swaps during 2019. As a result of the decline in interest rates during 2019 and increased client activity during the year, these client-related interest rate swaps significantly increased in value, resulting in the Bank having a larger exposure to the clients and a $9 million negative valuation adjustment in 2019, compared with a negative valuation adjustment of $1 million in 2018.

Noninterest Expense

Schedule 11 presents a comparison of the major components of noninterest expense for the past three years.

Schedule 11
NONINTEREST EXPENSE

(Dollar amounts in millions)	2020	Amount change	Percent change	2019	Amount change	Percent change	2018
Salaries and employee benefits	$ 1,087	$ (54)	(5) %	$ 1,141	$ 71	7 %	$ 1,070
Occupancy, net	130	(3)	(2)	133	1	1	132
Furniture, equipment and software, net	127	(8)	(6)	135	9	7	126
Other real estate expense, net	1	4	NA	(3)	(4)	NA	1
Credit-related expense	22	2	10	20	(5)	(20)	25
Professional and legal services	52	5	11	47	(5)	(10)	52
Advertising	19	—	—	19	(7)	(27)	26
FDIC premiums	25	—	—	25	(25)	(50)	50
Other	241	16	7	225	28	14	197
Total noninterest expense	$ 1,704	$ (38)	(2) %	$ 1,742	$ 63	4 %	$ 1,679
Adjusted noninterest expense	$ 1,673	$ (31)	(2) %	$ 1,704	$ 32	2 %	$ 1,672

Noninterest expense decreased by $38 million, or 2%, in 2020, compared with 2019. Adjusted noninterest expense decreased by $31 million, or 2%, over the same period, and includes a $30 million charitable contribution in 2020. See “GAAP to Non-GAAP Reconciliations” on page 28 for more information regarding the calculation of adjusted noninterest expense.

Schedule 12
SALARIES AND EMPLOYEE BENEFITS

(Dollar amounts in millions)	2020	Amount/quantity change	Percent change	2019	Amount/quantity change	Percent change	2018
Salaries and bonuses	$ 918	$ (35)	(4) %	$ 953	$ 58	6 %	$ 895
Employee benefits:							
Employee health and insurance	86	3	4	83	6	8	77
Retirement	39	(10)	(20)	49	4	9	45
Payroll taxes and other	44	(12)	(21)	56	3	6	53
Total benefits	169	(19)	(10)	188	13	7	175
Total salaries and employee benefits	$ 1,087	$ (54)	(5) %	$ 1,141	$ 71	7 %	$ 1,070
Full-time equivalent employees at December 31,	9,678	(510)	(5) %	10,188	(13)	— %	10,201

Salaries and employee benefits decreased by $54 million, or 5%, in 2020, compared with 2019, primarily due to an increase in capitalized salaries and employee benefits as a result of our technology initiatives and PPP loan originations, lower severance costs and base salaries related to the reduction in workforce, and a decrease in the profit sharing contribution to the employee 401(k) plan. Full-time equivalent employees decreased to 9,678 at December 31, 2020, compared with 10,188 at December 31, 2019. During 2020, we paid $21 million in PPP-related bonuses, of which approximately $16 million was capitalized and deferred.

Salaries and employee benefits increased by $71 million, or 7%, in 2019, compared with 2018, mainly due to a $33 million increase in base salaries resulting from salary merit increases, a $22 million increase in severance expenses primarily from the previously mentioned workforce reduction, a $6 million increase in employee medical costs, and a $4 million increase in retirement expenses. These increases were partially offset by a $7 million decrease in incentive compensation.

Other noninterest expense increased by $16 million to $241 million in 2020, compared with $225 million in 2019. This increase was primarily due to the previously mentioned $30 million charitable contribution and a $28 million pension plan termination-related expense, partially offset by an $18 million decrease in travel and entertainment expense, a $13 million impairment charge in 2019 related to centralizing our office space and the closure of certain branches, and $10 million of customer reimbursements in 2019 to remedy a self-identified operational issue. These same expenses that occurred in 2019 contributed to the same reasons for the $28 million increase in Other noninterest expense in 2019, compared with 2018.

When comparing 2019 with 2018, the other significant variance was a $25 million decrease in FDIC premiums, which was primarily due to the elimination of the FDIC surcharge for large banks because the required Deposit Insurance Fund reserve ratio had been met and the Bank issuing unsecured debt which results in lower FDIC premiums.

Income Taxes

Income tax expense was $133 million in 2020, $237 million in 2019, and $259 million in 2018. Our effective income tax rates were 19.8% in 2020, 22.5% in 2019, and 22.7% in 2018. The income tax rates for all tax years were reduced by nontaxable municipal interest income and nontaxable income from certain bank-owned life insurance (“BOLI”) and were increased by the nondeductibility of FDIC premiums, certain executive compensation, and other fringe benefits. The tax rate for 2020 was also reduced as a result of the proportional increase in nontaxable items and tax credits relative to pretax book income, as compared with 2019 and 2018.

We continued to invest in technology initiatives, low-income housing, and municipal securities during 2020, 2019, and 2018, generating tax credits and nontaxable income that benefited the tax rate each year.

We had a net deferred tax liability (“DTL”) balance of $3 million at December 31, 2020, compared with a net deferred tax asset (“DTA”) balance of $37 million at December 31, 2019. The decrease from a net DTA to a net DTL balance resulted primarily from an increase in unrealized gains in OCI related to securities and accelerated tax deductions on certain technology initiatives and depreciable property during 2020. An increase in the provision for loan losses in excess of net charge-offs offset some of the overall decrease in DTA.

We did not record any DTA valuation allowance for GAAP purposes as of December 31, 2020. Note 20 of the Notes to Consolidated Financial Statements discloses information about our evaluation of the DTA, including any potential additional valuation allowances.

Preferred Stock Dividends

Preferred stock dividends have been consistent during the past three years and were $34 million in 2020, 2019, and 2018. See further details in Note 14 of the Notes to Consolidated Financial Statements.

BUSINESS SEGMENT RESULTS

We manage our operations and prepare management reports and other information with a primary focus on geographic area. Our banking operations are managed under their own individual brand names, including Zions Bank, Amegy Bank (“Amegy”), California Bank & Trust (“CB&T”), National Bank of Arizona (“NBAZ”), Nevada State Bank (“NSB”), Vectra Bank Colorado (“Vectra”), and The Commerce Bank of Washington (“TCBW”). Performance assessment and resource allocation are based upon this geographic structure. We emphasize local authority and responsibility, local pricing, and customization of certain products (as applicable), designed to maximize customer satisfaction and strengthen community relations.

We allocate the cost of centrally provided services to the business segments based upon estimated or actual usage of those services. We also allocate capital based on the risk-weighted assets held at each business segment. We use an internal Funds Transfer Pricing (“FTP”) allocation process to report results of operations for business segments. This process is continually refined. Prior period amounts have been revised to reflect the impact of these changes had they been instituted for the periods presented. See Note 22 of the Notes to Consolidated Financial Statements for more information on our FTP allocations, the Other segment, and more performance information including net interest income, noninterest income, and noninterest expense by segment.

The onset of a global pandemic during 2020 resulted in many challenges for our business segments, and affected all areas of their operations. Common areas of financial performance experienced at various levels of the segments include:

- Decreased income before income taxes;
- Increased loan balances across all geographies, mainly due to PPP loan originations;
- Growth in customer deposit balances across almost all segments, which were assisted by various government economic stimulus programs; and
- Lower credit quality and higher allowance for credit losses.

Schedule 13 shows selected financial information for our business segments. Ratios are calculated based on amounts in thousands.

Schedule 13

SELECTED SEGMENT INFORMATION

	Zions Bank			Amegy			CB&T		
(Dollar amounts in millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018
KEY FINANCIAL INFORMATION									
Total average loans	$ 13,845	$ 13,109	$ 12,643	$ 13,114	$ 12,235	$ 11,358	$ 12,366	$ 10,763	$ 10,033
Total average deposits	18,370	15,561	15,149	12,970	11,627	11,160	13,763	11,522	11,268
Income before income taxes	295	346	341	178	274	347	182	277	267
CREDIT QUALITY									
Provision for credit losses	$ 67	$ 18	$ 8	$ 111	$ 9	$ (80)	$ 120	$ 7	$ 15
Net loan and lease charge-offs	27	9	1	49	19	(17)	15	10	4
Ratio of net charge-offs to average loans and leases	0.20 %	0.07 %	0.01 %	0.37 %	0.16 %	(0.15)%	0.12 %	0.09 %	0.04 %
Allowance for credit losses	$ 167	$ 134	$ 126	$ 210	$ 155	$ 161	$ 158	$ 64	$ 70
Ratio of allowance for credit losses to net loans and leases, at year-end	1.21 %	1.02 %	1.00 %	1.60 %	1.27 %	1.42 %	1.28 %	0.59 %	0.70 %
Nonperforming lending-related assets	$ 98	$ 85	$ 68	$ 131	$ 60	$ 79	$ 56	$ 49	$ 48
Ratio of nonperforming lending-related assets to net loans and leases and other real estate owned	0.71 %	0.65 %	0.52 %	1.03 %	0.49 %	0.69 %	0.43 %	0.45 %	0.45 %
Accruing loans past due 90 days or more	$ 7	$ 2	$ 11	$ —	$ 2	$ 1	$ 4	$ 5	$ 9
Ratio of accruing loans past due 90 days or more to net loans and leases	0.05 %	0.02 %	0.09 %	— %	0.02 %	0.01 %	0.03 %	0.05 %	0.09 %

	NBAZ			NSB			Vectra			TCBW		
(Dollar amounts in millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
KEY FINANCIAL INFORMATION												
Total average loans	$ 5,099	$ 4,774	$ 4,608	$ 3,102	$ 2,630	$ 2,394	$ 3,401	$ 3,109	$ 2,924	$ 1,460	$ 1,194	$ 1,118
Total average deposits	5,771	5,002	4,931	5,427	4,512	4,286	3,637	2,853	2,761	1,256	1,094	1,092
Income before income taxes	75	107	95	11	47	39	24	50	43	28	37	33
CREDIT QUALITY												
Provision for credit losses	$ 35	$ 2	$ 8	$ 37	$ (1)	$ 1	$ 34	$ 3	$ 6	$ 7	$ (1)	$ 2
Net loan and lease charge-offs	1	—	—	(1)	(3)	(4)	14	2	—	—	—	—
Ratio of net charge-offs to average loans and leases	0.02 %	— %	— %	(0.03)%	(0.11)%	(0.17)%	0.41 %	0.06 %	— %	— %	— %	— %
Allowance for credit losses	$ 60	$ 32	$ 32	$ 59	$ 14	$ 13	$ 47	$ 27	$ 26	$ 11	$ 7	$ 10
Ratio of allowance for credit losses to net loans and leases, at year-end	1.18 %	0.68 %	0.69 %	1.90 %	0.53 %	0.54 %	1.38 %	0.87 %	0.89 %	0.75 %	0.59 %	0.89 %
Nonperforming lending-related assets	$ 17	$ 14	$ 18	$ 40	$ 27	$ 18	$ 19	$ 11	$ 20	$ 8	$ 4	$ 4
Ratio of nonperforming lending-related assets to net loans and leases and other real estate owned	0.34 %	0.29 %	0.39 %	1.24 %	1.00 %	0.72 %	0.56 %	0.35 %	0.66 %	0.52 %	0.33 %	0.37 %
Accruing loans past due 90 days or more	$ —	$ —	$ 1	$ —	$ —	$ —	$ 1	$ 1	$ —	$ —	$ —	$ —
Ratio of accruing loans past due 90 days or more to net loans and leases	— %	— %	0.02 %	— %	— %	— %	0.03 %	0.03 %	— %	— %	— %	— %

Zions Bank

Zions Bank is headquartered in Salt Lake City, Utah, and is primarily responsible for conducting operations in Utah, Idaho, and Wyoming. If it were a separately chartered bank, it would be the second largest full-service commercial bank in Utah and the fourth largest in Idaho, as measured by domestic deposits in these states.

Zions Bank's income before income taxes decreased by $51 million, or 15%, during 2020. The decrease in income before taxes was primarily due to a $49 million increase in the provision for credit losses. This decrease was partially offset by a $25 million decrease in noninterest expense, and an $11 million increase in noninterest income. The loan portfolio increased by $660 million during 2020, which consisted of increases of $925 million and $75 million in commercial and CRE loans, respectively, and a decrease of $340 million in consumer loans. The ratio of ACL to net loans and leases increased to 1.21% at December 31, 2020, from 1.02% at December 31, 2019. Nonperforming lending-related assets increased $13 million, or 15%, from the prior year. Deposits increased by 30% in 2020, from 2019.

Amegy Bank

Amegy Bank is headquartered in Houston, Texas. If it were a separately chartered bank, it would be the ninth largest full-service commercial bank in Texas as measured by domestic deposits in the state.

Amegy's income before income taxes decreased by $96 million, or 35%, during 2020. The decrease in income before income taxes was primarily due to a $102 million increase in the provision for credit losses and a $5 million decrease in noninterest income. This decrease was partially offset by a decrease of $15 million in noninterest expense. The loan portfolio increased by $461 million during 2020, which consisted of increases of $508 million and $167 million in commercial and CRE loans, respectively, and a decrease of $214 million in consumer loans. The ratio of ACL to net loans and leases increased to 1.60% at December 31, 2020, from 1.27% at December 31,

2019. Nonperforming lending-related assets increased $71 million, or 118%, from the prior year, primarily due to stress in the oil and gas-related loan portfolio. Deposits increased by 19% in 2020, from 2019.

California Bank & Trust

California Bank & Trust is headquartered in San Diego, California. If it were a separately chartered bank, it would be the 18th largest full-service commercial bank in California as measured by domestic deposits in the state.

CB&T's income before income taxes decreased by $95 million, or 34%, during 2020. The decrease in income before taxes was primarily due to a $113 million increase in the provision for credit losses. This decrease was partially offset by an $11 million decrease in noninterest expense, and a $7 million increase in noninterest income. The loan portfolio increased by $2.1 billion during 2020, which consisted of increases of $1.8 billion and $283 million in commercial and CRE loans, respectively, and a decrease of $38 million in consumer loans. The ratio of ACL to net loans and leases increased to 1.28% at December 31, 2020, from 0.59% at December 31, 2019. Nonperforming lending-related assets increased $7 million, or 14%, from the prior year. Deposits increased by 25% in 2020, from 2019.

National Bank of Arizona

National Bank of Arizona is headquartered in Phoenix, Arizona. If it were a separately chartered bank, it would be the sixth largest full-service commercial bank in Arizona as measured by domestic deposits in the state.

NBAZ's income before income taxes decreased by $32 million, or 30%, during 2020. The decrease in income before taxes was primarily due to a $33 million increase in the provision for credit losses and a $1 million decrease in noninterest income. This decrease was partially offset by a decrease of $9 million in noninterest expense. The loan portfolio increased by $287 million during 2020, which consisted of an increase of $462 million in commercial loans, and decreases of $60 million and $115 million in CRE and consumer loans, respectively. The ratio of ACL to net loans and leases increased to 1.18% at December 31, 2020, from 0.68% at December 31, 2019. Nonperforming lending-related assets increased $3 million, or 21%, from the prior year. Deposits increased by 26% in 2020, from 2019.

Nevada State Bank

Nevada State Bank is headquartered in Las Vegas, Nevada. If it were a separately chartered bank, it would be the fourth largest full-service commercial bank in Nevada as measured by domestic deposits in the state.

NSB's income before income taxes decreased by $36 million, or 77%, during 2020. The decrease in income before taxes was primarily due to a $38 million increase in the provision for credit losses. This decrease was partially offset by a decrease of $4 million in noninterest expense. The loan portfolio increased by $514 million during 2020, which consisted of increases of $586 million and $33 million in commercial and CRE loans, respectively, and a decrease of $105 million in consumer loans. The ratio of ACL to net loans and leases increased to 1.90% at December 31, 2020, from 0.53% at December 31, 2019. Nonperforming lending-related assets increased $13 million, or 48%, from the prior year. Deposits increased by 22% in 2020, from 2019.

Vectra Bank Colorado

Vectra Bank Colorado is headquartered in Denver, Colorado. If it were a separately chartered bank, it would be the eleventh largest full-service commercial bank in Colorado as measured by domestic deposits in the state.

Vectra's income before income taxes decreased by $26 million, or 52%, during 2020. The decrease in income before taxes was primarily due to a $31 million increase in the provision for credit losses and a $1 million increase in noninterest expense. This decrease was partially offset by an increase of $6 million in noninterest income. The loan portfolio increased by $285 million during 2020, which consisted of increases of $351 million and $9 million in commercial and CRE loans, respectively, and a decrease of $75 million in consumer loans. The ratio of ACL to net loans and leases increased to 1.38% at December 31, 2020, from 0.87% at December 31, 2019. Nonperforming lending-related assets increased $8 million, or 73%, from the prior year. Deposits increased by 42% in 2020, from 2019.

The Commerce Bank of Washington

The Commerce Bank of Washington is headquartered in Seattle, Washington. It operates in Washington under The Commerce Bank of Washington name and in Portland, Oregon, under The Commerce Bank of Oregon name. Its business strategy focuses on serving the financial needs of commercial businesses, including professional services firms. TCBW has been successful in serving the greater Seattle/Puget Sound and Portland regions without requiring extensive investments in a traditional branch network. It has been innovative in effectively utilizing couriers, bank by mail, remote deposit image capture, and other technologies.

TCBW’s income before income taxes decreased $9 million, or 24%, during 2020. The decrease in income before taxes was primarily due to an $8 million increase in the provision for credit losses. The loan portfolio increased by $296 million during 2020, which consisted of increases of $264 million and $42 million in commercial and CRE loans, respectively, and a decrease of $10 million in consumer loans. The ratio of ACL to net loans and leases increased to 0.75% at December 31, 2020, from 0.59% at December 31, 2019. Nonperforming lending-related assets increased $4 million, or 100%, from the prior year. Deposits increased by 20% in 2020, from 2019.

BALANCE SHEET ANALYSIS

Interest-earning Assets

Interest-earning assets are those assets that have interest rates or yields associated with them. One of our goals is to maintain a high level of interest-earning assets relative to total assets while keeping non-earning assets at a minimum. Interest-earning assets consist of money market investments, securities, loans, and leases.

Schedule 8, which we referenced in our discussion of net interest income, includes the average balances of our interest-earning assets, the amount of revenue generated by them, and their respective yields. Another goal is to maintain a higher-yielding mix of interest-earning assets, such as loans, relative to lower-yielding assets, while maintaining adequate levels of highly liquid assets. As a result of this goal we redeployed funds from lower-yielding money market investments, in addition to using wholesale borrowings, to purchase agency securities.

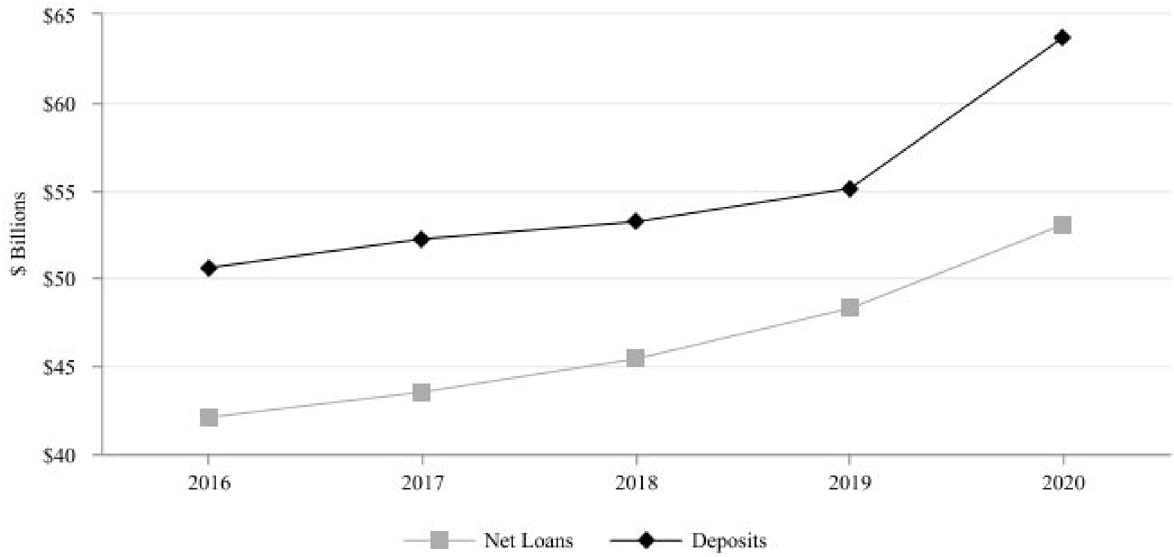
Average interest-earning assets were $71.2 billion in 2020, compared with $64.9 billion in 2019. Average interest-earning assets as a percentage of total average assets were 94% and 93% in 2020 and 2019, respectively.

Average loans were $53.0 billion in 2020 and $48.3 billion in 2019. Average loans as a percentage of total average assets were 70% in 2020, compared with 69% in 2019.

Average money market investments, consisting of interest-bearing deposits and federal funds sold and security resell agreements, increased by 127% from 2019. Average securities decreased by 2% from 2019. Average total deposits increased by 16%; average total loans also increased by 10% in 2020 when compared with 2019.

AVERAGE OUTSTANDING LOANS AND DEPOSITS

(at December 31)



Investment Securities Portfolio

We invest in securities to actively manage liquidity and interest rate risk, in addition to generating revenue. Refer to the "Liquidity Risk Management" section on page 73 for additional information on management of liquidity and funding. The following schedule presents a profile of our investment securities portfolio. The amortized cost amounts represent the original cost of the investments, adjusted for related accumulated amortization or accretion of any yield adjustments, and for impairment losses, including credit-related impairment. The estimated fair value measurement levels and methodology are described in Note 3 of the Notes to Consolidated Financial Statements.

Schedule 14

INVESTMENT SECURITIES PORTFOLIO

	December 31, 2020			December 31, 2019		
(In millions)	Par Value	Amortized cost	Estimated fair value	Par Value	Amortized cost	Estimated fair value
Held-to-maturity						
Municipal securities	$ 636	$ 636	$ 640	$ 592	$ 592	$ 597
Available-for-sale						
U.S. Treasury securities	205	205	192	25	25	25
U.S. Government agencies and corporations:						
Agency securities	1,051	1,051	1,091	1,301	1,301	1,302
Agency guaranteed mortgage-backed securities	11,259	11,439	11,693	9,406	9,518	9,559
Small Business Administration loan-backed securities	1,103	1,195	1,160	1,414	1,535	1,495
Municipal securities	1,237	1,352	1,420	1,175	1,282	1,319
Other	175	175	175	25	25	25
Total available-for-sale debt securities	15,030	15,417	15,731	13,346	13,686	13,725
Money market mutual funds and other	—	—	—	—	—	—
Total available-for-sale	15,030	15,417	15,731	13,346	13,686	13,725
Total investment securities	$ 15,666	$ 16,053	$ 16,371	$ 13,938	$ 14,278	$ 14,322

The amortized cost of investment securities at December 31, 2020 increased by 12% from the balance at December 31, 2019.

The investment securities portfolio includes $387 million of net premium as of December 31, 2020, up from $340 million in the prior year, that is distributed across various asset classes as illustrated in the preceding schedule. Premium amortization for 2020 was approximately $105 million, compared with approximately $120 million in 2019. For more information on the accounting for premiums and discounts for investment securities see Note 5 to the Consolidated Financial Statements.

As of December 31, 2020, under the GAAP fair value accounting hierarchy, 1.2% of the $15.7 billion fair value of the AFS securities portfolio was valued at Level 1, 98.8% was valued at Level 2, and there were no Level 3 AFS securities. At December 31, 2019, 0.2% of the $13.7 billion fair value of AFS securities portfolio was valued at Level 1, 99.8% was valued at Level 2, and there were no Level 3 AFS securities. See Note 3 of the Notes to Consolidated Financial Statements for further discussion of fair value accounting.

Exposure to State and Local Governments

We provide multiple products and services to state and local governments (referred to collectively as "municipalities"), including deposit services, loans, and investment banking services. We also invest in securities issued by the municipalities.

Schedule 15 summarizes our exposure to state and local municipalities:

Schedule 15

MUNICIPALITIES

(In millions)	December 31, 2020	December 31, 2019
Loans and leases	$ 2,951	$ 2,393
Held-to-maturity – municipal securities	636	592
Available-for-sale – municipal securities	1,420	1,319
Trading account – municipal securities	149	107
Unfunded lending commitments	359	200
Total direct exposure to municipalities	$ 5,515	$ 4,611

Our municipal securities and loans are primarily from municipalities located within our geographic footprint. Our municipal loan and lease portfolio is generally secured by real estate or equipment, or is a general obligation of a municipal entity. At December 31, 2020, no municipal loans were on nonaccrual. Municipal securities are internally graded, similar to loans, using risk-grading systems which vary based on the size and type of credit risk exposure. The internal risk grades assigned to our municipal securities follow our definitions of Pass, Special Mention, and Substandard, which are consistent with published definitions of regulatory risk classifications. At December 31, 2020, all municipal securities were graded as Pass. See Notes 5 and 6 of the Notes to Consolidated Financial Statements for additional information about the credit quality of these municipal loans and securities.

Loans Held for Sale

Loans held for sale were $81 million at December 31, 2020, compared with $129 million at December 31, 2019, and are generally consumer mortgage loans, small business loans, and commercial loans. As of December 31, 2020, the majority of the loans held for sale consisted primarily of consumer mortgage loans.

Loan and Lease Portfolio

As of December 31, 2020 and December 31, 2019, net loans and leases accounted for 66% and 70% of total assets, respectively. Schedule 16 presents our loans outstanding by type of loan as of the five most recent year-ends. The schedule also includes a maturity profile for the loans that were outstanding as of December 31, 2020. However, while this schedule reflects the contractual maturity and repricing characteristics of these loans, in a small number of cases, we have hedged the repricing characteristics of our variable-rate loans as more fully described in "Interest Rate Risk" on page 67.

Schedule 16

LOAN AND LEASE PORTFOLIO BY TYPE AND MATURITY

	December 31, 2020				December 31,			
(In millions)	One year or less	One year through five years	Over five years	Total	2019	2018	2017	2016
Commercial:								
Commercial and industrial	$ 3,073	$ 7,970	$ 2,401	$ 13,444	$ 14,760	$ 14,513	$ 14,003	$ 13,452
PPP	—	5,572	—	5,572	—	—	—	—
Leasing	14	238	68	320	334	327	364	423
Owner-occupied	340	1,591	6,254	8,185	7,901	7,661	7,288	6,962
Municipal	132	476	2,343	2,951	2,393	1,661	1,271	778
Total commercial	3,559	15,847	11,066	30,472	25,388	24,162	22,926	21,615
Commercial real estate:								
Construction and land development	844	1,412	89	2,345	2,211	2,186	2,021	2,019
Term	1,959	4,428	3,372	9,759	9,344	8,939	9,103	9,322
Total commercial real estate	2,803	5,840	3,461	12,104	11,555	11,125	11,124	11,341
Consumer:								
Home equity credit line	11	31	2,703	2,745	2,917	2,937	2,777	2,645
1-4 family residential	28	45	6,896	6,969	7,568	7,176	6,662	5,891
Construction and other consumer real estate	—	4	626	630	624	643	597	486
Bankcard and other revolving plans	239	71	122	432	502	491	509	481
Other	16	86	22	124	155	180	185	190
Total consumer	294	237	10,369	10,900	11,766	11,427	10,730	9,693
Total net loans and leases	$ 6,656	$ 21,924	$ 24,896	$ 53,476	$ 48,709	$ 46,714	$ 44,780	$ 42,649
Loans maturing:								
With fixed interest rates	$ 819	$ 8,783	$ 6,361	$ 15,963				
With variable interest rates	5,837	13,141	18,535	37,513				
Total	$ 6,656	$ 21,924	$ 24,896	$ 53,476				

Loans and leases, net of unearned income and fees, increased $4.8 billion, or 10%, to $53.5 billion at December 31, 2020, from $48.7 billion at December 31, 2019, primarily due to the origination of PPP loans across our geographic footprint. Excluding PPP loans, commercial loans decreased by $488 million, as the stressed economic environment adversely impacted demand for these loans. Within commercial loans, a $1.3 billion decrease in commercial and industrial loans was partially offset by increases of $558 million in municipal loans and $284 million in owner-occupied commercial loans. Term commercial real estate loans increased $415 million. Consumer loans decreased $866 million, which was spread across all consumer loan subcategories and geographies.

Other Noninterest-bearing Investments

During 2020, we decreased our short-term borrowings with the FHLB by $1 billion. This decrease required a reduced investment in FHLB activity stock, which consequently decreased by $39 million during the year. Additionally, there were decreases of $19 million to both our Farmer Mac stock and the value of our SBIC investments during the year. Aside from these decreases, other noninterest-bearing investments remained relatively stable as set forth in the following schedule. Schedule 17 summarizes our other noninterest-bearing investments.

Schedule 17

OTHER NONINTEREST-BEARING INVESTMENTS

(In millions)	December 31, 2020	December 31, 2019
Bank-owned life insurance	$ 532	$ 525
Federal Home Loan Bank stock	11	50
Federal Reserve stock	98	107
Farmer Mac stock[1]	28	47
SBIC investments	135	154
Non-SBIC investment funds	10	12
Other	3	3
Total other noninterest-bearing investments	$ 817	$ 898

[1] *As a result of the merger of our former bank holding company into the Bank, we agreed to dispose of our Farmer Mac Class C stock to resolve questions about the permissibility of national bank investments in such shares, and initiated sales of the stock in the first quarter of 2020.*

Premises, Equipment and Software, Net

Net premises, equipment and software increased $67 million, or 5.9%, during 2020. In 2013, we began a three-phase project to replace our core loan and deposit banking systems. In 2017, we implemented the first phase of our core lending and deposit systems replacement project, which replaced our primary consumer lending systems. During the first quarter of 2019, we successfully implemented the second phase of this project by replacing our primary commercial and CRE lending systems. Having reached this milestone, we now have substantially all of our in-scope retail, commercial, and CRE loans on a new modern core platform. We are well underway with the project to convert our deposit servicing system by 2023. The total core replacement project spend amount is comprised of both capitalized amounts and amounts that are expensed as incurred. The useful life for most of the capitalized costs is 10 years. The following schedule shows the total amount of costs capitalized, less accumulated depreciation, by phase for the core replacement project.

Schedule 18

CAPITALIZED COSTS FOR THE CORE REPLACEMENT PROJECT

	December 31, 2020			
(In millions)	Phase 1	Phase 2	Phase 3	Total
Total amount capitalized, less accumulated depreciation	$ 46	$ 74	$ 100	$ 220

During 2020, we announced the construction of a 400,000 square-foot technology campus in Midvale, Utah, which will serve our entire organization. The campus is expected to be completed in mid-2022 and will be our primary technology and operations center, accommodating more than 2,000 employees at this location. The new campus will allow us to achieve substantial efficiencies by eliminating 11 smaller facilities totaling 520,000 square feet, reducing related occupancy costs by more than 20%. Vectra also announced in 2020 the construction of a new Denver, Colorado corporate center. The 127,000 square-foot, nine-story, mixed-use building is scheduled to open in late-2022 and will accommodate more than 200 employees.

Deposits

Deposits, both interest-bearing and noninterest-bearing, are a primary source of funding for us. Average total deposits increased by 16% during 2020, compared with 2019, with average interest-bearing deposits increasing by 10%, and average noninterest-bearing deposits increasing by 24%. The average interest rate paid for interest-bearing deposits was 50 bps lower in 2020, compared with 2019.

Demand, savings, and money market deposits were 96% and 92% of total deposits at December 31, 2020, and December 31, 2019, respectively. At December 31, 2020 and December 31, 2019, total deposits included $813 million and $2.3 billion, respectively, of brokered deposits.

See Notes 12 and 13 of the Notes to Consolidated Financial Statements and "Liquidity Risk Management" on page 73 for additional information on funding and borrowed funds.

RISK MANAGEMENT

Since risk is inherent in substantially all of our operations, management of risk is an integral part of our operations and is also a key determinant of our overall performance. We utilize the three lines of defense approach to risk management with responsibilities for each line of defense defined in our Risk Management Framework. The first line of defense represents units and functions throughout the Bank engaged in activities related to revenue generation, expense reduction, operational support, and technology services. These units and functions are accountable for owning and managing the risks associated with these activities. The second line of defense represents functions responsible for independently assessing and overseeing risk management activities. The third line of defense is our internal audit function that provides independent assessment of the effectiveness of the first and second lines of defense.

The Board of Directors has established an Audit Committee, a Compensation Committee, and a Risk Oversight Committee ("ROC") that consist of appointed Board members who oversee our risk management processes. The ROC meets on a regular basis to monitor and review Enterprise Risk Management ("ERM") activities. As required by its charter, the ROC performs oversight for various ERM activities and approves ERM policies and activities as detailed in the ROC charter.

Management applies various strategies to reduce the risks to which our operations are exposed, including credit risk, market and interest rate risk, liquidity risk, strategic and business risk, operational risk, technology risk, cyber risk, capital/financial reporting risk, legal/compliance risk (including regulatory risk), reputational risk, and other risk. These risks are overseen by various management committees, including an Enterprise Risk Management Committee, which is the central point for monitoring, reviewing, and managing enterprise risk.

Credit Risk Management

Credit risk is the possibility of loss from the failure of a borrower, guarantor, or another obligor to fully perform under the terms of a credit-related contract. Credit risk arises primarily from our lending activities, as well as from off-balance sheet credit instruments.

The Board of Directors, through the ROC, is responsible for approving the overall credit policies relating to the management of credit risk. The ROC also oversees and monitors adherence to key credit policies and the credit risk appetite as defined in the Risk Management Framework. Additionally, the Board has established the Credit Risk Committee, which is chaired by the Chief Credit Officer and includes members of management, and to which it has delegated the responsibility for managing credit risk and approving changes to credit policies.

Centralized oversight of credit risk is provided through credit policies, credit risk management, and credit examination functions. Our credit policies place emphasis on strong underwriting standards and early detection of potential problem credits in order to develop and implement action plans on a timely basis to mitigate any potential losses. These formal credit policies and procedures provide us with a framework for consistent underwriting and a basis for sound credit decisions at the local banking affiliate level. Credit examinations related to the ACL are reported to both the Audit Committee and the ROC.

Our credit risk management function is separate from the lending function and strengthens control over, and the independent evaluation of, credit activities. In addition, we have a well-defined set of standards for evaluating our loan portfolio, and we utilize a comprehensive loan risk-grading system to determine the risk potential in the portfolio. Furthermore, the internal credit examination department, which is independent of the lending function, periodically conducts examinations of our lending departments and credit activities. These examinations are designed to review credit quality, adequacy of documentation, appropriate loan risk-grading administration, and compliance with credit policies. New, expanded, or modified products and services, as well as new lines of business, are approved by the Change, Initiatives, and Technology Committee.

Our credit risk management strategy includes diversification of our loan portfolio. Our business activity is primarily with customers located within the geographic footprint of our banking affiliates. We attempt to avoid the risk of undue concentrations of credit in any particular industry, collateral type, location, or with any individual customer or counterparty. Due to the nature of our geographic footprint, we have certain significant concentrations, including CRE and oil and gas-related lending. We have adopted and adhere to concentration limits on leveraged lending, municipal lending, oil and gas-related lending, and various types of CRE lending, particularly construction and land development lending. All of these limits are continually monitored and revised as necessary.

As we continued to monitor our concentration risk, the composition of our loan portfolio changed slightly from the prior year. Total commercial loans were 57% and 52% of the total portfolio at December 31, 2020, and December 31, 2019, respectively. CRE loans were 23% and 24% of the total portfolio at December 31, 2020, and December 31, 2019, respectively. Consumer loans were 20% and 24% of the total loan portfolio at December 31, 2020, and December 31, 2019, respectively.

Schedule 19

LOAN AND LEASE PORTFOLIO

(Dollar amounts in millions)	December 31, 2020		December 31, 2019	
	Amount	% of total loans	Amount	% of total loans
Commercial:				
Commercial and industrial	$ 13,444	25.1 %	$ 14,760	30.3 %
PPP	5,572	10.5	—	—
Leasing	320	0.6	334	0.7
Owner-occupied	8,185	15.3	7,901	16.2
Municipal	2,951	5.5	2,393	4.9
Total commercial	30,472	57.0	25,388	52.1
Commercial real estate:				
Construction and land development	2,345	4.4	2,211	4.5
Term	9,759	18.2	9,344	19.2
Total commercial real estate	12,104	22.6	11,555	23.7
Consumer:				
Home equity credit line	2,745	5.2	2,917	6.0
1-4 family residential	6,969	13.0	7,568	15.6
Construction and other consumer real estate	630	1.2	624	1.3
Bankcard and other revolving plans	432	0.8	502	1.0
Other	124	0.2	155	0.3
Total consumer	10,900	20.4	11,766	24.2
Total net loans and leases	$ 53,476	100.0 %	$ 48,709	100.0 %

Select Industries with Elevated Risk Related to COVID-19

Select industries have elevated risk due to the COVID-19 pandemic, and as a result, we are more intensely managing our credit exposure to these industries, including ongoing detailed industry credit reviews during 2020. The following schedule shows $4.0 billion, or 8.4%, of our non-PPP loan balances in these industries as of December 31, 2020. Approximately 29% of these loans had payments deferred or their regularly scheduled payments otherwise modified during 2020. Of the $4.0 billion as of December 31, 2020, approximately 98% were secured by collateral, and 67% were secured by real estate collateral. The oil and gas-related industry has also been affected by the COVID-19 pandemic. For more information see “Oil and Gas-Related Exposure” on page 58 of MD&A.

Schedule 20

COVID-19 ELEVATED RISK EXPOSURE

	December 31, 2020	
(Dollar amounts in millions)	Amount	% of total non-PPP loans
CRE		
Retail	$ 1,125	2.4 %
Hotel/motel	616	1.3 %
C&I		
Entertainment, recreation	444	0.9 %
Tech, telecom, media	442	0.9 %
Retail	387	0.8 %
Transportation	371	0.8 %
Consumer services	253	0.5 %
Other [1]	401	0.8 %
Total	$ 4,039	8.4 %

[1] *No other industry group exceeds 0.4% of total non-PPP loans.*

Line utilization of revolving loans in industries with elevated risk related to COVID-19 has declined to 28% at December 31, 2020, compared with 43% at March 31, 2020.

Government Agency Guaranteed Loans

We participate in various guaranteed lending programs sponsored by U.S. government agencies, such as the SBA, Federal Housing Authority, Veterans’ Administration, Export-Import Bank of the U.S., and the U.S. Department of Agriculture. As of December 31, 2020, the principal balance of these loans was $6.1 billion, and the guaranteed portion of these loans was $6.0 billion. Most of these loans were guaranteed by the SBA. The following schedule presents the composition of U.S. government agency guaranteed loans and includes $5.6 billion of the previously mentioned PPP loans that are 100% guaranteed by the SBA.

Schedule 21

U.S. GOVERNMENT AGENCY GUARANTEES

(Dollar amounts in millions)	December 31, 2020	Percent guaranteed	December 31, 2019	Percent guaranteed
Commercial	$ 6,116	98 %	$ 555	74 %
Commercial real estate	18	72	18	78
Consumer	5	100	7	100
Total loans	$ 6,139	98 %	$ 580	75 %

Commercial Lending

The following schedule provides selected information regarding lending concentrations to certain industries in our commercial lending portfolio.

Schedule 22

COMMERCIAL LENDING BY INDUSTRY GROUP

(Dollar amounts in millions)	December 31, 2020 Amount	December 31, 2020 Percent	December 31, 2019 Amount	December 31, 2019 Percent
Retail trade	$ 2,736	9.0 %	$ 2,606	10.3 %
Healthcare and social assistance	2,686	8.8	1,916	7.5
Manufacturing	2,480	8.1	2,160	8.5
Real estate, rental and leasing	2,408	7.9	2,401	9.5
Finance and insurance	2,115	6.9	1,837	7.2
Construction	2,001	6.6	1,158	4.6
Wholesale trade	1,735	5.7	1,639	6.4
Professional, scientific, and technical services	1,598	5.2	950	3.7
Hospitality and food services	1,545	5.1	983	3.9
Transportation and warehousing	1,526	5.0	1,454	5.7
Public Administration	1,512	5.0	1,189	4.7
Utilities	1,507	4.9	1,411	5.6
Mining, quarrying, and oil and gas extraction	1,236	4.1	1,429	5.6
Other Services (except Public Administration)	1,207	4.0	890	3.5
Other [2]	4,180	13.7	3,365	13.3
Total	$ 30,472	100.0 %	$ 25,388	100.0 %

[1] *Includes primarily utilities, power, and renewable energy.*
[2] *No other industry group individually exceeds 3.9%.*

Oil and Gas-Related Exposure

Various industries represented in the previous schedule, including mining, quarrying and oil and gas extraction, manufacturing, and transportation and warehousing, contain certain loans we categorize as oil and gas-related. At December 31, 2020, we had approximately $4.2 billion of total oil and gas-related credit exposure. The distribution of oil and gas-related loans by customer market segment is shown in the following schedule:

Schedule 23

OIL AND GAS-RELATED EXPOSURE[1]

(Dollar amounts in millions)	December 31, 2020 Amount	December 31, 2020 Percent	December 31, 2019 Amount	December 31, 2019 Percent
Loans and leases				
Upstream	$ 916	40 %	$ 1,041	42 %
Midstream	814	35	863	34
Oil and gas services	392	17	439	18
Downstream	197	8	158	6
Total loan and lease balances[2]	2,319	100 %	2,501	100 %
Unfunded lending commitments	1,868		2,171	
Total oil and gas-related credit exposure	$ 4,187		$ 4,672	

[1] *Because many borrowers operate in multiple businesses, judgment has been applied in characterizing a borrower as oil and gas-related, including a particular segment of oil and gas-related activity, e.g., upstream or midstream; typically, 50% of revenues coming from the oil and gas sector is used as a guide.*
[2] *Total oil and gas-related loan and lease balances at December 31, 2020 included approximately $171 million of PPP loans.*

At December 31, 2020, oil and gas-related loans represented approximately 4% of the total loan portfolio, compared with 5% at December 31, 2019. Upstream loans are made to reserve-based borrowers where approximately 81% of those loans are collateralized by the value of the borrower's oil and gas reserves. The following schedule presents certain credit quality measures of our oil and gas-related loan portfolio.

Schedule 24

OIL AND GAS-RELATED CREDIT QUALITY MEASURES

	December 31, 2020	December 31, 2019
Credit quality measures		
Nonaccrual loan ratio	2.7 %	0.7 %
Ratio of nonaccrual loans that are current	92.1 %	66.7 %
Ratio of net charge-offs to average oil and gas-related loans and leases, at period end	1.4 %	0.2 %
Ratio of allowance for credit losses to oil and gas-related loans, at period end	4.5 %	3.1 %

Oil and gas-related net charge-offs for 2020 were $34 million, compared with $4 million for 2019. At December 31, 2020 and 2019, the annualized net charge-off ratio was 2.1% and 0.5%, and the ACL related to oil and gas-related loans was 4.5% and 3.1%, respectively.

Commercial Real Estate Loans

Selected information indicative of credit quality regarding our CRE loan portfolio is presented in the following schedule.

Schedule 25

COMMERCIAL REAL ESTATE PORTFOLIO BY LOAN TYPE AND COLLATERAL LOCATION

(Dollar amounts in millions)

Loan type	As of date	Collateral Location: Arizona	California	Colorado	Nevada	Texas	Utah/ Idaho	Wash- ington/Oregon	Other [1]	Total	% of total CRE
Commercial term											
Balance outstanding	12/31/2020	$ 1,164	$ 3,302	$ 620	$ 645	$ 1,620	$ 1,453	$ 483	$ 472	$ 9,759	80.6 %
% of loan type		11.9 %	33.8 %	6.4 %	6.6 %	16.6 %	14.9 %	5.0 %	4.8 %	100.0 %	
Delinquency rates: [2]											
30-89 days	12/31/2020	0.7 %	1.1 %	— %	— %	0.7 %	— %	— %	0.2 %	0.6 %	
	12/31/2019	0.1 %	0.1 %	— %	0.2 %	— %	0.1 %	— %	0.2 %	0.1 %	
≥ 90 days	12/31/2020	0.1 %	0.2 %	— %	— %	— %	0.2 %	— %	0.2 %	0.1 %	
	12/31/2019	— %	0.1 %	— %	— %	— %	— %	— %	0.2 %	— %	
Accruing loans past due 90 days or more	12/31/2020	$ —	$ 4	$ —	$ —	$ —	$ —	$ —	$ —	$ 4	
	12/31/2019	—	—	—	—	—	—	—	—	—	
Nonaccrual loans	12/31/2020	1	5	—	—	18	6	—	1	31	
	12/31/2019	—	3	—	—	3	6	—	4	16	
Residential construction and land development											
Balance outstanding	12/31/2020	$ 63	$ 158	$ 46	$ —	$ 169	$ 123	$ 9	$ 2	$ 570	4.7 %
% of loan type		11.0 %	27.7 %	8.1 %	— %	29.7 %	21.6 %	1.6 %	0.3 %	100.0 %	
Delinquency rates: [2]											
30-89 days	12/31/2020	— %	— %	— %	— %	— %	— %	— %	— %	— %	
	12/31/2019	— %	1.2 %	— %	— %	— %	— %	— %	— %	0.4 %	
≥ 90 days	12/31/2020	— %	— %	— %	— %	— %	— %	— %	— %	— %	
	12/31/2019	— %	— %	— %	— %	— %	— %	— %	— %	— %	
Accruing loans past due 90 days or more	12/31/2020	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	
	12/31/2019	—	—	—	—	—	—	—	—	—	
Nonaccrual loans	12/31/2020	—	—	—	—	—	—	—	—	—	
	12/31/2019	—	—	—	—	—	—	—	—	—	
Commercial construction and land development											
Balance outstanding	12/31/2020	$ 127	$ 310	$ 61	$ 133	$ 467	$ 540	$ 103	$ 34	$ 1,775	14.7 %
% of loan type		7.2 %	17.5 %	3.4 %	7.5 %	26.3 %	30.4 %	5.8 %	1.9 %	100.0 %	
Delinquency rates: [2]											
30-89 days	12/31/2020	— %	— %	— %	— %	— %	— %	— %	— %	— %	
	12/31/2019	— %	0.4 %	— %	— %	— %	0.2 %	— %	— %	0.1 %	
≥ 90 days	12/31/2020	— %	— %	— %	— %	— %	— %	3.9 %	— %	0.2 %	
	12/31/2019	— %	— %	— %	— %	— %	— %	— %	— %	— %	
Accruing loans past due 90 days or more	12/31/2020	$ —	$ —	$ —	$ —	$ —	$ —	$ 4	$ —	$ 4	
	12/31/2019	—	—	—	—	—	—	—	—	—	
Nonaccrual loans	12/31/2020	—	—	—	—	—	—	—	—	—	
	12/31/2019	—	—	—	—	—	—	—	—	—	
Total construction and land development	12/31/2020	$ 190	$ 468	$ 107	$ 133	$ 636	$ 663	$ 112	$ 36	$ 2,345	
Total commercial real estate	12/31/2020	$ 1,354	$ 3,770	$ 727	$ 778	$ 2,256	$ 2,116	$ 595	$ 508	$ 12,104	100.0 %

[1]No other geography exceeds $56 million for all three loan types.
[2]Delinquency rates include nonaccrual loans.

At December 31, 2020, our CRE construction and land development and term loan portfolios represented approximately 23% of the total loan portfolio. The majority of our CRE loans are secured by real estate, which is primarily located within our geographic footprint. Approximately 23% of the CRE loan portfolio matures in the next 12 months. Construction and land development loans generally mature in 18 to 36 months and contain full or partial recourse guarantee structures with one to five-year extension options or roll-to-perm options that often result in term debt. Term CRE loans generally mature within a three to seven-year period and consist of full, partial, and nonrecourse guarantee structures. Typical term CRE loan structures include annually-tested operating covenants that require loan rebalancing based on minimum debt service coverage, debt yield, or loan-to-value tests.

Approximately $156 million, or 7%, of the commercial construction and land development portfolio at December 31, 2020 consists of acquisition and development loans. Most of these acquisition and development loans are secured by specific retail, apartment, office, or other projects.

Underwriting on commercial properties is primarily based on the economic viability of the project with heavy consideration given to the creditworthiness and experience of the sponsor. We generally require that the owner's equity be injected prior to bank advances. Re-margining requirements (required equity infusions upon a decline in value or cash flow of the collateral) are often included in the loan agreement along with guarantees of the sponsor. Recognizing that debt is paid via cash flow, the projected cash flows of the project are critical in the underwriting because these determine the ultimate value of the property and its ability to service debt. Therefore, in most projects (with the exception of multi-family and hospitality construction projects), we require substantial pre-leasing or leasing in our underwriting, and we generally require a minimum projected stabilized debt service coverage ratio of 1.20 or higher, depending on the project asset class.

Within the residential construction and development sector, many of the requirements previously mentioned, such as creditworthiness and experience of the developer, up-front injection of the developer's equity, principal curtailment requirements, and the viability of the project are also important in underwriting a residential development loan. Significant consideration is given to the forecasted market acceptance of the product, location, strength of the developer, and the ability of the developer to stay within budget. Progress inspections by qualified independent inspectors are routinely performed before disbursements are made.

Real estate appraisals are ordered in accordance with regulatory guidelines and are validated independently of the loan officer and the borrower, generally by our internal appraisal review function, which is staffed by licensed appraisers. In some cases, reports from automated valuation services are used or internal evaluations are performed. A new appraisal or evaluation is required when a loan deteriorates to a certain level of credit weakness.

Advance rates (i.e., loan commitments) will vary based on the viability of the project and the creditworthiness of the sponsor, but our guidelines generally limit advances to 50% for raw land, 65% for land development, 65% for finished commercial lots, 75% for finished residential lots, 80% for pre-sold homes, 75% for models and homes not under contract, and 75% for commercial properties. Exceptions may be granted on a case-by-case basis.

Loan agreements require regular financial information on the project and the sponsor in addition to lease schedules, rent rolls and, on construction projects, independent progress inspection reports. The receipt of this financial information is monitored, and calculations are made to determine adherence to the covenants set forth in the loan agreement.

The existence of a guarantee that improves the likelihood of repayment is taken into consideration when evaluating CRE loans for expected losses. If the support of the guarantor is quantifiable and documented, it is included in the potential cash flows and liquidity available for debt repayment, and our expected loss methodology takes this repayment source into consideration.

When we modify or extend a loan, we also give consideration to whether the borrower is in financial difficulty, and whether we have granted a concession. In determining if an interest rate concession has been granted, we consider whether the interest rate on the modified loan is equivalent to current market rates for new debt with similar risk characteristics. If the rate in the modification is less than current market rates, it may indicate that a concession was granted. However, if additional collateral is obtained, or if a guarantor exists who has the capacity and willingness to support the loan on an extended basis, we also consider the nature and amount of the additional collateral and guarantees in the ultimate determination of whether a concession has been granted.

In general, we obtain and consider updated financial information for the guarantor as part of our determination to extend a loan. The quality and frequency of financial reporting collected and analyzed varies depending on the contractual requirements for reporting, the size of the transaction, and the strength of the guarantor.

Complete underwriting of the guarantor includes, but is not limited to, an analysis of the guarantor’s current financial statements, leverage, liquidity, global cash flow, global debt service coverage, contingent liabilities, etc. The assessment also includes a qualitative analysis of the guarantor’s willingness to perform in the event of a problem and demonstrated history of performing in similar situations. Additional analysis may include personal financial statements, tax returns, liquidity (brokerage) confirmations, and other reports, as appropriate.

A qualitative assessment is performed on a case-by-case basis to evaluate the guarantor’s experience, performance track record, reputation, and willingness to work with us. We also utilize market information sources, rating, and scoring services in our assessment. This qualitative analysis coupled with a documented quantitative ability to support the loan may result in a higher-quality internal loan grade, which may reduce the level of allowance we estimate. Previous documentation of the guarantor’s financial ability to support the loan is discounted if there is any indication of a lack of willingness by the guarantor to support the loan.

In the event of default, we evaluate the pursuit of any and all appropriate potential sources of repayment, which may come from multiple sources, including the guarantee. A number of factors are considered when deciding whether or not to pursue a guarantor, including, but not limited to, the value and liquidity of other sources of repayment (collateral), the financial strength and liquidity of the guarantor, possible statutory limitations (e.g., single action rule on real estate) and the overall cost of pursuing a guarantee compared with the ultimate amount we may be able to recover. In other instances, the guarantor may voluntarily support a loan without any formal pursuit of remedies.

Consumer Loans

We have primarily been an originator of first and second mortgages, generally considered to be of prime quality. We generally hold variable-rate loans in our portfolio and sell “conforming” fixed-rate loans to third parties, including Federal National Mortgage Association and Federal Home Loan Mortgage Corporation, for which we make representations and warranties that the loans meet certain underwriting and collateral documentation standards.

We are engaged in Home Equity Credit Line (“HECL”) lending. At December 31, 2020 and December 31, 2019, our HECL portfolio totaled $2.7 billion and $2.9 billion, respectively. The following schedule describes the composition of our HECL portfolio by lien status.

Schedule 26

HECL PORTFOLIO BY LIEN STATUS

	December 31,	
(In millions)	**2020**	**2019**
Secured by first deeds of trust	$ 1,354	$ 1,392
Secured by second (or junior) liens	1,391	1,525
Total	$ 2,745	$ 2,917

At December 31, 2020, loans representing less than 1% of the outstanding balance in the HECL portfolio were estimated to have combined loan-to-value ratios (“CLTV”) above 100%. An estimated CLTV ratio is the ratio of our loan plus any prior lien amounts divided by the estimated current collateral-value. At origination, underwriting standards for the HECL portfolio generally include a maximum 80% CLTV with high credit scores at origination.

Approximately 91% of our HECL portfolio is still in the draw period, and approximately 19% of those loans are scheduled to begin amortizing within the next five years. We regularly analyze the risk of borrower default in the event of a loan becoming fully amortizing and the risk of higher interest rates. The analysis indicates that the risk of loss from this factor is minimal in the current economic environment. The ratio of net charge-offs for the trailing twelve months to average balances at year-end 2020 and 2019 was (0.01)% and 0.02%, respectively. See Note 6 of the Notes to Consolidated Financial Statements for additional information on the credit quality of this portfolio.

Nonperforming Assets

Nonperforming assets as a percentage of loans and leases and other real estate owned ("OREO") increased to 0.69% at December 31, 2020, compared with 0.51% at December 31, 2019.

Total nonaccrual loans at December 31, 2020 increased to $367 million from $243 million at December 31, 2019, primarily in the 1-4 family residential mortgage and commercial and industrial loan portfolios.

The balance of nonaccrual loans can decrease due to paydowns, charge-offs, and the return of loans to accrual status under certain conditions. If a nonaccrual loan is refinanced or restructured, the new note is immediately placed on nonaccrual. If a restructured loan performs under the new terms for at least a period of six months, the loan can be considered for return to accrual status. See "Restructured Loans" and Note 6 of the Notes to Consolidated Financial Statements for more information on nonaccrual loans.

The following schedule presents our nonperforming assets:

Schedule 27

NONPERFORMING ASSETS

(Dollar amounts in millions)	December 31, 2020	2019	2018	2017	2016
Nonaccrual loans:					
Loans held for sale	$ —	$ —	$ 6	$ 12	$ 40
Commercial:					
Commercial and industrial	140	110	82	195	354
Leasing	—	—	2	8	14
Owner-occupied	76	65	67	90	74
Municipal	—	—	1	1	1
Commercial real estate:					
Construction and land development	—	—	—	4	7
Term	31	16	38	36	29
Consumer:					
Real estate	119	52	55	68	49
Other	1	—	1	—	1
Nonaccrual loans	367	243	252	414	569
Other real estate owned:					
Commercial:					
Commercial properties	4	5	2	3	2
Developed land	—	1	—	—	—
Land	—	1	—	—	—
Residential:					
1-4 family	—	1	2	1	2
Developed land	—	—	—	—	—
Land	—	—	—	—	—
Other real estate owned	4	8	4	4	4
Total nonperforming assets	$ 371	$ 251	$ 256	$ 418	$ 573
Ratio of nonperforming assets to net loans and leases[1] and other real estate owned	0.69 %	0.51 %	0.55 %	0.93 %	1.34 %
Accruing loans past due 90 days or more:					
Commercial	$ 2	$ 9	$ 7	$ 17	$ 18
Commercial real estate	8	—	1	2	13
Consumer	2	1	2	3	5
Total	$ 12	$ 10	$ 10	$ 22	$ 36
Ratio of accruing loans past due 90 days or more to net loans and leases[1]	0.02 %	0.02 %	0.02 %	0.05 %	0.08 %

[1]*Includes loans held for sale.*

Restructured Loans

Troubled debt restructurings ("TDRs") are loans that have been modified to accommodate a borrower who is experiencing financial difficulties, and for whom we have granted a concession that we would not otherwise consider. TDRs increased $158 million, or 103%, during 2020. Commercial and commercial real estate loans may be modified to provide the borrower temporary or permanent relief from the original contractual terms of the loan, to provide more time to complete the project, to achieve a higher lease-up percentage, to sell the property, or for other reasons. Consumer loan TDRs represent loan modifications in which a concession has been granted to the borrower who is unable to refinance the loan with another lender, or who is experiencing economic hardship. Such consumer loan TDRs may include residential mortgage loans and home equity loans.

If the restructured loan performs for at least six months according to the modified terms, and an analysis of the customer's financial condition indicates that we are reasonably assured of repayment of the modified principal and interest, the loan may be returned to accrual status. The borrower's payment performance prior to and following the restructuring is taken into account to determine whether a loan is returned to accrual status.

Schedule 28

ACCRUING AND NONACCRUING TROUBLED DEBT RESTRUCTURED LOANS

(In millions)	December 31, 2020	2019	2018	2017	2016
Restructured loans – accruing	$ 198	$ 78	$ 112	$ 139	$ 151
Restructured loans – nonaccruing	113	75	90	87	100
Total	$ 311	$ 153	$ 202	$ 226	$ 251

In the periods following the calendar year in which a loan was restructured, a loan may no longer be reported as a TDR if it is on accrual, is in compliance with its modified terms, and yields a market rate (as determined and documented at the time of the modification or restructure). See Note 6 of the Notes to Consolidated Financial Statements for additional information regarding TDRs.

Schedule 29

TROUBLED DEBT RESTRUCTURED LOANS ROLLFORWARD

(In millions)	2020	2019
Balance at beginning of year	$ 153	$ 202
New identified troubled debt restructuring and principal increases	270	48
Payments and payoffs	(51)	(84)
Charge-offs	(49)	(10)
No longer reported as troubled debt restructuring	(2)	—
Sales and other	(10)	(3)
Balance at end of year	$ 311	$ 153

COVID-19 Modifications and Deferrals

We developed various debt relief programs for our borrowers who have been adversely impacted by the COVID-19 pandemic. These programs primarily began in the second quarter of 2020 and generally consisted of short-term, or 90-day, principal and interest loan payment deferrals. Consistent with accounting and regulatory guidance, loan modifications provided to borrowers experiencing financial difficulties exclusively related to the COVID-19 pandemic, in which we provided these short-term modifications or payment deferrals, are not classified as TDRs. Other loan modifications above and beyond these short-term modifications or payment deferrals are assessed for TDR classification.

During 2020, we provided payment deferrals or other payment modifications related to COVID-19 hardships with respect to approximately $4.3 billion of total loan balances. As of December 31, 2020, $3.8 billion was outstanding, of which approximately $42 million, or 1.1%, was 90 days or more past due.

Allowance for Credit Losses

The ACL includes the ALLL and the RULC. For the year 2020, the ACL represented our estimate of current expected credit losses over the contractual term of the loan and lease portfolio and unfunded lending commitments as of the balance sheet date. We determined our ACL as the best estimate within a range of estimated current expected losses over the contractual remaining life of each loan. For periods prior to 2020, the ACL represented management's estimate of probable losses believed to be inherent in the loan portfolio at that time, and the determination of the appropriate level of the allowance was based on periodic evaluations of the portfolios. To determine the adequacy of the allowance, our loan and lease portfolio is segmented based on loan type.

The following schedule shows the changes in the allowance for credit losses and a summary of credit loss experience:

Schedule 30

SUMMARY OF CREDIT LOSS EXPERIENCE

(Dollar amounts in millions)	2020	2019	2018	2017	2016
Loans and leases outstanding (net of unearned income)	$ 53,476	$ 48,709	$ 46,714	$ 44,780	$ 42,649
Average loans and leases outstanding, (net of unearned income)	$ 53,016	$ 48,265	$ 45,425	$ 43,501	$ 42,062
Allowance for loan losses:					
Balance at beginning of year [1]	$ 497	$ 495	$ 518	$ 567	$ 606
Provision charged to earnings	385	37	(39)	24	93
Charge-offs:					
Commercial	113	57	46	118	170
Commercial real estate	1	4	5	9	12
Consumer	14	17	18	17	16
Total	128	78	69	144	198
Recoveries:					
Commercial	14	25	68	46	43
Commercial real estate	—	6	9	14	14
Consumer	9	10	8	11	9
Total	23	41	85	71	66
Net loan and lease charge-offs	105	37	(16)	73	132
Balance at end of year	$ 777	$ 495	$ 495	$ 518	$ 567
Reserve for unfunded lending commitments:					
Balance at beginning of year [1]	$ 29	$ 57	$ 58	$ 65	$ 75
Provision for unfunded lending commitments	29	2	(1)	(7)	(10)
Balance at end of year	$ 58	$ 59	$ 57	$ 58	$ 65
Total allowance for credit losses:					
Allowance for loan losses	$ 777	$ 495	$ 495	$ 518	$ 567
Reserve for unfunded lending commitments	58	59	57	58	65
Total allowance for credit losses	$ 835	$ 554	$ 552	$ 576	$ 632
Ratio of net charge-offs to average loans and leases [2]	0.20 %	0.08 %	(0.04) %	0.17 %	0.31 %
Ratio of allowance for credit losses to net loans and leases, on December 31, [3]	1.56 %	1.14 %	1.18 %	1.29 %	1.48 %
Ratio of allowance for credit losses to nonaccrual loans, on December 31,	228 %	228 %	224 %	143 %	119 %
Ratio of allowance for credit losses to nonaccrual loans and accruing loans past due 90 days or more, on December 31,	220 %	219 %	216 %	136 %	112 %

[1] *Beginning balances at January 1, 2020 for the allowance for loan losses and reserve for unfunded lending commitments do not agree to their respective ending balances at December 31, 2019 because of the adoption of the CECL accounting standard; the allowance for loan losses was adjusted to $497 million, the reserve for unfunded lending commitments was adjusted to $29 million on January 1, 2020.*

[2] *The ratio of net charge-offs to average loans and leases (excluding PPP loans), on December 31, 2020 was 0.22%.*

[3] *The ratio of allowance for credit losses to net loans and leases (excluding PPP loans), on December 31, 2020 was 1.74%.*

Schedule 31

ALLOCATION OF THE ALLOWANCE FOR CREDIT LOSSES

	December 31,									
	2020		2019		2018		2017		2016	
(Dollar amounts in millions)	% of total loans	Allocation of ACL	% of total loans	Allocation of ACL	% of total loans	Allocation of ACL	% of total loans	Allocation of ACL	% of total loans	Allocation of ACL
Loan segment										
Commercial	57.0 %	$ 494	52.1 %	$ 380	51.7 %	$ 371	51.2 %	$ 419	50.6 %	$ 475
Commercial real estate	22.6	191	23.7	121	23.8	127	24.8	113	26.6	127
Consumer	20.4	150	24.2	53	24.5	54	24.0	44	22.8	30
Total	100.0 %	$ 835	100.0 %	$ 554	100.0 %	$ 552	100.0 %	$ 576	100.0 %	$ 632

The total ACL increased during 2020, primarily as a result of the economic stress caused by the COVID-19 pandemic and stress in the oil and gas-related industry. On January 1, 2020, we adopted the CECL standard. Due to the adoption of the standard, the ACL is not comparable to prior periods.

The RULC represents a reserve for potential losses associated with off-balance sheet commitments and standby letters of credit. The reserve is separately shown in the balance sheet and any related increases or decreases in the reserve are shown separately in the statement of income. At December 31, 2020, the reserve decreased by $1 million, compared with December 31, 2019.

See Note 6 of the Notes to Consolidated Financial Statements for additional information related to the ACL and credit trends experienced in each portfolio segment.

Interest Rate and Market Risk Management

Interest rate and market risk are managed centrally. Interest rate risk is the potential for reduced net interest income and other rate-sensitive income resulting from adverse changes in the level of interest rates. Market risk is the potential for loss arising from adverse changes in the fair value of fixed-income securities, equity securities, other earning assets, and derivative financial instruments as a result of changes in interest rates or other factors. As a financial institution that engages in transactions involving an array of financial products, we are exposed to both interest rate risk and market risk.

Our Board of Directors approves the overall policies relating to the management of our financial risk, including interest rate and market risk management. The Board has established the Asset/Liability Committee ("ALCO") consisting of members of management, to which it has delegated the responsibility of managing our interest rate and market risk. ALCO establishes and periodically revises policy limits and reviews with the ROC the limits and limit exceptions reported by management.

Interest Rate Risk

Interest rate risk is one of the most significant risks to which we are regularly exposed. In general, our goal in managing interest rate risk is to manage balance sheet sensitivity to reduce net income volatility due to changes in interest rates.

While over the course of the last several years, we have actively reduced the level of asset sensitivity through interest rate swap hedges and the purchase of short-to-medium duration agency pass-through securities, the decline in interest rates has led to lower deposit rate sensitivity and combined with strong deposit growth our asset sensitivity has increased. Due to our concentration in noninterest-bearing deposits as well as the low interest rates paid on our interest-bearing deposits, there is little room to reduce deposit costs.

At December 31, 2019, we had $1.5 billion of fixed-to-floating interest rate swaps hedging long-term debt (effectively converting the fixed-rate debt into floating-rate debt). In late March 2020, we terminated $1.0 billion of swaps (i.e., two $500 million swaps with maturities in August 2021 and February 2022) with a combined fair value of $36 million that adjusted the carrying value of the debt by the same amount. The basis adjustment will be amortized as an adjustment to interest expense through the maturity of the debt, thereby reducing the effective interest rate. $429 million of the 2021 and 2022 debt was subsequently retired, which accelerated the amortization for the portion of the swaps hedging the retired debt. For more information on derivatives designated as qualifying hedges, see *Note 7 – Derivative Instruments and Hedging Activities*.

The following schedule presents all derivatives utilized in our asset-liability management ("ALM") activities that are designated in qualifying hedging relationships as defined by GAAP as of December 31, 2020, and December 31, 2019. The schedule includes the notional amount, fair value, and the weighted-average receive-fixed rate for each category of interest rate derivatives. The schedule for the current year has cash flow hedges shown by maturity for the next five years. Fair value hedges are shown by maturity every five to 10 years, while the previous year's schedule has all categories shown by maturity for the next five years.

Schedule 32

ASSET LIABILITY MANAGEMENT DERIVATIVE POSITIONS

	December 31, 2020							
	Contractual Maturity							
(Dollar amounts in millions)	**Total**	**2021**	**2022**	**2023**	**2024**	**2025**	**Thereafter**	**Matured in 2020**
Cash flow hedges								
Receive-fixed interest rate swaps								
Net fair value[1]	$ 98	$ —	$ 56	$ 14	$ 28	$ —	$ —	$ —
Total notional amount	3,150	50	2,400	300	400	—	—	438
Weighted-average fixed-rate	2.12 %	1.81 %	2.06 %	2.35 %	2.35 %	— %	— %	1.41 %
Fair value hedges		**2025**	**2030**	**2035**	**2040**	**2050**	**Thereafter**	
Fair value debt hedges[3]								
Net fair value[1]	$ 37	$ —	$ 37	$ —	$ —	$ —	$ —	$ —
Total notional amount	500	—	500	—	—	—	—	—
Weighted-average fixed-rate	1.70 %	— %	1.70 %	— %	— %	— %	— %	— %
Fair value asset hedges[2,3]								
Net fair value[1]	$ 11	$ —	$ —	$ (3)	$ —	$ 14	$ —	$ —
Total notional amount	466	—	—	311	—	155	—	—
Weighted-average fixed-rate	1.36 %	— %	— %	1.52 %	— %	1.04 %	— %	— %
Total ALM fair value hedges								
Net fair value[1]	$ 48	$ —	$ 37	$ (3)	$ —	$ 14	$ —	$ —
Total notional amount	966	—	500	311	—	155	—	—

	December 31, 2019							
	Contractual Maturity							
(Dollar amounts in millions)	Total	2020	2021	2022	2023	2024	Thereafter	Matured in 2019
Cash flow hedges								
Receive-fixed interest rate swaps								
Net fair value[1]	$ 48	$ —	$ —	$ 27	$ 8	$ 13	$ —	$ —
Total notional amount	3,588	438	50	2,400	300	400	—	200
Weighted-average fixed-rate	2.05 %	1.56 %	1.81 %	2.06 %	2.35 %	2.35 %	— %	1.62 %
Fair value hedges								
Fair value debt hedges[3]								
Net fair value[1]	$ 9	$ —	$ 10	$ 9	$ —	$ —	$ (10)	$ —
Total notional amount	1,500	—	500	500	—	—	500	—
Weighted-average fixed-rate	2.39 %	— %	2.99 %	2.46 %	— %	— %	1.70 %	— %
Total ALM interest rate derivatives								
Net fair value[1]	$ 57	$ —	$ 10	$ 36	$ 8	$ 13	$ (10)	$ —
Total notional amount	5,088	438	550	2,900	300	400	500	200

[1] Fair values shown in the schedule above are presented net and exclude the effects of collateral settlements for centrally cleared derivatives.
[2] Fair value asset hedges consist of pay-fixed swaps hedging AFS fixed-rate securities executed during the third quarter of 2020.
[3] Fair value hedges of both our fixed rate debt and AFS securities are longer dated than traditional cash flow hedges. Consequently, the maturity schedule above aggregates trades maturing in each column to include all trades maturing after the end of year of the previous column and prior to or during the year of the column the amounts are contained within.

Interest Rate Risk Measurement

We monitor interest rate risk through the use of two complementary measurement methods: net interest income simulation, or Earnings at Risk ("EaR"), and Economic Value of Equity at Risk ("EVE"). EaR analyzes the expected change in near-term (one year) net interest income in response to changes in interest rates. In the EVE method, we measure the expected changes in the fair value of equity in response to changes in interest rates.

EaR is an estimate of the change in total net interest income that would be recognized under different interest rate environments over a one-year period. This simulated impact to net interest income due to a change in rates uses as its base a modeled net interest income that is not necessarily the same as the most recent quarter's or year's reported net interest income. Rather, EaR employs estimated net interest income under an unchanged interest rate scenario as the basis for comparison. The EaR process then simulates changes to the base net interest income under several interest rate scenarios, including parallel and nonparallel interest rate shifts across the yield curve, taking into account deposit repricing assumptions and estimates of the possible exercise of embedded options within the portfolio (e.g., a borrower's ability to refinance a loan under a lower-rate environment). The EaR model does not contemplate changes in fee income that are amortized into interest income (e.g., premiums, discounts, origination points and costs, etc.). Our policy contains a trigger for a 10% decline in rate-sensitive income as well as a risk capacity of a 13% decline if rates were to immediately rise or fall in parallel by 200 bps. Exceptions to the EaR limits are subject to notification and approval by the ROC.

EVE is calculated as the fair value of all assets minus the fair value of liabilities. We measure changes in the dollar amount of EVE for parallel shifts in interest rates. Due to embedded optionality and asymmetric rate risk, changes in EVE can be useful in quantifying risks not apparent for small rate changes. Examples of such risks may include out-of-the-money interest rate caps (or limits) on loans, which have little effect under small rate movements but may become important if large rate changes were to occur, or substantial prepayment deceleration for low-rate mortgages in a higher-rate environment. Our policy contains a trigger for an 8% decline in EVE as well as a risk capacity of a 10% decline if rates were to immediately rise or fall in parallel by 200 bps. Exceptions to the EVE limits are subject to notification and approval by the ROC.

Estimating the impact on net interest income and EVE requires that we assess a number of variables and make various assumptions in managing our exposure to changes in interest rates. The assessments address deposit withdrawals and deposit product migration (e.g., customers moving money from checking accounts to certificates of deposit), competitive pricing (e.g., existing loans and deposits are assumed to roll into new loans and deposits at similar spreads relative to benchmark interest rates), loan and security prepayments, and the effects of other similar embedded options. As a result of uncertainty about the maturity and repricing characteristics of both deposits and loans, we also calculate the sensitivity of EaR and EVE results to key assumptions. As most of our liabilities are comprised of indeterminate maturity and managed rate deposits, such as checking, savings, and money market accounts, the modeled results are highly sensitive to the assumptions used for these deposits, and also to prepayment assumptions used for loans with prepayment options. We use historical regression analysis as a guide for setting such assumptions; however, due to the current low interest rate environment, which has little historical precedent, estimated deposit behavior may not reflect actual future results. Additionally, competition for funding in the marketplace has and may again result in changes to deposit pricing on interest-bearing accounts that are greater or less than changes in benchmark interest rates such as LIBOR or the federal funds rate.

Under most rising interest rate scenarios, we would expect some customers to move balances from demand deposits to interest-bearing accounts such as money market, savings, or certificates of deposit. The models are particularly sensitive to the assumption about the rate of such migration.

In addition, we assume a correlation, often referred to as a “deposit beta,” with respect to interest-bearing deposits, wherein the rates paid to customers change at a different pace when compared with changes in average benchmark interest rates. Generally, certificates of deposit are assumed to have a high correlation rate, while interest-on-checking accounts are assumed to have a lower correlation rate. Actual results may differ materially due to factors including the shape of the yield curve, competitive pricing, money supply, our credit worthiness, and so forth; however, we use our historical experience as well as industry data to inform our assumptions.

The aforementioned migration and correlation assumptions result in deposit durations presented in the following schedule.

Schedule 33

DEPOSIT ASSUMPTIONS

	December 31, 2020		December 31, 2019	
Product	Effective duration (unchanged)	Effective duration (+200 bps)	Effective duration (unchanged)	Effective duration (+200 bps)
Demand deposits	4.6 %	3.0 %	3.2 %	3.0 %
Money market	3.4 %	1.4 %	2.1 %	1.7 %
Savings and interest-on-checking	3.0 %	2.2 %	2.6 %	2.2 %

As of the dates indicated and incorporating the assumptions previously described, the following schedule shows EaR, or percentage change in net interest income, based on a static balance sheet size, in the first year after the interest rate change if interest rates were to sustain immediate parallel changes ranging from -100 bps to +300 bps.

Schedule 34

INCOME SIMULATION – CHANGE IN NET INTEREST INCOME

	December 31, 2020				
	Parallel shift in rates (in bps)[1]				
Repricing scenario	-100	0	+100	+200	+300
Earnings at Risk	(2.9)%	— %	9.2 %	18.0 %	26.4 %

[1] *Assumes rates cannot go below zero in the negative rate shift.*

For non-maturity, interest-bearing deposits, the weighted average modeled beta is 25%. If the weighted average deposit beta were to increase 6%, the EaR in the +100 bps rate shock would change from 9.2% to 8.4%.

For comparative purposes, the December 31, 2019, measures are presented in the following schedule.

	December 31, 2019				
	Parallel shift in rates (in bps)[1]				
Repricing scenario	-100	0	+100	+200	+300
Earnings at Risk	(4.6)%	— %	3.0 %	6.0 %	8.9 %

[1] *Assumes rates cannot go below zero in the negative rate shift.*

The asset sensitivity as measured by EaR increased since December 31, 2019, primarily due to lower assumed rate sensitivity of interest-bearing deposits and an increase in noninterest-bearing deposits.

The EaR analysis focuses on parallel rate shocks across the term structure of rates. The yield curve typically does not move in a parallel manner. If we consider a flattening rate shock where the short-term rate moves +200 bps, but the 10-year rate only moves +30 bps, the increase in EaR is 14% less over 24 months, compared with the parallel +200 bps rate shock.

As of the dates indicated, the following schedule shows our estimated percentage change in EVE under parallel interest rate changes ranging from -100 bps to +300 bps. For these parallel changes we assumed interest rates will not decline below 0%. For non-maturity, interest-bearing deposits, the weighted average modeled beta is 25%. If the weighted average deposit beta were to increase 6% it would change the EVE in the +100 bps rate shock from 12.0% to 11.6%. In the -100 bps rate shock, the EVE would increase due to the fact that we cap the value of our indeterminate deposits at their par value, or equivalently we assume no premium would be required to dispose of these liabilities given that depositors could be repaid at par. Since our assets increase in value as rates fall and the majority of our liabilities are indeterminate deposits, EVE increases disproportionately.

Schedule 35

CHANGES IN ECONOMIC VALUE OF EQUITY

	December 31, 2020				
	Parallel shift in rates (in bps)[1]				
Repricing scenario	-100	0	+100	+200	+300
Economic Value of Equity	13.0 %	— %	12.0 %	14.4 %	16.1 %

[1] *Assumes rates cannot go below zero in the negative rate shift.*

	December 31, 2019				
	Parallel shift in rates (in bps)[1]				
Repricing scenario	-100	0	+100	+200	+300
Economic Value of Equity	8.0 %	— %	1.1 %	0.4 %	(0.6)%

[1] *Assumes rates cannot go below zero in the negative rate shift.*

Our focus on business banking also plays a significant role in determining the nature of our asset-liability management posture. At December 31, 2020, $22 billion of our commercial lending and CRE loan balances were scheduled to reprice in the next six months. Of these variable-rate loans, approximately 98% are tied to either the prime rate or LIBOR. For these variable-rate loans, we have executed $3.2 billion of cash flow hedges by receiving fixed rates on interest rate swaps or through purchased interest rate floors. Additionally, asset sensitivity is reduced due to $4 billion of variable-rate loans being priced at floored rates at December 31, 2020, which were above the "index plus spread" rate by an average of 66 bps. At December 31, 2020, we also had $3 billion of variable-rate consumer loans scheduled to reprice in the next six months. Of these variable-rate consumer loans, approximately $1 billion were priced at floored rates, which were above the "index plus spread" rate by an average of 35 bps. See Notes 3 and 7 of the Notes to Consolidated Financial Statements for additional information regarding derivative instruments.

LIBOR Exposure

In July 2017, the Financial Conduct Authority, the authority regulating LIBOR, along with various other regulatory bodies, announced that LIBOR would likely be discontinued at the end of 2021. Subsequent to that announcement, in November 2020, the Financial Conduct Authority announced that many tenors of LIBOR would continue to be published through June of 2023. Bank regulators including the OCC, have instructed banks to discontinue new originations referencing LIBOR as soon as possible, but no later than December 2021. To facilitate the transition process, we have instituted an enterprise-wide program to identify, assess, and monitor risks associated with the expected discontinuance or unavailability of LIBOR, which includes active engagement with industry working groups and regulators. This program includes active involvement of senior management with regular engagement from the Enterprise Risk Management Committee. The program is structured with an emphasis towards minimizing client and internal business operational impacts, providing transparency in reporting, ensuring consistency, and creating a central governance model that aligns with FASB, IRS, and other regulatory guidance.

Our focus has centered around operational readiness, as well as the installation of processes and systems to validate that contract risk is clearly identified and understood. New originations and any modifications or renewals of LIBOR-based contracts contain fallback language to assist in an orderly transition upon selection of an alternative reference rate. For the rest of our contracts that have a duration beyond December 31, 2021 and that reference LIBOR, all fallback provisions and variations are currently being identified and sorted into classifications based upon those provisions. Upon classification, the contracts will be remediated and monitored through defined workflow paths. The goal is to clearly understand fallback provisions by loan and to have the entire portfolio in a state that simplifies ultimate conversion to a replacement index.

We have a significant number of assets and liabilities that reference LIBOR such as commercial loans, commercial real estate term loans, adjustable-rate mortgage loans, unfunded loan commitments, derivatives, and debt securities. As of December 31, 2020, we had more than $38 billion of assets that reference LIBOR, consisting mostly of commercial loans. The amount of borrowed funds that reference LIBOR as of December 31, 2020 was less than $1 billion. These amounts exclude derivative assets and liabilities on our balance sheet. As of December 31, 2020, the notional amount of our LIBOR-referenced interest rate derivative contracts was more than $16 billion, of which more than $10 billion related to contracts with central counterparty clearinghouses. Each of the LIBOR-referenced amounts described above will vary in future periods as current contracts expire with potential replacement contracts using either LIBOR with a fallback provision or an alternative reference rate. In considering a replacement rate for LIBOR indices used as reference rates in lending agreements, the ideal rate would adjust for changes in the credit environment and have a term structure. By contrast, the Secured Overnight Financing Rate (“SOFR”) is a risk-free overnight funding rate. We, along with other industry participants, continue to explore alternative indices other than SOFR which could be utilized as a replacement for LIBOR.

Market Risk — Fixed Income

We engage in the underwriting and trading of municipal securities. This trading activity exposes us to a risk of loss arising from adverse changes in the prices of these fixed-income securities.

At December 31, 2020, we had a relatively small amount, $266 million, of trading assets and $61 million of securities sold, not yet purchased, compared with $182 million and $66 million, respectively, at December 31, 2019.

We are exposed to market risk through changes in fair value. We are also exposed to market risk for interest rate swaps used to hedge interest rate risk. Changes in the fair value of AFS securities and in interest rate swaps that qualify as cash flow hedges are included in AOCI for each financial reporting period. During 2020, the after-tax change in AOCI attributable to AFS securities increased by $229 million, due largely to changes in the interest rate environment, compared with a $257 million increase in the same prior year period.

Market Risk — Equity Investments

Through our equity investment activities, we own equity securities that are publicly traded. In addition, we own equity securities in companies and governmental entities, e.g., Federal Reserve Bank and an FHLB, that are not publicly traded. The accounting for equity investments may use the cost, fair value, equity, or full consolidation methods of accounting, depending on our ownership position and degree of involvement in influencing the investees’ affairs. Regardless of the accounting method, the value of our investment is subject to fluctuation. Because the fair value of these securities may fall below our investment costs, we are exposed to the possibility of loss. Equity investments in private and public companies are approved, monitored, and evaluated by our Equity Investments Committee consisting of members of management.

We hold both direct and indirect investments in predominantly pre-public companies, primarily through various SBIC venture capital funds. Our equity exposure to these investments was approximately $135 million and $154 million at December 31, 2020 and December 31, 2019, respectively. On occasion, some of the companies within our SBIC investments may issue an initial public offering. In this case, the fund is generally subject to a lockout period before liquidating the investment, which can introduce additional market risk.

Liquidity Risk Management

Overview

Liquidity refers to our capacity to meet our cash and collateral obligations and to manage both expected and unexpected cash flows without adversely impacting our operations or financial strength. Sources of liquidity include both traditional forms of funding, such as deposits, borrowings, and equity and unencumbered assets, such as marketable loans and securities.

Since liquidity risk is closely linked to both credit risk and market risk, many of the previously described risk control mechanisms also apply to the monitoring and management of liquidity risk. We manage our liquidity to provide adequate funds for our customers' credit needs, capital plan actions, anticipated financial and contractual obligations, which include withdrawals by depositors, debt and capital service requirements, and lease obligations.

Overseeing liquidity management is the responsibility of ALCO, which implements a Board-approved corporate Liquidity and Funding Policy. This policy addresses monitoring and maintaining adequate liquidity, diversifying funding positions, and anticipating future funding needs. The policy also includes liquidity ratio guidelines, such as a 30-day liquidity coverage ratio, that are used to monitor our liquidity positions as well as our various stress test and liquid asset measurements. We perform liquidity stress tests and assess our portfolio of highly liquid assets (sufficient to cover 30-day funding needs under stress scenarios). At December 31, 2020, our investment securities portfolio of $16.6 billion and cash and money market investments of $7.4 billion collectively comprised 29% of total assets.

The management of liquidity and funding is performed by our Treasury department under the direction of the Corporate Treasurer, with oversight by ALCO. The Treasurer is responsible for recommending changes to existing funding plans and our Liquidity Policy. These recommendations must be submitted for approval to ALCO, and changes to the Policy also must be approved by the ERMC and the Board of Directors. We have adopted policy limits that govern liquidity risk. The policy requires us to maintain a buffer of highly liquid assets sufficient to cover cash outflows in the event of a severe liquidity crisis. Throughout 2020 and as of December 31, 2020, we complied with this policy.

Liquidity Regulation

Upon passage of the Crapo Bill, we are no longer subject to the enhanced prudential standards for liquidity management (Reg. YY). However, we continue to perform liquidity stress tests and assess our portfolio of highly liquid assets (sufficient to cover 30-day funding needs under the stress scenarios). Although we are no longer subject to the regulations of the Final LCR Rule, we exceed the regulatory requirements that mandate a buffer of securities and other liquid assets to cover 70% of 30-day cash outflows under the assumptions mandated therein.

Liquidity Management Actions

Our consolidated cash, interest-bearing deposits held as investments, and security resell agreements were $7.3 billion at December 31, 2020, compared with $1.8 billion at December 31, 2019, an increase of $5.5 billion. During 2020, the primary sources of cash were from an increase in deposits and net cash provided by operating activities. Uses of cash during the same period were primarily from (1) loan originations and purchases, (2) an increase in investment securities, (3) a decrease in short-term borrowings, (4) repayment of long-term debt, (5) dividends on common and preferred stock, and (6) repurchases of our common stock.

Total deposits were $69.7 billion at December 31, 2020, compared with $57.1 billion at December 31, 2019. The $12.6 billion increase during 2020 was a result of an $8.9 billion and $5.8 billion increase in noninterest-bearing demand deposits and savings and money market deposits, respectively, partially offset by a $2.1 billion decrease in time deposits. The funding of PPP loan proceeds into customer deposit accounts contributed meaningfully to overall deposit growth. Our core deposits, consisting of noninterest-bearing demand deposits, savings and money market deposits, and time deposits under $250,000, were $68.2 billion at December 31, 2020, compared with $53.9 billion at December 31, 2019.

At December 31, 2020, maturities of our long-term senior and subordinated debt ranged from August 2021 to October 2029.

Our cash payments for interest, reflected in operating expenses, decreased to $195 million during 2020, from $401 million during 2019, primarily due to lower interest rates paid on deposits and borrowed funds and lower borrowed funds. Additionally, we paid approximately $259 million of dividends on preferred and common stock during 2020, compared with $260 million during 2019. Dividends paid per common share were $1.36 in 2020 compared to $1.28 in 2019. In February 2021, the Board approved a quarterly common dividend of $0.34 per share.

General financial market and economic conditions impact our access to and cost of external financing. Access to funding markets is also directly affected by the credit ratings received from various rating agencies. The ratings not only influence the costs associated with borrowings, but can also influence the sources of the borrowings. All of the credit rating agencies rate our debt at an investment-grade level. Although our credit ratings did not change during 2020, Fitch and S&P revised their outlook from Stable to Negative due to disruption in economic activity and financial markets from the COVID-19 pandemic and our oil and gas exposure. Our credit ratings and outlooks are presented in the following schedule.

Schedule 36

CREDIT RATINGS

as of January 31, 2021:

Rating agency	Outlook	Long-term issuer/senior debt rating	Subordinated debt rating	Short-term debt rating
Kroll	Stable	A-	BBB+	K2
S&P	Negative	BBB+	BBB	NR
Fitch	Negative	BBB+	BBB	F1
Moody's	Stable	Baa2	NR	NR

The FHLB system and Federal Reserve Banks have been and are a source of back-up liquidity and a significant source of funding. Zions Bancorporation, N.A., is a member of the FHLB of Des Moines. The FHLB allows member banks to borrow against their eligible loans and securities to satisfy liquidity and funding requirements. We are required to invest in FHLB and Federal Reserve stock to maintain our borrowing capacity.

The amount available for additional FHLB and Federal Reserve borrowings was approximately $17.1 billion at December 31, 2020, compared with $15.3 billion at December 31, 2019. Loans with a carrying value of approximately $24.7 billion at December 31, 2020 have been pledged at the FHLB of Des Moines and the Federal Reserve as collateral for current and potential borrowings, compared with $21.5 million at December 31, 2019. At December 31, 2020, we had no FHLB or Federal Reserve borrowings outstanding, compared with $1.0 billion of short-term FHLB borrowings outstanding and no long-term FHLB or Federal Reserve borrowings outstanding at December 31, 2019. At December 31, 2020, our total investment in FHLB and Federal Reserve stock was $11 million and $98 million, respectively, compared with $50 million and $107 million at December 31, 2019.

During 2020, the Federal Reserve established the Paycheck Protection Program Liquidity Facility (“PPPLF”). Under the PPPLF, we will be able to obtain term financing for PPP loans by pledging them to the FRB prior to March 31, 2021. In deciding whether to utilize the PPPLF as a funding source, we will take into account our current funding position and our expectation of early PPP redemption through loan forgiveness. Although the PPPLF will cease after March 31, 2021, we will also have the ability to increase our borrowing capacity at the FHLB of Des Moines by pledging the PPP loans. The ability to pledge PPP loans to the FHLB of Des Moines does not have a defined expiry, and funding terms may vary.

Our AFS investment securities are primarily held as a source of contingent liquidity. We target securities that can be easily turned into cash through sale or repurchase agreements and whose value remains relatively stable during market disruptions. We regularly manage our short-term funding needs through secured borrowing with the securities pledged as collateral. Interest rate risk management is another consideration for selection of investment securities. Our AFS securities balances increased by $2.0 billion during 2020.

Our loan-to-total deposit ratio was 77% at December 31, 2020, compared with 85% at December 31, 2019, reflecting higher deposit growth in 2020 relative to loan growth.

If our operating, investing, and deposit activities do not provide the loan funding required, we may rely on more expensive wholesale funding for a portion of our loan growth. Our use of borrowed funds (both short- and long-term) decreased by $868 million during 2020 as our deposit growth more than adequately funded our loan growth during the period. Due to the increase in average deposits of $8.6 billion during 2020 and with average loans only increasing $4.7 billion, the surplus cash went to paying down borrowings and increasing short-term investments, which increased $5.5 billion from December 31, 2019.

We may also, from time to time, issue additional preferred stock, senior or subordinated notes or other forms of capital or debt instruments, depending on our capital, funding, asset-liability management or other needs as market conditions warrant and subject to any required regulatory approvals. Management believes that the sources of available liquidity are adequate to meet all reasonably foreseeable short-term and intermediate-term demands.

Contractual Obligations

Schedule 37 summarizes our contractual obligations at December 31, 2020.

Schedule 37

CONTRACTUAL OBLIGATIONS

(In millions)	One year or less	Over one year through three years	Over three years through five years	Over five years	Indeterminable maturity [1]	Total
Deposits	$ 2,239	$ 267	$ 81	$ 1	$ 67,065	$ 69,653
Net unfunded commitments to extend credit	7,688	7,344	2,662	6,523	—	24,217
Standby letters of credit:						
Financial	307	168	51	5	—	531
Performance	91	48	28	—	—	167
Commercial letters of credit	34	—	—	—	—	34
Commitments to make venture and other noninterest-bearing investments [2]	—	—	—	—	43	43
Federal funds and other short-term borrowings	1,572	—	—	—	—	1,572
Long-term debt [3]	282	421	—	585	—	1,288
Operating leases	49	85	51	95	—	280
Total contractual obligations	$ 12,262	$ 8,333	$ 2,873	$ 7,209	$ 67,108	$ 97,785

[1] *Indeterminable maturity deposits include noninterest-bearing demand, savings and money market.*
[2] *Commitments to make venture and other noninterest-bearing investments do not have defined maturity dates. They are due upon demand and may be drawn immediately, or as late as after five years. Therefore, these commitments are shown as having indeterminable maturities.*
[3] *The maturities on long-term debt do not include the associated hedges.*

In addition to the commitments specifically noted in Schedule 37, we enter into a number of contractual commitments in the ordinary course of business. These include software licensing and maintenance, telecommunications services, facilities maintenance and equipment servicing, supplies purchasing, and other goods and services used in the operation of our business. Some of these contracts are renewable or cancellable at least annually, and in certain cases, to secure favorable pricing concessions, we have committed to contracts that may extend to several years.

We also enter into derivative contracts under which we are required either to receive or pay cash, depending on changes in interest rates. These contracts are carried at fair value on the balance sheet with the fair value representing the net present value of the expected future cash receipts and payments based on market rates of interest. The fair value of the contracts changes daily as interest rates change. See Note 7 of the Notes to Consolidated Financial Statements for further information on derivative contracts.

Operational, Technology, and Cyber Risk Management

Operational risk is the risk to current or anticipated earnings or capital arising from inadequate or failed internal processes or systems, human errors or misconduct, or adverse external events. In our ongoing efforts to identify and manage operational risk, we have an ERM department whose responsibility is to help employees, management and the Board of Directors to assess, understand, measure, manage, and monitor risk in accordance with our Risk Management Framework. We have documented both controls and the Control Self-Assessment related to financial reporting under the 2013 framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and the FDICIA.

To manage and minimize our operational risk, we have in place transactional documentation requirements; systems and procedures to monitor transactions and positions; systems and procedures to detect and mitigate attempts to commit fraud, penetrate our systems or telecommunications, access customer data, and/or deny normal access to those systems to our legitimate customers; regulatory compliance reviews; and periodic reviews by our Compliance Risk Management, Internal Audit and Credit Examination departments. Reconciliation procedures have been established to ensure that data processing systems consistently and accurately capture critical data. In addition, the Data Governance department has key governance surrounding data integrity and availability oversight. Further, we have key programs and procedures to maintain contingency and business continuity plans for operational support in the event of natural or other disasters. We also mitigate certain operational risks through the purchase of insurance, including errors and omissions and professional liability insurance.

We continually strive to improve our oversight of operational risk, including enhancement of risk identification, risk and control self-assessments, and anti-fraud measures, which are reported on a regular basis to enterprise management committees. The Operational Risk Committee reports to the ERMC, which reports to the ROC. Key measures have been established in line with our Risk Management Framework to increase oversight by ERM and Operational Risk Management through the strengthening of new initiative reviews, and enhancements to Enterprise Supply Chain and Vendor Risk Management. We also continue to enhance and strengthen the Enterprise Business Continuity program, Enterprise Security program, and Enterprise Incident Management reporting.

Significant enhancements have also been made to governance, technology, and reporting, including the establishment of Policy and Committee Governance programs, the implementation of a governance, risk and control solution, and the creation of an Enterprise Risk Profile and Operational Risk Profile. In addition, our Enterprise Exam Management department has standardized our response and reporting, and increased our effectiveness and efficiencies with regulatory examination, communications and issues management.

We continue to make significant investments to mature our technology capabilities and to eliminate the risk from outdated and unsupported technologies (technology debt). This includes updating core banking systems as well as introducing new digital customer-facing capabilities. Technology projects, initiatives and operations are governed by a change management framework that assesses the activities and risk within our business processes to limit disruption and resource constraints. Change initiative status and risks are reviewed regularly by the Change, Initiatives, and Technology Committee that includes, among other senior executives, the CEO, CFO, COO and CRO. Initiative risk and change impact from the framework are reported to the ROC.

Technology governance is also in place at the operational level within our Enterprise and Technology Operations (ETO) division to help ensure safety, soundness, operational resiliency, and compliance with our cybersecurity requirements. ETO management teams participate in enterprise architecture review boards and technology risk councils to address such issues as enterprise standards compliance and strategic alignment, cyber vulnerability management, end-of-life, audit, risk and compliance issue management, and asset management. Thresholds are defined to escalate risks in these areas to the attention of the ORC and ERMC committees as appropriate.

The number and sophistication of attempts to disrupt or penetrate our systems — sometimes referred to as hacking, cyber fraud, cyberattacks, or other similar names — continues to grow. To combat the ever-increasing sophistication of cyberattacks, we are continuously improving methods for detecting and preventing attacks. In addition, we have implemented policies and procedures and developed specific training for our employees and elevated our oversight and internal reporting to the Board and respective committees. Further, we regularly engage independent third-party cyber experts to test for vulnerabilities in our environment. We also conduct our own internal simulations and tabletop exercises as well as participate in financial sector-specific exercises. We have engaged consultants at both the strategic level and at the technology implementation level to assist us in better managing this critical risk.

While we have significant internal resources, policies and procedures designed to prevent or limit the effect of the possible failure, interruption or security breach of our information systems, we have experienced security breaches due to cyberattacks in the past and there can be no assurance that any such failure, interruption or security breach will not occur in the future, or, if they do occur, that they will be adequately addressed. It is impossible to determine the potential effects of these events with any certainty, but any such breach could result in material adverse consequences for us and our customers.

CAPITAL MANAGEMENT

Overview

The Board of Directors is responsible for approving the policies associated with capital management. The Board has established the Capital Management Committee ("CMC"), chaired by the Chief Financial Officer and consisting of members of management, whose primary responsibility is to recommend and administer the approved capital policies that govern our capital management. Other major CMC responsibilities include:

- Setting overall capital targets within the Board-approved Capital Policy, monitoring performance compared with our Capital Policy limits, and recommending changes to capital including dividends, common stock issuances and repurchases, subordinated debt, and changes in major strategies to maintain ourselves at well-capitalized levels;
- Maintaining an adequate capital cushion to withstand adverse stress events while continuing to meet the borrowing needs of our customers, and to provide reasonable assurance of continued access to wholesale funding, consistent with fiduciary responsibilities to depositors and bondholders; and
- Reviewing our agency ratings.

We believe that a strong capital position is vital to continued profitability and to promoting depositor and investor confidence. We have a fundamental financial objective to consistently improve risk-adjusted returns on our shareholders' capital. Specifically, it is our policy to:

- Maintain sufficient capital to support current needs;
- Maintain an adequate capital cushion to withstand adverse stress events while continuing to meet borrowing needs of our customers; and
- Meet fiduciary responsibilities to depositors and bondholders while managing capital distributions to shareholders through dividends and repurchases of common stock so as to be consistent with 12 U.S.C. § 56 and § 60.

Our primary regulator is the OCC. We continue to be subject to examinations by the CFPB with respect to consumer financial regulations. Under the National Bank Act and OCC regulations, certain capital transactions may be subject to the approval of the OCC.

We continue to utilize stress testing as the primary mechanism to inform our decisions on the appropriate level of capital and capital actions, based upon actual and hypothetically stressed economic conditions. The results of our internal stress tests are publicly available on our website. The timing and amount of capital actions are subject to various factors, including our financial performance, business needs, prevailing and anticipated economic conditions, and OCC approval.

Capital Management Actions

Weighted average diluted shares outstanding decreased by 20.9 million from 2019 to 2020, respectively. The decrease from 2019 was primarily due to the expiration of out-of-the money common stock warrants and a lower average Bank common share price. On May 22, 2020, 29.2 million common stock warrants (NASDAQ: ZIONW) expired. Each common stock warrant was convertible into 1.10 shares at an exercise price of $33.31.

Total shareholders' equity has increased moderately and was $7.9 billion at December 31, 2020, compared with $7.4 billion at December 31, 2019. The increase during 2020 was primarily due to net income of $539 million and a $229 million after-tax increase in unrealized gains on AFS securities, which was due largely to changes in the interest rate environment. The increase was partially offset by $259 million of common and preferred stock dividends paid and $75 million of repurchases of our common stock from our publicly announced plans. Common stock and additional paid-in capital decreased $49 million, or 2%, during 2020, primarily due to common stock repurchases.

During 2020, we repurchased 1.7 million shares of common stock from our publicly announced plans, or 1%, of common stock outstanding as of December 31, 2019, for $75 million at an average price of $45.02 per share. Beginning in the second quarter of 2020, we suspended share repurchase activity due to the onset of the COVID-19 pandemic. In February 2021, we repurchased 1.0 million shares of common stock from our publicly announced plans with a fair value of $50 million at an average price of $49.78. We expect to maintain the appropriate amount of capital to cover inherent risk. The timing and amount of any additional common stock repurchases will be subject to various factors, including our financial performance, business needs, prevailing economic conditions, stress testing, and OCC approval. The magnitude, timing, and form of capital return will be determined by the Board. Shares may be repurchased occasionally in the open market, through privately negotiated transactions, utilizing Rule 10b5-1 plans or otherwise.

Under the OCC's "Earnings Limitation Rule," our dividend payments are restricted to an amount equal to the sum of the total of (1) our net income for that year, and (2) retained earnings for the preceding two years, unless the OCC approves the declaration and payment of dividends in excess of such amount. As of January 1, 2021, we had $761 million of retained net profits available for distribution.

We paid common dividends of $225 million during 2020, compared with $226 million during 2019. In February 2021, the Board of Directors declared a quarterly dividend of $0.34 per common share payable on February 25, 2021, to shareholders of record on February 18, 2021. We also paid dividends on preferred stock of $34 million for both 2020 and 2019.

CECL

We elected to phase-in the regulatory capital effects of the adoption of CECL, as allowed by federal bank agencies, and as described in Note 15 of the Notes to Consolidated Financial Statements. At December 31, 2020, the application of these provisions improved our CET1, Tier 1 risk-based and Total risk-based capital ratios by 10 bps each, and our Tier 1 leverage capital ratio by 6 bps.

Basel III

We are subject to Basel III capital requirements to maintain adequate levels of capital as measured by several regulatory capital ratios. We met all capital adequacy requirements under the Basel III capital rules as of December

31, 2020. The following schedule presents our capital and performance ratios as of December 31, 2020, December 31, 2019 and December 31, 2018. The Supervision and Regulation section of the 2020 Form 10-K on page 5 and Note 15 of the Notes to Consolidated Financial Statements contain more detail information about Basel III capital requirements and our compliance.

Schedule 38

CAPITAL AND PERFORMANCE RATIOS

	December 31, 2020	December 31, 2019	December 31, 2018
Tangible common equity ratio[1]	7.8 %	8.5 %	8.9 %
Tangible equity ratio[1]	8.5 %	9.3 %	9.7 %
Average equity to average assets	10.0 %	10.8 %	11.4 %
Basel III risk-based capital ratios[2]:			
Common equity tier 1 capital	10.8 %	10.2 %	11.7 %
Tier 1 leverage	8.3 %	9.2 %	10.3 %
Tier 1 risk-based	11.8 %	11.2 %	12.7 %
Total risk-based	14.1 %	13.2 %	13.9 %
Return on average common equity	7.2 %	11.2 %	12.1 %
Return on average tangible common equity[1]	8.4 %	13.1 %	14.2 %

[1] *See "GAAP to Non-GAAP Reconciliations" on page 28 for more information regarding these ratios.*
[2] *Based on the applicable phase-in periods.*

At December 31, 2020, Basel III regulatory tier 1 risk-based capital and total risk-based capital was $6.6 billion and $7.9 billion, respectively, compared with $6.3 billion and $7.4 billion, respectively, at December 31, 2019.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

Note 1 of the Notes to Consolidated Financial Statements contains a summary of our significant accounting policies. Described below are certain significant accounting policies that we consider critical to our financial statements. These critical accounting policies were selected because the amounts affected by them are significant to the financial statements. Any changes to these amounts, including changes in estimates, may also be significant to the financial statements. We believe that an understanding of these policies, along with the related estimates we are required to make in recording our financial transactions, is important to have a complete picture of our financial condition. In addition, in arriving at these estimates, we are required to make complex and subjective judgments, many of which include a high degree of uncertainty. The following discussion of these critical accounting policies includes the significant estimates related to these policies. We have discussed each of these accounting policies and related estimates with the Audit Committee of the Board of Directors.

We have included, where applicable in this document, sensitivity schedules and other examples to demonstrate the impact of the changes in estimates made for various financial transactions. The sensitivities in these schedules and examples are hypothetical and should be viewed with caution. Changes in estimates are based on variations in assumptions and are not subject to simple extrapolation, as the relationship of the change in the assumption to the change in the amount of the estimate may not be linear. In addition, the effect of a variation in one assumption is likely to cause changes in other assumptions, which could potentially magnify or counteract the sensitivities.

Allowance for Credit Losses

The ACL includes the ALLL and the RULC. For periods prior to 2020, the ALLL represented management's estimate of probable losses believed to be inherent in the loan portfolio at that time. The determination of the appropriate level of the allowance was based on periodic evaluations of the portfolios. This process included both quantitative and qualitative analyses, as well as a qualitative review of the results, which required a significant amount of judgment.

The RULC provided for potential losses associated with off-balance sheet lending commitments and standby letters of credit. For periods prior to 2020, the reserve was estimated using the same procedures and methodologies as for the ALLL, in addition to assumptions regarding the probability and amount of unfunded commitments being drawn.

On January 1, 2020, we adopted ASU 2016-13, or CECL. Upon adoption of the ASU, we recorded the full amount of the ACL for loans and leases of $526 million, compared with $554 million at December 31, 2019, resulting in an after-tax increase to retained earnings of $20 million. The impact of the adoption of CECL for our securities portfolio was less than $1 million.

The CECL allowance is calculated based on quantitative models and management qualitative judgment based on many factors over the life of loan. The primary assumptions of the CECL quantitative model are the economic forecast, the length of the reasonable and supportable forecast period, the length of the reversion period, prepayment rates, and the credit quality of the portfolio.

As a result of this accounting standard, our ACL has become more volatile. Our ACL was $835 million as of December 31, 2020, compared with $917 million as of September 30, 2020, and $526 million as of January 1, 2020. We expect volatility to continue primarily because, under the CECL methodology, the ACL is subject to economic forecasts that may change materially from period to period. Although we believe that our methodology for determining an appropriate level for the ACL adequately addresses the various components that could potentially result in credit losses, the processes and their elements include features that may be susceptible to significant change. Any unfavorable differences between the actual outcome of credit-related events and our estimates could require an additional provision for credit losses.

For example, if the ACL was evaluated on only one baseline scenario rather than probability weighting four scenarios, the quantitatively determined amount of the ACL at December 31, 2020 would decrease by approximately $167 million. Additionally, if the probability of default risk grade for all pass-graded loans was immediately downgraded one grade on our internal risk-grading scale, the quantitatively determined amount of the ACL at December 31, 2020 would increase by approximately $87 million. These sensitivity analyses are hypothetical and have been provided only to indicate the potential impact that changes in forecasts and changes in risk grades may have on the ACL estimate. See Note 6 of the Notes to Consolidated Financial Statements for more information on the processes and methodologies used to estimate the ACL.

Fair Value Estimates

We measure or monitor many of our assets and liabilities on a fair value basis. Fair value is the price that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. To increase consistency and comparability in fair value measurements, GAAP has established a three-level hierarchy to prioritize the valuation inputs among (1) observable inputs that reflect quoted prices in active markets, (2) inputs other than quoted prices with observable market data, and (3) unobservable data such as our own data or single dealer nonbinding pricing quotes.

When observable market prices are not available, fair value is estimated using modeling techniques such as discounted cash flow analysis. These modeling techniques use assumptions that market participants would consider in pricing the asset or the liability, including assumptions about the risk inherent in a particular valuation technique, the effect of a restriction on the sale or use of an asset, the life of the asset and applicable growth rate, the risk of nonperformance, and other related assumptions.

The selection and weighting of the various fair value techniques may result in a fair value higher or lower than the carrying value of the item being valued. Considerable judgment may be involved in determining the amount that is most representative of fair value.

For assets and liabilities recorded at fair value, our policy is to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements for those items where there is an active market. In certain cases, when market observable inputs for model-based valuation techniques may not be readily available, we are required to make judgments about the assumptions market participants would use in estimating the fair value of the financial instrument. The models used to determine fair value adjustments are regularly evaluated by management for relevance under current facts and circumstances.

Changes in market conditions may reduce the availability of quoted prices or observable data. For example, reduced liquidity in the capital markets or changes in secondary market activities could result in observable market inputs becoming unavailable. When market data is not available, we use valuation techniques requiring more management judgment to estimate the appropriate fair value.

Fair value is used on a recurring basis for certain assets and liabilities in which fair value is the primary measure of accounting. Fair value is used on a nonrecurring basis to measure certain assets or liabilities (including loans held for sale and OREO) for impairment or for disclosure purposes in accordance with current accounting guidance.

Impairment analysis also relates to long-lived assets, goodwill, and core deposit and other intangible assets. An impairment loss is recognized if the carrying amount of the asset is not likely to be recoverable and exceeds its fair value. In determining the fair value, management uses models and applies the techniques and assumptions previously described.

AFS securities are valued using several methodologies, which depend on the nature of the security, availability of current market information, and other factors. AFS securities in an unrealized loss position are formally reviewed on a quarterly basis for the presence of impairment. If we have an intent to sell an identified security, or it is more likely than not we will be required to sell the security before recovery of its amortized cost basis, then we recognize an impairment equal to any existing allowance written off against the security. If we do not have the intent to sell a security, and it is more likely than not that we will not be required to sell a security prior to recovery of its amortized cost basis, then we determine whether there is any impairment attributable to credit-related factors.

Notes 1, 3, 5, 7, and 10 of the Notes to Consolidated Financial Statements and the “Investment Securities Portfolio” on page 51 contain further information regarding the use of fair value estimates.

Accounting for Goodwill

Goodwill is initially recorded at fair value in the financial statements of a reporting unit at the time of its acquisition and is subsequently evaluated at least annually for impairment in accordance with current accounting guidance. We perform this annual test at the beginning of the fourth quarter, or more often if events or circumstances indicate that the carrying value of any of our reporting units, inclusive of goodwill, is less than fair value. The goodwill impairment test for a given reporting unit compares its fair value with its carrying value. If the carrying amount, inclusive of goodwill, is more likely than not to exceed its fair value, additional quantitative analysis must be performed to determine the amount, if any, of goodwill impairment. Our reporting units with goodwill are Amegy, CB&T, and Zions Bank.

To determine the fair value of a reporting unit, we historically have used a combination of up to three separate quantitative methods: comparable publicly traded commercial banks in the Western and Southwestern states (“Market Value”); where applicable, comparable acquisitions of commercial banks in the Western and Southwestern states (“Transaction Value”); and the discounted present value of management’s estimates of future cash flows. The Transaction Value approach was not used in the 2020 goodwill analysis due to the lack of comparable transactions that occurred in 2020. Acquisition activity declined in 2020, which was likely due to the economic uncertainty from the COVID-19 pandemic.

Critical assumptions that are used as part of these calculations may include:

- Selection of comparable publicly traded companies based on location, size, and business focus and composition;
- Selection of market comparable acquisition transactions, if available, based on location, size, business focus and composition, and date of the transaction;
- The discount rate, which is based on our estimate of the cost of equity capital;
- The projections of future earnings and cash flows of the reporting unit;

- The relative weight given to the valuations derived by the three methods described; and
- The control premium associated with reporting units.

We apply a control premium in the Market Value approach to determine the reporting units’ equity values. Control premiums represent the ability of a controlling shareholder to change how we are managed and can cause the fair value of a reporting unit as a whole to exceed its market capitalization. Based on a review of historical bank acquisition transactions within our geographic footprint, and a comparison of the target banks’ market values 30 days prior to the announced transaction to the deal value, we have determined that up to a 25% control premium for the reporting units was appropriate.

Since estimates are an integral part of the impairment test computations, changes in these estimates could have a significant impact on our reporting units' fair value and the goodwill impairment amount, if any. Estimates include economic conditions, which impact the assumptions related to interest and growth rates, loss rates, and imputed cost of equity capital. The fair value estimates for each reporting unit incorporate current economic and market conditions, including Federal Reserve monetary policy expectations and the impact of legislative and regulatory changes. Additional factors that may significantly affect the estimates include, among others, competitive forces, customer behaviors and attrition, loan losses, changes in growth trends, cost structures and technology, changes in equity market values and merger and acquisition valuations, and changes in industry conditions.

Weakening in the economic environment, a decline in the performance of the reporting units, or other factors could cause the fair value of one or more of the reporting units to fall below carrying value, resulting in a goodwill impairment charge. Additionally, new legislative or regulatory changes not anticipated in management’s expectations may cause the fair value of one or more of the reporting units to fall below the carrying value, resulting in a goodwill impairment charge. Any impairment charge would not affect our regulatory capital ratios, tangible common equity ratio, or liquidity position.

During the fourth quarter of 2020, we performed our annual goodwill impairment evaluation of the entire organization, effective October 1, 2020. We concluded that none of our reporting units were impaired. Furthermore, the evaluation process determined that the fair values of Amegy, CB&T, and Zions Bank exceeded their carrying values by 12%, 28%, and 44%, respectively. Additionally, we performed a hypothetical sensitivity analysis on the discount rate assumption to evaluate the impact of an adverse change to this assumption. If the discount rate applied to future earnings was increased by 100 bps, the fair values of Amegy, CB&T, and Zions Bank would exceed their carrying values by 9%, 24%, and 39%, respectively.

RECENT ACCOUNTING PRONOUNCEMENTS AND DEVELOPMENTS

Note 2 of the Notes to Consolidated Financial Statements discusses recently issued accounting pronouncements that we will be required to adopt. Also described is our expectation of the impact these new accounting pronouncements will have, to the extent they are material, on our financial condition, results of operations, or liquidity.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information required by this Item is included in “Interest Rate and Market Risk Management” in MD&A beginning on page 67 and is hereby incorporated by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT ON MANAGEMENT’S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Zions Bancorporation, National Association and subsidiaries is responsible for establishing and maintaining adequate internal control over financial reporting as defined by Exchange Act Rules 13a-15 and 15d-15.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Although any system of internal control can be compromised by human error or intentional circumvention of required procedures, we believe our system provides reasonable assurance that financial transactions are recorded and reported properly, providing an adequate basis for reliable financial statements.

Our management has used the criteria established in Internal Control – Integrated Framework (2013 framework) issued by the COSO to evaluate the effectiveness of our internal control over financial reporting.

Our management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2020, and has concluded that such internal control over financial reporting is effective. There are no material weaknesses in our internal control over financial reporting that have been identified by our management.

Ernst & Young LLP, an independent registered public accounting firm, has audited our consolidated financial statements for the year ended December 31, 2020, and has also issued an attestation report, which is included herein, on internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (“PCAOB”).

REPORTS OF ERNST & YOUNG LLP, INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Shareholders and the Board of Directors of Zions Bancorporation, National Association and Subsidiaries

Opinion on Internal Control Over Financial Reporting

We have audited Zions Bancorporation, National Association and subsidiaries' ("the Bank") internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) ("the COSO criteria"). In our opinion, the Bank maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the 2020 consolidated financial statements of the Bank and our report dated February 25, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

The Bank's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report on Management's Assessment of Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Bank's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Bank 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Salt Lake City, Utah
February 25, 2021

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders and the Board of Directors of Zions Bancorporation, National Association and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Zions Bancorporation, National Association and subsidiaries (“the Bank”) as of December 31, 2020 and 2019, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Bank at December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Bank’s internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 25, 2021 expressed an unqualified opinion thereon.

Adoption of ASU 2016-13

As discussed in Note 2 to the consolidated financial statements, the Bank changed its method of accounting for credit losses in 2020 due to the adoption of ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.

Basis for Opinion

These financial statements are the responsibility of the Bank’s management. Our responsibility is to express an opinion on the Bank’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Bank 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.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgements. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account and the disclosures to which it relates.

Allowance for loan and lease losses

Description of the Matter	The Bank's loan and lease portfolio and the associated allowance for loan and lease losses (ALLL), were $53.5 billion and $777 million as of December 31, 2020, respectively. The provision for loan losses was $385 million for the year ended December 31, 2020. As discussed in Notes 2 and 6 to the financial statements, effective January 1, 2020 the Bank adopted new accounting guidance related to the estimate of ALLL, resulting in ALLL increase of $2 million. The ALLL represented the Bank's estimate of current expected credit losses over the contractual term of the loan and lease portfolio as of the balance sheet date. Management's allowance estimate includes quantitative calculations based on statistical analysis of historical loss experiences dependent on forecasted economic data over a reasonable forecast period, losses estimated using historical loss experience for periods outside the reasonable economic forecast period (collectively the quantitative portion), supplemented with qualitative factors adjustments that bring the allowance to the level management deemed as appropriate based on factors that are not fully considered in the quantitative analysis. The statistical analysis of historical loss experience was derived from a collection of econometric models used to determine the quantitative portion of the ALLL. Judgment was required by management in determining the economic data used as inputs into the econometric models.
How We Addressed the Matter in Our Audit	Auditing management's estimate of the ALLL is complex due to the judgmental nature of the economic data used in the econometric models used to derive the quantitative portion of the ALLL. We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that address the risk of material misstatement in the selection of the economic data applied in the econometric models used to derive the quantitative portion of the ALLL. We tested controls over the Bank's allowance governance process, model development and model risk management as it relates to the econometric models used in the ALLL process, and the selection of the economic data utilized in those models. Such testing included testing controls over model governance, controls over data input into the models, controls over model calculation accuracy, observing key management meetings where the economic forecasts including variables used in the estimate are reviewed and approved, including challenges as to alternative forecasted economic data, and output of the ALLL derived from the econometric models. To test the reasonableness of the economic data input in the econometric models, our procedures, which were supported by specialists, included identification of economic data that could potentially impact accuracy of the ALLL, evaluating management's ALLL estimate by obtaining an understanding of the forecasted economic data used, including consideration that the national macroeconomic factors are based on third party published data, and testing the selected economic data used to published third party data. We considered the reasonableness of economic data based on third party sources, including comparison to other alternative economic data. Further, we compared the resulting ALLL to peer bank data. We assessed whether the total amount of the ALLL estimate was consistent with the Bank's historical loss information, credit quality statistics, and publicly observable indicators of macroeconomic financial conditions and whether the total ALLL amount was reflective of current expected losses in the loan and lease portfolio as of the consolidated balance sheet date.

/s/ Ernst & Young LLP

We have served as the Bank's auditor since 2000.

Salt Lake City, Utah
February 25, 2021

ZIONS BANCORPORATION, NATIONAL ASSOCIATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In millions, shares in thousands)	December 31, 2020	December 31, 2019
ASSETS		
Cash and due from banks	$ 543	$ 705
Money market investments:		
Interest-bearing deposits	1,074	743
Federal funds sold and security resell agreements	5,765	484
Investment securities:		
Held-to-maturity, at amortized cost (approximate fair value $640 and $597)	636	592
Available-for-sale, at fair value	15,731	13,725
Trading account, at fair value	266	182
Total investment securities	16,633	14,499
Loans held for sale	81	129
Loans and leases, net of unearned income and fees	53,476	48,709
Less allowance for loan losses	777	495
Loans, net of allowance	52,699	48,214
Other noninterest-bearing investments	817	898
Premises, equipment and software, net	1,209	1,142
Goodwill and intangibles	1,016	1,014
Other real estate owned	4	8
Other assets	1,638	1,336
Total assets	$ 81,479	$ 69,172
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest-bearing demand	$ 32,494	$ 23,576
Interest-bearing:		
Savings and money market	34,571	28,790
Time	2,588	4,719
Total deposits	69,653	57,085
Federal funds and other short-term borrowings	1,572	2,053
Long-term debt	1,336	1,723
Reserve for unfunded lending commitments	58	59
Other liabilities	974	899
Total liabilities	73,593	61,819
Shareholders' equity:		
Preferred stock, without par value; authorized 4,400 shares	566	566
Common stock ($0.001 par value; authorized 350,000 shares; issued and outstanding 164,090 and 165,057 shares and additional paid-in capital	2,686	2,735
Retained earnings	4,309	4,009
Accumulated other comprehensive income	325	43
Total shareholders' equity	7,886	7,353
Total liabilities and shareholders' equity	$ 81,479	$ 69,172

See accompanying notes to consolidated financial statements.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In millions, except shares and per share amounts)	**Year Ended December 31, 2020**	**2019**	**2018**
Interest income:			
Interest and fees on loans	$ 2,050	$ 2,289	$ 2,102
Interest on money market investments	14	32	29
Interest on securities	304	362	350
Total interest income	2,368	2,683	2,481
Interest expense:			
Interest on deposits	105	254	135
Interest on short- and long-term borrowings	47	157	116
Total interest expense	152	411	251
Net interest income	2,216	2,272	2,230
Provision for credit losses:			
Provision for loan losses	385	37	(39)
Provision for unfunded lending commitments	29	2	(1)
Total provision for credit losses	414	39	(40)
Net interest income after provision for credit losses	1,802	2,233	2,270
Noninterest income:			
Commercial account fees	125	121	122
Card fees	82	92	94
Retail and business banking fees	68	78	78
Loan-related fees and income	109	75	74
Capital markets and foreign exchange fees	77	78	58
Wealth management and trust fees	62	60	55
Other customer-related fees	26	21	27
Customer-related fees	549	525	508
Fair value and nonhedge derivative loss	(6)	(9)	(1)
Dividends and other income	24	43	44
Securities gains, net	7	3	1
Total noninterest income	574	562	552
Noninterest expense:			
Salaries and employee benefits	1,087	1,141	1,070
Occupancy, net	130	133	132
Furniture, equipment and software, net	127	135	126
Other real estate expense, net	1	(3)	1
Credit-related expense	22	20	25
Professional and legal services	52	47	52
Advertising	19	19	26
FDIC premiums	25	25	50
Other	241	225	197
Total noninterest expense	1,704	1,742	1,679
Income before income taxes	672	1,053	1,143
Income taxes	133	237	259
Net income	539	816	884
Preferred stock dividends	(34)	(34)	(34)
Preferred stock redemption	—	—	—
Net earnings applicable to common shareholders	$ 505	$ 782	$ 850
Weighted average common shares outstanding during the year:			
Basic shares (in thousands)	163,737	175,984	193,589
Diluted shares (in thousands)	165,613	186,504	206,501
Net earnings per common share:			
Basic	$ 3.06	$ 4.41	$ 4.36
Diluted	3.02	4.16	4.08

See accompanying notes to consolidated financial statements.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions)	Year Ended December 31,		
	2020	2019	2018
Net income	$ 539	$ 816	$ 884
Other comprehensive income (loss), net of tax:			
Net unrealized holding gains (losses) on investment securities	229	257	(113)
Net unrealized gains (losses) on other noninterest-bearing investments	1	(9)	2
Net unrealized holding gains (losses) on derivative instruments	76	33	(4)
Reclassification adjustment for decrease (increase) in interest income recognized in earnings on derivative instruments	(36)	5	3
Pension and postretirement	12	7	1
Other comprehensive income (loss)	282	293	(111)
Comprehensive income	$ 821	$ 1,109	$ 773

See accompanying notes to consolidated financial statements.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(In millions, except shares and per share amounts)	Preferred stock	Common stock Shares *(in thousands)*	Common stock Amount	Accumulated paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total shareholders' equity
Balance at December 31, 2017	$ 566	197,532	$ 4,445	$ —	$ 2,807	$ (139)	$ 7,679
Net income					884		884
Merger of Bank Holding Company into Bank			(4,052)	4,052			
Cumulative effect adjustment, adoption of ASU 2014-09, Revenue from Contracts with Customers					1		1
Other comprehensive loss, net of tax						(111)	(111)
Bank common stock repurchased		(12,984)	(422)	(250)			(672)
Net shares issued from stock warrant exercises		1,770					
Net activity under employee plans and related tax benefits		1,236	29	4			33
Dividends on preferred stock					(34)		(34)
Dividends on common stock, $1.04 per share					(202)		(202)
Balance at December 31, 2018	566	187,554	—	3,806	3,456	(250)	7,578
Net income					816		816
Cumulative effect adjustment, adoption of ASU 2017-08, Premium Amortization on Purchased Callable Debt Securities					(3)		(3)
Other comprehensive income, net of tax						293	293
Bank common stock repurchased		(23,531)		(1,102)			(1,102)
Net shares issued from stock warrant exercises		8					
Net activity under employee plans and related tax benefits		1,026		31			31
Dividends on preferred stock					(34)		(34)
Dividends on common stock, $1.28 per share					(226)		(226)
Balance at December 31, 2019	566	165,057	—	2,735	4,009	43	7,353
Net income					539		539
Cumulative effect adjustment, adoption of ASU 2016-13, Credit Losses: Measurement of Credit Losses on Financial Instruments					20		20
Other comprehensive income, net of tax						282	282
Bank common stock repurchased		(1,686)		(76)			(76)
Net shares issued from stock warrant exercises		1					
Net activity under employee plans and related tax benefits		718		27			27
Dividends on preferred stock					(34)		(34)
Dividends on common stock, $1.36 per share					(225)		(225)
Balance at December 31, 2020	$ 566	164,090	$ —	$ 2,686	$ 4,309	$ 325	$ 7,886

See accompanying notes to consolidated financial statements.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Year Ended December 31, 2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 539	$ 816	$ 884
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for credit losses	414	39	(40)
Depreciation and amortization	86	188	193
Share-based compensation	26	27	26
Deferred income tax benefit	(58)	(2)	—
Net decrease (increase) in trading securities	(83)	(76)	42
Net decrease (increase) in loans held for sale	(10)	(84)	9
Change in other liabilities	57	(14)	74
Change in other assets	(223)	(179)	14
Other, net	(29)	(18)	(26)
Net cash provided by operating activities	719	697	1,176
CASH FLOWS FROM INVESTING ACTIVITIES			
Net decrease (increase) in money market investments	(5,611)	852	(784)
Proceeds from maturities and paydowns of investment securities held-to-maturity	386	391	361
Purchases of investment securities held-to-maturity	(430)	(209)	(365)
Proceeds from sales, maturities, and paydowns of investment securities available-for-sale	4,339	3,105	3,061
Purchases of investment securities available-for-sale	(6,151)	(1,864)	(2,927)
Net change in loans and leases	(4,687)	(1,957)	(1,943)
Purchases and sales of other noninterest-bearing investments	79	172	14
Purchases of premises and equipment	(171)	(117)	(129)
Other, net	42	2	6
Net cash provided by (used in) investing activities	(12,204)	375	(2,706)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase in deposits	12,568	2,984	1,484
Net change in short-term funds borrowed	(481)	(3,600)	2,677
Repayments of debt over 90 days and up to one year	—	—	(2,000)
Repayments of long-term debt	(429)	—	(162)
Proceeds from the issuance of long-term debt	—	992	497
Bank common stock repurchased	(76)	(1,102)	(672)
Proceeds from the issuance of common stock	8	14	20
Dividends paid on common and preferred stock	(259)	(260)	(236)
Other, net	(8)	(9)	(12)
Net cash provided by (used in) financing activities	11,323	(981)	1,596
Net increase (decrease) in cash and due from banks	(162)	91	66
Cash and due from banks at beginning of year	705	614	548
Cash and due from banks at end of year	$ 543	$ 705	$ 614
Cash paid for interest	$ 195	$ 401	$ 237
Net cash paid for income taxes	169	233	207
Noncash activities are summarized as follows:			
Loans held for investment transferred to other real estate owned	4	12	8
Loans held for investment reclassified to loans held for sale, net	(11)	85	111

See accompanying notes to consolidated financial statements.

ZIONS BANCORPORATION, N.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business

Zions Bancorporation, National Association and its subsidiaries (collectively "Zions Bancorporation, N.A.," "the Bank," "we," "our," "us") together comprise a bank headquartered in Salt Lake City, Utah. We provide a wide range of banking products and related services in 11 Western and Southwestern states through seven separately managed affiliates, as follows: Zions Bank in Utah, Idaho and Wyoming; California Bank & Trust ("CB&T"); Amegy Bank ("Amegy") in Texas; National Bank of Arizona ("NBAZ"); Nevada State Bank ("NSB"); Vectra Bank Colorado ("Vectra") in Colorado and New Mexico; and The Commerce Bank of Washington ("TCBW") which operates under that name in Washington and under The Commerce Bank of Oregon ("TCBO") in Oregon.

Basis of Financial Statement Presentation and Principles of Consolidation

The consolidated financial statements include our accounts and those of our majority-owned, consolidated subsidiaries. Unconsolidated investments where we have the ability to exercise significant influence over the operating and financial policies of the respective investee are accounted for using the equity method of accounting. All significant intercompany accounts and transactions have been eliminated in consolidation. Assets held in an agency or fiduciary capacity are not included in the Consolidated Financial Statements.

The consolidated financial statements have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") and prevailing practices within the financial services industry. References to GAAP, including standards promulgated by the Financial Accounting Standards Board ("FASB"), are made according to sections of the Accounting Standards Codification ("ASC"). Changes to the ASC are made with Accounting Standards Updates ("ASU") that include consensus issues of the Emerging Issues Task Force. In certain cases, ASUs are issued jointly with International Financial Reporting Standards.

In preparing the consolidated financial statements, we are required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain prior year amounts have been reclassified to conform with the current year presentation. These reclassifications did not affect net income or shareholders' equity.

Variable Interest Entities

A variable interest entity ("VIE") is consolidated when a company is the primary beneficiary of the VIE. Current accounting guidance requires continuous analysis on a qualitative rather than a quantitative basis to determine the primary beneficiary of a VIE. At the commencement of our involvement, and periodically thereafter, we consider our consolidation conclusions for all entities with which we are involved. As of December 31, 2020, and 2019, we have no VIEs that have been consolidated in our financial statements.

Statement of Cash Flows

For purposes of presentation in the consolidated statements of cash flows, "cash and cash equivalents" are defined as those amounts included in cash and due from banks in the consolidated balance sheets.

Fair Value Estimates

We measure many of our assets and liabilities on a fair value basis. Fair value is the price that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. To improve consistency and comparability in fair value measurements, GAAP has established a hierarchy to prioritize the valuation inputs among three levels. We prioritize quoted prices in active markets and minimize reliance on unobservable inputs when possible. When observable market prices are not available, fair value is estimated using modeling techniques such as discounted cash flow analysis. These modeling techniques use assumptions that market participants would consider in pricing the asset or the liability — including assumptions about the risk inherent in a particular valuation technique — the effect of a restriction on the sale or use of an asset, the life of the asset and applicable growth rate, the risk of nonperformance, and other related assumptions. Changes in market conditions may reduce the availability of quoted prices or observable data. When market data is not available, we use valuation techniques requiring professional judgment to estimate the appropriate fair value. See Note 3 of the "Notes to Consolidated Financial Statements" for further information regarding the use of fair value estimates.

Security Resell Agreements

Security resell agreements represent overnight and term agreements with the majority maturing within 30 days. Due to increased cash reserves and in order to increase yield, we have extended the maturity of some security resell agreements beyond 30 days. As of December 31, 2020, 28% of all security resell agreements have a maturity beyond 30 days but none greater than 50 days. These agreements are generally treated as collateralized financing transactions and are carried at amounts at which the securities were acquired plus accrued interest. Either we, or in some instances third-parties on our behalf, take possession of the underlying securities. The fair value of such securities is monitored throughout the contract term to ensure that asset values remain sufficient to protect against counterparty default. We are permitted by contract to sell or repledge certain securities that we accept as collateral for security resell agreements. If sold, our obligation to return the collateral is recorded as "securities sold, not yet purchased" and included as a liability in "Federal funds and other short-term borrowings." At December 31, 2020, we held $5.7 billion of securities for which we were permitted by contract to sell or repledge. Security resell agreements averaged $2.1 billion during 2020, and the maximum amount outstanding at any month-end during 2020 was $6.4 billion.

Investment Securities

We classify our investment securities according to their purpose and holding period. Gains or losses on the sale of securities are recognized using the specific identification method and recorded in noninterest income.

Held-to-maturity ("HTM") debt securities are carried at amortized cost with purchase discounts or premiums accreted or amortized into interest income over the contractual life of the security. We have the intent and ability to hold such securities until maturity. For HTM securities, the ACL is assessed consistent with the approach described in Note 6 for loans carried at amortized cost.

Available-for-sale ("AFS") securities are stated at fair value and generally consist of debt securities held for investment. Unrealized gains and losses of AFS securities, after applicable taxes, are recorded as a component of other comprehensive income ("OCI"). AFS securities in an unrealized loss position are formally reviewed on a quarterly basis for the presence of impairment. If we have an intent to sell an identified security, or it is more likely than not we will be required to sell the security before recovery of its amortized cost basis, then we recognize an impairment equal to any existing allowance written off against the security. If we do not have the intent to sell a security, and it is more likely than not that we will not be required to sell a security prior to recovery of its amortized cost basis, then we determine whether there is any impairment attributable to credit-related factors. The process, methodology, and factors considered to evaluate securities for impairment are described further in Note 5.

Trading securities are stated at fair value and consist of securities acquired for short-term appreciation or other trading purposes. Realized and unrealized gains and losses are recorded in trading income, which is included in "Capital Markets and Foreign Exchange."

The fair values of investment securities, as estimated under current accounting guidance, are described in Note 3.

Leases

As a lessee, when we enter a lease contract, we classify and account for the lease as either a finance lease or an operating lease, depending on the terms and conditions of the lease. A finance lease is recorded as an asset and a liability, and the asset is generally depreciated over the lease term. The lease liability is reduced as lease payments are made. An operating lease is recorded as a right-of-use ("ROU") asset and operating lease liability. These balance sheet items are reduced as lease payments are made. Lease payments are expensed over the lease term; they are recorded as rent expense and are recognized on a straight-line basis. Lease-related assets are reviewed for impairment on an on-going basis.

The lease term is the non-cancelable period that we have the right to use the leased asset. This term begins on the commencement date of the lease and incorporates options to extend or renew the lease when it is reasonably certain that we will exercise these options.

Loans

Loans are reported at the principal amount outstanding, net of unearned income, unamortized purchase premiums and discounts, and net deferred loan fees and costs, which are amortized to interest income over the life of the loan using the interest method. Interest income is recognized on an accrual basis.

At the time of origination, we determine whether loans will be held for investment or held for sale. We may subsequently change our intent to hold loans for investment and reclassify them as held for sale. Loans held for sale are carried at the lower of aggregate cost or fair value. A valuation allowance is recorded when cost exceeds fair value based on reviews at the time of reclassification and periodically thereafter. Gains and losses are recorded in noninterest income based on the difference between sales proceeds and carrying value.

We evaluate loans throughout their lives for signs of credit deterioration, which may impact the loan's status, and potentially impact our accounting for that loan. Loan status categories include past due as to contractual payments, nonaccrual, and restructured, including troubled debt restructurings ("TDRs"). Our accounting policies for these loan statuses and our estimation of the related allowance for loan and lease losses ("ALLL") are described further in Note 6.

In the ordinary course of business, we transfer portions of loans under participation agreements to manage credit risk and our portfolio concentration. We evaluate the loan participations to determine if they meet the appropriate accounting guidance to qualify as sales. Certain purchased loans require separate accounting procedures that are also described in Note 6.

Allowance for Credit Losses

The allowance for credit losses ("ACL") includes the ALLL and the reserve for unfunded lending commitments ("RULC"). For periods prior to 2020, the ALLL represented management's estimate of probable losses believed to be inherent in the loan portfolio at that time, and the RULC was estimated using the same procedures and methodologies as for the ALLL, in addition to assumptions regarding the probability and amount of unfunded commitments being drawn.

On January 1, 2020, we adopted ASU 2016-13, *Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* and its subsequent updates, often referred to as the Current Expected Credit Loss ("CECL") model. CECL changes how the ACL is measured for loans and for additional financial assets, including HTM securities. Under CECL, the ACL will represent our estimate of current expected credit losses over the contractual term of the loan and lease portfolio and unfunded lending commitments as of the balance sheet date. The ACL for debt securities is estimated separately from loans. Further discussion of our estimation process for the ACL is included in Note 6.

Other Noninterest-bearing Investments

These investments include investments in private equity funds — referred to in this document as private equity investments ("PEIs") — venture capital securities, securities acquired for various debt and regulatory requirements, bank-owned life insurance ("BOLI"), and certain other noninterest-bearing investments. See further discussion in Note 3.

Certain PEIs and venture capital securities are accounted for under the equity method and some are reported at fair value. Changes in fair value and gains and losses from sales are recognized in noninterest income. The values assigned to the securities where no market quotations exist are based upon available information and may not necessarily represent amounts that will ultimately be realized. Such estimated amounts depend on future circumstances and will not be realized until the individual securities are liquidated.

BOLI is accounted for at fair value based on the cash surrender values ("CSVs") of the general account insurance policies. A third-party service provides these values.

Other PEIs, and those acquired for various debt and regulatory requirements, are accounted for at cost less impairment (if any), plus or minus observable price changes from an identical or similar investment of the same issuer, with such changes recognized in income. Periodic reviews are conducted for impairment by comparing carrying values with estimates of fair value determined according to the previous discussion.

Premises, Equipment and Software, Net

Premises, equipment, and software are stated at cost, net of accumulated depreciation and amortization. Depreciation, computed primarily on the straight-line method, is charged to operations over the estimated useful lives of the properties, generally 25 to 40 years for buildings, three to 10 years for furniture and equipment, and three to 10 years for software, including capitalized costs related to our technology initiatives. Leasehold improvements are amortized over the terms of the respective leases or the estimated useful lives of the improvements (including any extension options that are reasonably certain to be exercised), whichever is shorter. Premises, equipment and software are evaluated for impairment on a periodic basis.

Goodwill and Identifiable Intangible Assets

Goodwill and intangible assets deemed to have indefinite lives are not amortized. We subject these assets to annual specified impairment tests as of the beginning of the fourth quarter and more frequently if changing conditions warrant.

Business Combinations

Business combinations are accounted for under the acquisition method of accounting. Upon initially obtaining control, we recognize 100% of all acquired assets and all assumed liabilities, regardless of the percentage owned. The assets and liabilities are recorded at their estimated fair values, with goodwill being recorded when such fair values are less than the cost of acquisition. Certain transaction and restructuring costs are expensed as incurred. Changes to estimated fair values from a business combination are recognized as an adjustment to goodwill over the measurement period, which cannot exceed one year from the acquisition date. Results of operations of the acquired business are included in our statement of income from the date of acquisition.

Other Real Estate Owned

Other real estate owned ("OREO") consists principally of commercial and residential real estate obtained in partial or total satisfaction of loan obligations. Amounts are recorded initially at fair value (less any selling costs) based on property appraisals at the time of transfer and subsequently at the lower of cost or fair value (less any selling costs).

Derivative Instruments

We use derivative instruments — including interest rate swaps and purchased and sold options such as floors and basis swaps—as part of our overall interest rate risk management strategy. Derivatives are an important tool used in managing our overall asset and liability sensitivities to remain within management's stated interest rate risk thresholds. Their use allows us to adjust and align our naturally occurring mix of fixed and floating-rate assets and liabilities to manage interest income volatility by synthetically converting variable-rate assets to fixed-rate, or synthetically converting fixed-rate funding instruments to floating-rates.

We also execute both interest rate and short-term foreign currency derivative instruments with our commercial banking customers to facilitate their risk management strategies. These derivatives are immediately hedged by offsetting derivatives with third-parties such that we minimize our net risk exposure as a result of such transactions. We record all derivatives at fair value in the balance sheet as either other assets or other liabilities. The accounting for the change in value of a derivative depends on whether or not the transaction has been designated and qualifies for hedge accounting. Derivatives that are not designated as hedges are reported and measured at fair value through earnings. See Note 7 for more information.

Derivatives in Designated Accounting Hedge

We apply hedge accounting to certain derivatives executed for risk management purposes, primarily interest rate risk. To qualify for hedge accounting, a derivative must be highly effective at reducing the risk associated with the exposure being hedged and the hedging relationship must be formally documented. We primarily use regression analysis to assess the effectiveness of each hedging relationship, unless the hedge qualifies for other methods of assessing effectiveness (e.g., shortcut or critical terms match), both at inception and on an ongoing basis. We designate derivatives as fair value and cash flow hedges for accounting purposes and these hedges can be a significant aspect of our overall interest risk sensitivity management. We may add additional hedging strategies and apply hedge accounting to the strategies as it deems necessary. See Note 7 for more information regarding the accounting for derivatives designated as hedging instruments.

Commitments and Letters of Credit

In the ordinary course of business, we enter into commitments to extend credit, commercial letters of credit, and standby letters of credit. Such financial instruments are recorded in the financial statements when they become payable. The credit risk associated with these commitments is evaluated in a manner similar to the ALLL. The RULC is presented separately in the balance sheet.

Revenue Recognition

Service charges and fees on deposit accounts are recognized in accordance with published deposit account agreements for customer accounts or contractual agreements for commercial accounts. Other service charges, commissions, and fees include interchange fees, bank services, and other fees, which are generally recognized at the time of transaction or as the services are performed.

Share-based Compensation

Share-based compensation generally includes grants of stock options, restricted stock, restricted stock units (“RSUs”), and other awards to employees and nonemployee directors. We recognize compensation expense in the statement of income based on the grant-date value of the associated share-based awards. See further discussion in Note 19.

Income Taxes

Deferred tax assets (“DTAs”) and liabilities (“DTLs”) are determined based on temporary differences between financial statement asset and liability amounts and their respective tax basis and are measured using enacted tax laws and rates. The effect on DTAs and DTLs of a change in tax rates is recognized in income in the period that includes the enactment date. DTAs are recognized subject to management’s judgment that realization is more likely than not. Unrecognized tax benefits for uncertain tax positions relate primarily to tax credits on technology initiatives. See further discussion in Note 20.

Net Earnings Per Common Share

Net earnings per common share is based on net earnings applicable to common shareholders, which is net of preferred stock dividends. Basic net earnings per common share is based on the weighted average outstanding common shares during each year. Unvested share-based awards with rights to receive nonforfeitable dividends are considered participating securities and included in the computation of basic earnings per share. Diluted net earnings per common share is based on the weighted average outstanding common shares during each year, including common stock equivalents. Stock options, restricted stock, RSUs, and stock warrants are converted to common stock equivalents using the more dilutive of the treasury stock method or the two-class method. Diluted net earnings per common share excludes common stock equivalents whose effect is antidilutive. See further discussion in Note 21.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Standard Updates	Description	Date of adoption	Effect on the financial statements or other significant matters
Updates adopted during 2020			
ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*	As part of reference rate reform, the London Interbank Offered Rate ("LIBOR") is expected to be discontinued by June 30, 2023 and is being replaced by observable or transaction-based alternative reference rates. This ASU addresses certain operational accounting concerns of modifying contracts such as debt, lease, and derivative agreements that reference LIBOR, or another rate, that is expected to be discontinued due to reference rate reform. The ASU provides temporary optional expedients and exceptions to the accounting requirements for contract modifications for contracts that reference LIBOR. This ASU also provides for a one-time election to sell or transfer to available-for-sale or trading certain qualifying held-to-maturity ("HTM") debt securities. Additionally, this guidance provides various optional expedients for hedging relationships affected by reference rate reform.	April 1, 2020	We adopted ASU 2020-04 on April 1, 2020; the impact upon adoption was not significant as no practical expedients were applied in the current period, but will be applied in future periods. To date, we have identified a significant number of contracts referencing LIBOR across various business units and contract types. Additionally, we have designated hedging relationships that utilize LIBOR-indexed derivatives and hedge the LIBOR exposure of floating-rate commercial loans and our fixed-rate debt. Remediation of these LIBOR exposures will constitute a significant operational effort. While the full impact of reference rate reform is still being determined, the application of the ASU and its practical expedients will significantly reduce the operational and financial statement impact of our remediation efforts.
ASU 2016-13, *Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments and subsequent related ASUs*	This ASU, and subsequent updates, significantly changes how entities will measure credit losses for virtually all financial assets and certain other instruments that are not measured at fair value through net income that have the contractual right to receive cash. The update replaces the "incurred loss" approach with a current expected credit loss ("CECL") model for instruments such as loans and HTM securities that are measured at amortized cost. The ASU requires credit losses relating to available-for sale ("AFS") debt securities to be recorded through an allowance for credit loss ("ACL") rather than a reduction of the carrying amount and replaces the historically required other-than-temporary impairment ("OTTI") analysis. It also changes the accounting for purchased credit-impaired debt securities and loans. The ASU retains many of the current disclosure requirements in U.S. GAAP and expands other disclosure requirements. The new guidance is effective for calendar year-end public companies beginning January 1, 2020.	January 1, 2020	We adopted ASU 2016-13 and its subsequent updates on January 1, 2020; the impact upon adoption was an after-tax increase to retained earnings of approximately $20 million.

Accounting Standard Updates	Description	Date of adoption	Effect on the financial statements or other significant matters
Updates adopted during 2020			
ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*	This ASU removes the requirements in step two of the current goodwill impairment model, eliminating the requirement to calculate and compare the implied fair value of the reporting entity with the carrying amount of that entity, including goodwill, to measure any impairment charge. Instead, entities will record an impairment charge based on the excess of a reporting unit's carrying amount of goodwill over its implied fair value of goodwill (i.e., measure the charge based on step one of the current guidance). The ASU also continues to allow entities to perform an optional qualitative goodwill impairment assessment before determining whether to proceed to the quantitative step one. The Update is effective for us as of January 1, 2020. Early adoption is allowed for any goodwill impairment test performed after January 1, 2017.	January 1, 2020	We adopted ASU 2017-04 on January 1, 2020; the impact upon adoption was not significant. The transition and adoption provisions were applied prospectively.

3. FAIR VALUE

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. This hierarchy uses the following three levels of inputs to measure the fair value of assets and liabilities:

Level 1 — Quoted prices in active markets for identical assets or liabilities in active markets that we have the ability to access;

Level 2 — Observable inputs other than Level 1, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in less active markets, observable inputs other than quoted prices that are used in the valuation of an asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3 — Unobservable inputs supported by little or no market activity for financial instruments whose value is determined by pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Market activity is presumed to be orderly in the absence of evidence of forced or disorderly sales, although such sales may still be indicative of fair value. Applicable accounting guidance precludes the use of blockage factors or liquidity adjustments due to the quantity of securities held by an entity.

We use fair value to measure certain assets and liabilities on a recurring basis when fair value is the primary measure for accounting. Fair value is used on a nonrecurring basis to measure certain assets when adjusting carrying values, such as the application of lower of cost or fair value accounting, including recognition of impairment on assets. Fair value is also used when providing required disclosures for certain financial instruments.

Fair Value Policies and Procedures

We have various policies, processes, and controls in place to ensure that fair values are reasonably developed, reviewed, and approved for use. These include a Securities Valuation Committee, comprised of executive management, that reviews and approves on a quarterly basis the key components of fair value estimation, including critical valuation assumptions for Level 3 modeling. A Model Risk Management Group conducts model validations, including internal models, and sets policies and procedures for revalidation, including the timing of revalidation.

Third-party Service Providers

We use a third party pricing service to measure fair value for approximately 95% of our AFS Level 2 securities. Fair value measurements for other AFS Level 2 securities generally use certain inputs corroborated by market data and include standard discounted cash flow analysis.

For Level 2 securities, the third-party pricing service provides documentation on an ongoing basis that presents market corroborative data, including detailed pricing information and market reference data. The documentation includes benchmark yields, reported trades, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data, including information from the vendor trading platform. We review, test, and validate this information as appropriate. Absent observable trade data, we do not adjust prices from our third-party sources.

The following describes the hierarchy designations, valuation methodologies and key inputs to measure fair value on a recurring basis for designated financial instruments:

Available-for-Sale

U.S. Treasury, Agencies and Corporations

U.S. Treasury securities are measured under Level 1 using quoted market prices when available. U.S. agencies and corporations are measured under Level 2 generally using the previously mentioned third-party pricing service.

Municipal Securities

Municipal securities are measured under Level 2 using the third-party pricing service.

Money Market Mutual Funds and Other

Money market mutual funds and other securities are measured under Level 1 or Level 2. For Level 1, quoted market prices are used which may include net asset values (“NAVs”) or their equivalents. Level 2 valuations generally use quoted prices for similar securities.

Trading Account

Securities in the trading account are generally measured under Level 2 using third-party pricing service providers as described previously.

Held-to-Maturity

HTM securities are carried at amortized cost, but for disclosure purposes are measured at fair value using a third-party pricing service or an internal model. The internal model utilizes observable market yields as inputs.

Bank-owned Life Insurance

BOLI is measured under Level 2 according to CSVs of the insurance policies that are provided by a third-party service. Nearly all policies are general account policies with CSVs based on our claims on the assets of the insurance companies. The insurance companies’ investments include predominantly fixed-income securities consisting of investment-grade corporate bonds and various types of mortgage instruments. Management regularly reviews its BOLI investment performance, including concentrations among insurance providers.

Private Equity Investments

PEIs are generally measured under Level 3. The majority of these PEIs are held in our Small Business Investment Company ("SBIC") and are early-stage venture investments. The fair value measurements of these investments are reviewed at least on a quarterly basis, including whenever a new round of financing occurs. Certain of these investments may be measured using multiples of operating performance. The fair value measurements of PEIs are reviewed on a quarterly basis by the Securities Valuation Committee. The Equity Investments Committee, consisting of executives familiar with the investments, reviews periodic financial information, including audited financial statements when available.

Certain valuation analytics may be employed that include current and projected financial performance, recent financing activities, economic and market conditions, market comparable companies, market liquidity, sales restrictions, and other factors. A significant change in the expected performance of the individual investment would result in a change in the fair value measurement of the investment. The amount of unfunded commitments to invest is disclosed in Note 16. Certain restrictions apply for the redemption of these investments and certain investments are prohibited by the Volcker Rule. See discussions in Notes 5 and 16.

Agriculture Loan Servicing

This asset results from our servicing of agriculture loans approved and funded by Federal Agricultural Mortgage Corporation ("FAMC"). We provide this servicing under an agreement with FAMC for loans they own. The asset's fair value represents our projection of the present value of future cash flows measured under Level 3 using discounted cash flow methodologies.

Interest-only Strips

Interest-only strips are created as a by-product of the securitization process. When the guaranteed portions of Small Business Administration ("SBA") 7(a) loans are pooled, interest-only strips may be created in the pooling process. The asset's fair value represents our projection of the present value of future cash flows measured under Level 3 using discounted cash flow methodologies.

Deferred Compensation Plan Assets and Obligations

Invested assets in the deferred compensation plan consist of shares of registered investment companies. These mutual funds are valued under Level 1 at quoted market prices, which represents the NAV of shares held by the plan at the end of the period.

Derivatives

Derivatives are measured according to their classification as either exchange-traded or over-the-counter. Exchange-traded derivatives consist of foreign currency exchange contracts measured under Level 1 because they are traded in active markets. Over-the-counter derivatives, including those for customers, consist of interest rate swaps and options. These derivatives are measured under Level 2 using third-party services. Observable market inputs include yield curves — the London Interbank Offered Rate ("LIBOR") swap curve and relevant overnight index swap curves — foreign exchange rates, commodity prices, option volatilities, counterparty credit risk, and other related data. Credit valuation adjustments are required to reflect nonperformance risk for both us and the respective counterparty. These adjustments are determined generally by applying a credit spread to the total expected exposure of the derivative.

Securities Sold, Not Yet Purchased

Securities sold, not yet purchased, included in "Federal funds and other short-term borrowings" on the balance sheet, are measured under Level 1 using quoted market prices. If not available, quoted prices under Level 2 for similar securities are used.

Loans

Loans are generally measured at amortized cost, unless they do not share risk characteristics with other loans. For those loans, we estimate lifetime expected credit losses on an individual basis. When a loan is individually evaluated for expected credit losses, we estimate a specific reserve for the loan based on either the projected present value of the loan's future cash flows discounted at the loan's effective interest rate, the observable market price of the loan, or the fair value of the loan's underlying collateral. See Note 6 for more information regarding the measurement method for our loans.

For loans measured at amortized cost, fair value is estimated by discounting future cash flows using the applicable yield curve adjusted by a factor that reflects the credit, interest rate risk, and liquidity inherent in the loan. These future cash flows are then reduced by the estimated life-of-the-loan aggregate credit losses in the loan portfolio (i.e., the allowance for loan and lease losses under the CECL model).

Quantitative Disclosure by Fair Value Hierarchy

Assets and liabilities measured at fair value by class on a recurring basis are summarized as follows:

(In millions)	December 31, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS				
Investment securities:				
Available-for-sale:				
U.S. Treasury, agencies and corporations	$ 192	$ 13,944	$ —	$ 14,136
Municipal securities		1,420		1,420
Other debt securities		175		175
Total Available-for-sale	192	15,539	—	15,731
Trading account	111	155		266
Other noninterest-bearing investments:				
Bank-owned life insurance		532		532
Private equity investments[1]			80	80
Other assets:				
Agriculture loan servicing and interest-only strips			16	16
Deferred compensation plan assets	120			120
Derivatives:				
Derivatives not designated as hedges:				
Interest rate		411		411
Foreign exchange	4			4
Total Assets	$ 427	$ 16,637	$ 96	$ 17,160
LIABILITIES				
Securities sold, not yet purchased	$ 61	$ —	$ —	$ 61
Other liabilities:				
Derivatives:				
Derivatives not designated as hedges:				
Interest rate		34		34
Foreign exchange	4			4
Total Liabilities	$ 65	$ 34	$ —	$ 99

[1] *The level 1 PEIs amount relates to the portion of our SBIC investments that are now publicly traded.*

(In millions)	December 31, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS				
Investment securities:				
Available-for-sale:				
U.S. Treasury, agencies and corporations	$ 25	$ 12,356	$ —	$ 12,381
Municipal securities		1,319		1,319
Other debt securities		25		25
Total Available-for-sale	25	13,700	—	13,725
Trading account	65	117		182
Other noninterest-bearing investments:				
Bank-owned life insurance		525		525
Private equity investments	9		107	116
Other assets:				
Agriculture loan servicing and interest-only strips			18	18
Deferred compensation plan assets	113			113
Derivatives:				
Derivatives not designated as hedges:				
Interest rate		149		149

Foreign exchange	4			4
Total Assets	$ 216	$ 14,491	$ 125	$ 14,832
LIABILITIES				
Securities sold, not yet purchased	$ 66	$ —	$ —	$ 66
Other liabilities:				
Derivatives:				
Derivatives not designated as hedges:				
Interest rate		15		15
Foreign exchange	4			4
Total Liabilities	$ 70	$ 15	$ —	$ 85

Reconciliation of Level 3 Fair Value Measurements

The following schedule reconciles the beginning and ending balances of assets and liabilities that are measured at fair value by financial instrument on a recurring basis using Level 3 inputs:

	Level 3 Instruments			
	December 31, 2020		December 31, 2019	
(In millions)	Private equity investments	Ag loan svcg and int-only strips	Private equity investments	Ag loan svcg and int-only strips
Balance at beginning of year	$ 107	$ 18	$ 102	$ 18
Securities gains (losses), net	(5)	—	2	—
Other noninterest income (expense)	—	(1)	—	1
Purchases	9	—	10	—
Redemptions and paydowns	—	(1)	—	(1)
Other	(31)	—	(7)	—
Balance at end of year	$ 80	$ 16	$ 107	$ 18

[1] *This represents the value of a private equity investment at the beginning of the quarter during which it became publicly traded.*

During the third quarter of 2019, one of our PEIs became publicly traded and was transferred from Level 3 to Level 1. There were no transfers of assets or liabilities into, or out of, Level 3 for 2020.

The reconciliation of Level 3 instruments includes the following realized gains and losses in the statement of income:

(In millions)	Year Ended December 31, 2020	Year Ended December 31, 2019
Securities gains (losses), net	$ 18	$ (9)

Nonrecurring Fair Value Measurements

Included in the balance sheet amounts are the following amounts of assets that had fair value changes measured on a nonrecurring basis:

(In millions)	Fair value at December 31, 2020 Level 1	Level 2	Level 3	Total	Gains (losses) from fair value changes Year Ended December 31, 2020
ASSETS					
Private equity investments, carried at cost	$ —	$ —	$ 1	$ 1	$ (1)
Collateral-dependent loans	—	14	—	14	(14)
Other real estate owned	—	1	—	1	(2)
Total	$ —	$ 15	$ 1	$ 16	$ (17)

(In millions)	Fair value at December 31, 2019 Level 1	Level 2	Level 3	Total	Gains (losses) from fair value changes Year Ended December 31, 2019
ASSETS					
Private equity investments, carried at cost	$ —	$ —	$ 1	$ 1	$ (1)
Collateral-dependent loans	—	—	—	—	—
Other real estate owned	—	—	—	—	(1)
Total	$ —	$ —	$ 1	$ 1	$ (2)

The previous fair values may not be current as of the dates indicated, but rather as of the most recent date the fair value change occurred. Accordingly, carrying values may not equal the current fair value.

We recognized net gains of $1 million in 2020 and $3 million in 2019 from the sale of OREO properties that had a carrying value at the time of sale of approximately $6 million in 2020 and $5 million in 2019. Prior to their sale in these years, we recognized an insignificant amount of impairment on these properties in 2020 and 2019.

PEIs carried at cost were measured at fair value for impairment purposes according to the methodology previously described for these investments. Amounts of PEIs carried at cost were $8 million at December 31, 2020 and at December 31, 2019. Amounts of other noninterest-bearing investments carried at cost were $109 million and $157 million at December 31, 2020, and 2019, respectively, which were comprised of Federal Reserve and Federal Home Loan Bank ("FHLB") stock. PEIs accounted for using the equity method were $61 million and $45 million at December 31, 2020, and 2019, respectively.

Loans that are collateral-dependent were measured at the lower of amortized cost or the fair value of the collateral. OREO was measured initially at fair value based on collateral appraisals at the time of transfer and subsequently at the lower of cost or fair value.

Measurement of fair value for collateral-dependent loans and OREO was based on third-party appraisals that utilize one or more valuation techniques (income, market and/or cost approaches). Any adjustments to calculated fair value were made based on recently completed and validated third-party appraisals, third-party appraisal services, automated valuation services, or our informed judgment. Evaluations were made to determine that the appraisal process met the relevant concepts and requirements of applicable accounting guidance.

Automated valuation services may be used primarily for residential properties when values from any of the previous methods were not available within 90 days of the balance sheet date. These services use models based on market, economic, and demographic values. The use of these models has only occurred in very few instances and the related property valuations have not been sufficiently significant to consider disclosure under Level 3 rather than Level 2.

Loans that are not collateral-dependent were measured as previously discussed in this Note.

Fair Value of Certain Financial Instruments

Following is a summary of the carrying values and estimated fair values of certain financial instruments:

	December 31, 2020			December 31, 2019		
(In millions)	Carrying value	Estimated fair value	Level	Carrying value	Estimated fair value	Level
Financial assets:						
Held-to-maturity investment securities	$ 636	$ 640	2	$ 592	$ 597	2
Loans and leases (including loans held for sale), net of allowance	52,780	53,221	3	48,343	47,958	3
Financial liabilities:						
Time deposits	2,588	2,603	2	4,719	4,725	2
Long-term debt	1,336	1,346	2	1,723	1,751	2

This summary excludes financial assets and liabilities for which carrying value approximates fair value and financial instruments that are recorded at fair value on a recurring basis. Financial instruments for which carrying values approximate fair value include cash and due from banks, money market investments, demand, savings and money market deposits, federal funds purchased and other short-term borrowings, and security repurchase agreements. The estimated fair value of demand, savings and money market deposits is the amount payable on demand at the reporting date. Carrying value is used because the accounts have no stated maturity and the customer has the ability to withdraw funds immediately. Time and foreign deposits, and any other short-term borrowings, are measured at fair value by discounting future cash flows using the LIBOR yield curve to the given maturity dates. Long-term debt is measured at fair value based on actual market trades (i.e., an asset value) when available, or discounting cash flows to maturity using the LIBOR yield curve adjusted for credit spreads. The methods used to measure fair value for HTM securities and loans were previously described in this Note.

These fair value disclosures represent our best estimates based on relevant market information and information about the financial instruments. Fair value estimates are based on judgments regarding current economic conditions, future expected loss experience, risk characteristics of the various instruments, and other factors. These estimates are subjective in nature, involve uncertainties and matters of significant judgment, and cannot be determined with precision. Changes in these methodologies and assumptions could significantly affect the estimates.

4. OFFSETTING ASSETS AND LIABILITIES

Gross and net information for selected financial instruments in the balance sheet is as follows:

(In millions)	December 31, 2020					
				Gross amounts not offset in the balance sheet		
Description	Gross amounts recognized	Gross amounts offset in the balance sheet	Net amounts presented in the balance sheet	Financial instruments	Cash collateral received/pledged	Net amount
Assets:						
Federal funds sold and security resell agreements	$ 6,457	$ (692)	$ 5,765	$ —	$ —	$ 5,765
Derivatives (included in other assets)	418	—	418	(6)	(3)	409
Total assets	$ 6,875	$ (692)	$ 6,183	$ (6)	$ (3)	$ 6,174
Liabilities:						
Federal funds and other short-term borrowings	$ 2,264	$ (692)	$ 1,572	$ —	$ —	$ 1,572
Derivatives (included in other liabilities)	38	—	38	(6)	(26)	6
Total liabilities	$ 2,302	$ (692)	$ 1,610	$ (6)	$ (26)	$ 1,578

(In millions)	December 31, 2019					
				Gross amounts not offset in the balance sheet		
Description	Gross amounts recognized	Gross amounts offset in the balance sheet	Net amounts presented in the balance sheet	Financial instruments	Cash collateral received/pledged	Net amount
Assets:						
Federal funds sold and security resell agreements	$ 694	$ (210)	$ 484	$ —	$ —	$ 484
Derivatives (included in other assets)	153	—	153	(6)	—	147
Total assets	$ 847	$ (210)	$ 637	$ (6)	$ —	$ 631
Liabilities:						
Federal funds and other short-term borrowings	$ 2,263	$ (210)	$ 2,053	$ —	$ —	$ 2,053
Derivatives (included in other liabilities)	19	—	19	(6)	(10)	3
Total liabilities	$ 2,282	$ (210)	$ 2,072	$ (6)	$ (10)	$ 2,056

Security repurchase and reverse repurchase ("resell") agreements are offset, when applicable, in the balance sheet according to master netting agreements. Security repurchase agreements are included with "Federal funds and other short-term borrowings." Derivative instruments may be offset under their master netting agreements; however, for accounting purposes, we present these items on a gross basis in our balance sheet. See Note 7 for further information regarding derivative instruments.

5. INVESTMENTS

Investment Securities

Investment securities are classified as HTM, AFS, or trading. HTM securities, which management has the intent and ability to hold until maturity, are carried at amortized cost. AFS securities are carried at fair value and unrealized gains and losses are reported as net increases or decreases to accumulated other comprehensive income ("AOCI"). Trading securities are carried at fair value with gains and losses recognized in current period earnings. The carrying values of our securities do not include accrued interest receivables of $54 million and $58 million at December 31, 2020, and 2019, respectively. These receivables are presented in the "Consolidated Balance Sheet" within the "Other Assets" line item.

The purchase premiums for callable debt securities classified as HTM or AFS are amortized at an effective yield to the earliest call date. The purchase premiums and discounts for all other HTM and AFS securities are recognized in interest income over the contractual life of the security using the effective yield method. As principal prepayments are received on securities, a proportionate amount of the related premium or discount is recognized in income so that the effective yield on the remaining portion of the security continues unchanged. Note 3 discusses the process to estimate fair value for investment securities.

	December 31, 2020			
(In millions)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Held-to-maturity				
Municipal securities	$ 636	$ 5	$ 1	$ 640
Available-for-sale				
U.S. Treasury securities	205	—	13	192
U.S. Government agencies and corporations:				
Agency securities	1,051	40	—	1,091
Agency guaranteed mortgage-backed securities	11,439	262	8	11,693
Small Business Administration loan-backed securities	1,195	—	35	1,160
Municipal securities	1,352	68	—	1,420
Other debt securities	175	—	—	175
Total available-for-sale	15,417	370	56	15,731
Total investment securities	$ 16,053	$ 375	$ 57	$ 16,371

	December 31, 2019			
(In millions)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Held-to-maturity				
Municipal securities	$ 592	$ 5	$ —	$ 597
Available-for-sale				
U.S. Treasury securities	25	—	—	25
U.S. Government agencies and corporations:				
Agency securities	1,301	5	4	1,302
Agency guaranteed mortgage-backed securities	9,518	83	42	9,559
Small Business Administration loan-backed securities	1,535	1	41	1,495
Municipal securities	1,282	37	—	1,319
Other debt securities	25	—	—	25
Total available-for-sale	13,686	126	87	13,725
Total investment securities	$ 14,278	$ 131	$ 87	$ 14,322

Maturities

The following schedule shows the amortized cost and weighted average yields of investment debt securities by contractual maturity of principal payments as of December 31, 2020. Actual principal payments may differ from contractual or expected principal payments because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	December 31, 2020									
	Total debt investment securities		Due in one year or less		Due after one year through five years		Due after five years through 10 years		Due after 10 years	
(Dollar amounts in millions)	Amortized cost	Avg yield	Amortized cost	Avg yield	Amortized cost	Avg yield	Amortized cost	Avg yield	Amortized cost	Avg yield
Held-to-maturity										
Municipal securities [1]	$ 636	3.08 %	$ 146	2.05 %	$ 187	3.42 %	$ 174	3.19 %	$ 129	3.58 %
Available-for-sale										
U.S. Treasury securities	205	0.99	50	0.09	—	—	—	—	155	1.28
U.S. Government agencies and corporations:										
Agency securities	1,051	2.36	—	—	292	1.73	238	2.65	521	2.58
Agency guaranteed mortgage-backed securities	11,439	1.87	—	—	372	1.48	728	1.77	10,339	1.89
Small Business Administration loan-backed securities	1,195	1.56	—	—	43	1.39	137	1.61	1,015	1.56
Municipal securities [1]	1,352	2.44	99	1.83	640	2.39	432	2.60	181	2.59
Other debt securities	175	1.05	—	—	—	—	160	0.87	15	2.93
Total available-for-sale securities	15,417	1.91	149	1.24	1,347	1.96	1,695	2.01	12,226	1.89
Total investment securities	$ 16,053	1.95 %	$ 295	1.64 %	$ 1,534	2.14 %	$ 1,869	2.12 %	$ 12,355	1.91 %

[1] *The yields on tax-exempt securities are calculated on a tax-equivalent basis.*

The following schedule summarizes the amount of gross unrealized losses for debt securities and the estimated fair value by length of time the securities have been in an unrealized loss position:

	December 31, 2020					
	Less than 12 months		12 months or more		Total	
(In millions)	Gross unrealized losses	Estimated fair value	Gross unrealized losses	Estimated fair value	Gross unrealized losses	Estimated fair value
Held-to-maturity						
Municipal securities	$ 1	$ 96	$ —	$ 12	$ 1	$ 108
Available-for-sale						
U.S. Treasury securities	13	142	—	—	13	142
U.S. Government agencies and corporations:						
Agency securities	—	6	—	2	—	8
Agency guaranteed mortgage-backed securities	7	1,197	1	179	8	1,376
Small Business Administration loan-backed securities	—	15	35	1,068	35	1,083
Municipal securities	—	19	—	—	—	19
Other	—	150	—	—	—	150
Total available-for-sale	20	1,529	36	1,249	56	2,778
Total investment securities	$ 21	$ 1,625	$ 36	$ 1,261	$ 57	$ 2,886

	December 31, 2019					
	Less than 12 months		12 months or more		Total	
(In millions)	Gross unrealized losses	Estimated fair value	Gross unrealized losses	Estimated fair value	Gross unrealized losses	Estimated fair value
Held-to-maturity						
Municipal securities	$ —	$ 73	$ —	$ 45	$ —	$ 118
Available-for-sale						
U.S. Government agencies and corporations:						
Agency securities	2	222	2	359	4	581
Agency guaranteed mortgage-backed securities	4	1,173	38	3,215	42	4,388
Small Business Administration loan-backed securities	1	172	40	1,215	41	1,387
Municipal securities	—	50	—	5	—	55
Other	—	—	—	—	—	—
Total available-for-sale	7	1,617	80	4,794	87	6,411
Total investment securities	$ 7	$ 1,690	$ 80	$ 4,839	$ 87	$ 6,529

Approximately 119 and 146 HTM and 549 and 849 AFS investment securities were in an unrealized loss position at December 31, 2020, and 2019, respectively.

Impairment

Ongoing Policy

We review investment securities on a quarterly basis for the presence of impairment. For AFS securities, we assess whether impairment is present on an individual security basis when the fair value of a debt security is less than its amortized cost basis at the balance sheet date. When determining if the fair value of an investment is less than the amortized cost basis, we have elected to exclude accrued interest from the amortized cost basis of the investment. If we have an intent to sell an identified security, or it is more likely than not we will be required to sell the security before recovery of its amortized cost basis, then we recognize an impairment equal to any existing allowance written off against the security.

If we do not have the intent to sell a security, and it is more likely than not that we will not be required to sell a security prior to recovery of its amortized cost basis, then we determine whether there is any impairment attributable to credit-related factors. We analyze certain factors, primarily internal and external credit ratings, to determine if the decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. If a credit impairment is determined to exist, then we measure the amount of credit loss and recognize an allowance for the credit loss. In measuring the credit loss, we generally compare the present value of cash flows expected to be collected from the security to the amortized cost basis of the security. These cash flows are credit adjusted using, among other things, assumptions for default probability and loss severity. Certain other unobservable inputs, such as prepayment rate assumptions, are also utilized. In addition, certain internal models may be utilized. To determine the credit-related portion of impairment, we use the security-specific effective interest rate when estimating the present value of cash flows. If the present value of cash flows is less than the amortized cost basis of the security, then this amount is recorded as an allowance for credit loss, limited to the amount that the fair value is less than the amortized cost basis (i.e., the credit impairment cannot result in the security being carried at an amount lower than its fair value). The assumptions used to estimate the expected cash flows depends on the particular asset class, structure and credit rating of the security. Declines in fair value that are not recorded in the allowance are recorded in other comprehensive income, net of applicable taxes.

AFS Impairment Conclusions

We did not recognize any impairment on our AFS investment securities portfolio during 2020 or 2019. Unrealized losses relate to changes in interest rates subsequent to purchase and are not attributable to credit. At December 31, 2020, we had not initiated any sales of AFS securities nor did we have an intent to sell any identified securities with unrealized losses, and we do not believe it is more likely than not we would be required to sell such securities before recovery of their amortized cost basis.

HTM Impairment Conclusions

For HTM securities, the ACL is assessed consistent with the approach described in Note 6 for loans carried at amortized cost. The ACL on HTM securities was less than $1 million at December 31, 2020. All HTM securities were risk-graded as “pass” in terms of credit quality and none were past due as of December 31, 2020. The amortized cost basis of HTM securities categorized by year of issuance is summarized as follows:

	December 31, 2020						
	Amortized cost basis by year of issuance						
(In millions)	2020	2019	2018	2017	2016	Prior	Total Securities
Held-to-maturity	$ 216	$ 18	$ —	$ 12	$ 176	$ 214	$ 636

Securities Gains and Losses Recognized in Income

The following summarizes gains and losses that were recognized in the statement of income:

	2020		2019		2018	
(In millions)	Gross gains	Gross losses	Gross gains	Gross losses	Gross gains	Gross losses
Other noninterest-bearing investments	$ 27	$ 20	$ 20	$ 17	$ 17	$ 16
Net gains		$ 7		$ 3		$ 1

Interest income by security type is as follows:

(In millions)	2020			2019			2018		
	Taxable	Nontaxable	Total	Taxable	Nontaxable	Total	Taxable	Nontaxable	Total
Investment securities:									
Held-to-maturity	$ 10	$ 10	$ 20	$ 9	$ 13	$ 22	$ 10	$ 14	$ 24
Available-for-sale	252	25	277	308	25	333	295	26	321
Trading	—	7	7	1	6	7	1	4	5
Total	$ 262	$ 42	$ 304	$ 318	$ 44	$ 362	$ 306	$ 44	$ 350

Investment securities with a carrying value of approximately $2.3 billion and $2.0 billion at December 31, 2020, and 2019, respectively, were pledged to secure public and trust deposits, advances, and for other purposes as required by law. Securities are also pledged as collateral for security repurchase agreements.

6. LOANS, LEASES, AND ALLOWANCE FOR CREDIT LOSSES

Loans, Leases, and Loans Held for Sale

Loans and leases are summarized as follows according to major portfolio segment and specific class:

(In millions)	December 31, 2020	December 31, 2019
Loans held for sale	$ 81	$ 129
Commercial:		
Commercial and industrial	$ 13,444	$ 14,760
PPP	5,572	—
Leasing	320	334
Owner-occupied	8,185	7,901
Municipal	2,951	2,393
Total commercial	30,472	25,388
Commercial real estate:		
Construction and land development	2,345	2,211
Term	9,759	9,344
Total commercial real estate	12,104	11,555
Consumer:		
Home equity credit line	2,745	2,917
1-4 family residential	6,969	7,568
Construction and other consumer real estate	630	624
Bankcard and other revolving plans	432	502
Other	124	155
Total consumer	10,900	11,766
Total loans and leases	$ 53,476	$ 48,709

Loans and leases are presented at their amortized cost basis, which includes net unamortized purchase premiums, discounts, and deferred loan fees and costs totaling $149 million and $60 million at December 31, 2020, and December 31, 2019, respectively. Amortized cost basis does not include accrued interest receivables of $200 million and $164 million at December 31, 2020, and December 31, 2019, respectively. These receivables are presented in the "Consolidated Balance Sheet" within the "Other Assets" line item.

Municipal loans generally include loans to municipalities with the debt service being repaid from general funds or pledged revenues of the municipal entity, or to private commercial entities or 501(c)(3) not-for-profit entities utilizing a pass-through municipal entity to achieve favorable tax treatment.

Land acquisition and development loans included in the construction and land development loan portfolio were $156 million at December 31, 2020 and $158 million at December 31, 2019.

Loans with a carrying value of approximately $24.7 billion at December 31, 2020, and $21.5 billion at December 31, 2019, have been pledged at the Federal Reserve and the FHLB of Des Moines as collateral for current and potential borrowings.

We sold loans totaling $1.8 billion in 2020, $872 million in 2019, and $585 million in 2018, that were classified as loans held for sale. The sold loans were derecognized from the balance sheet. Loans classified as loans held for sale primarily consisted of conforming residential mortgages and the guaranteed portion of SBA loans, and did not consist of loans from the SBA's Paycheck Protection Program. The loans are mainly sold to U.S. government agencies or participated to third-parties. At times, we have continuing involvement in the transferred loans in the form of servicing rights or a guarantee from the respective issuer. Amounts added to loans held for sale during these same periods were $1.8 billion, $916 million, and $785 million, respectively. See Note 5 for further information regarding guaranteed securities.

The principal balance of sold loans for which we retain servicing was approximately $2.8 billion at December 31, 2020, $1.7 billion at December 31, 2019, and $2.2 billion at December 31, 2018. Income from loans sold, excluding servicing, was $54 million in 2020, $18 million in 2019, and $12 million in 2018.

Allowance for Credit Losses

The ACL, which consists of the allowance for loan and lease losses ("ALLL") and the reserve for unfunded lending commitments ("RULC"), represents our estimate of current expected credit losses over the contractual term of the loan and lease portfolio and unfunded lending commitments as of the balance sheet date. The ACL for AFS and HTM debt securities is estimated separately from loans. For HTM securities, the ACL is assessed consistent with the approach for loans carried at amortized cost. See Note 5 for further discussion on our assessment of expected credit losses on AFS securities and disclosures related to AFS and HTM securities.

We determine our ACL as the best estimate within a range of estimated current expected losses by using the loan's amortized cost basis (principal balance, net of unamortized premiums, discounts, and deferred fees and costs). We do not estimate the ACL for accrued interest receivables because we reverse or write-off uncollectible accrued interest receivable balances in a timely manner, generally within one month.

The methodologies we use to estimate the ACL depend upon the type of loan, the age and contractual term of the loan, expected payments (both contractual and assumed prepayments), credit quality indicators, economic forecasts, and the evaluation method (whether individually or collectively evaluated). Expected loan extensions, renewals, or modifications are not considered in the ACL, unless they are included in the original or modified contract at the reporting date and are not unconditionally cancellable, or we reasonably expect them to result in a TDR.

Losses are charged to the ACL when recognized. Generally, commercial and commercial real estate ("CRE") loans are charged off or charged down when they are determined to be uncollectible in whole or in part, or when 180 days past due, unless the loan is well-secured and in process of collection. Consumer loans are either charged off or charged down to net realizable value no later than the month in which they become 180 days past due. Closed-end consumer loans that are not secured by residential real estate are either charged off or charged down to net realizable value no later than the month in which they become 120 days past due.

We establish the amount of the ACL by analyzing the portfolio at least quarterly, and we adjust the provision for loan losses and unfunded lending commitments to ensure the ACL is at an appropriate level at the balance sheet date.

For commercial and CRE loans with commitments greater than $1 million, we assign internal risk grades using a comprehensive loan grading system based on financial and statistical models, individual credit analysis, and loan officer experience and judgment. The credit quality indicators described subsequently are based on this grading system. Estimated credit losses on all loan segments, including consumer and small commercial and CRE loans with commitments less than or equal to $1 million that are evaluated on a collective basis, are derived from statistical analyses of our historical default and loss experience since January 2008.

We estimate current expected credit losses over the contractual remaining life of each loan, which considers historical credit loss experience, current conditions, and reasonable and supportable forecasts about the future. We use the following two types of credit loss estimation models:

- Econometric loss models, which rely on statistical analyses of our historical loss experience dependent upon economic factors and other loan-level characteristics. Statistically relevant economic factors vary depending upon the type of loan, but include variables such as unemployment, real estate price indices, energy prices, GDP, etc. The results associated with several economic scenarios are weighted to produce the credit loss estimate from these models.
- Loss models that are based on our long-term average historical credit loss experience since 2008, which rely on statistical analyses of our historical loss experience dependent upon loan-level characteristics.

Estimated credit losses during the first 12 months of a loan's contractual remaining life, or reasonable and supportable period, are derived from the econometric loss models. Over a subsequent 12-month reversion period, we blend the estimated credit losses from the two models on a straight-line basis. For the remaining life of the loan, the estimated credit losses are derived from the long-term average historical credit loss models.

For loans that do not share risk characteristics with other loans, we estimate lifetime expected credit losses on an individual basis. We consider individually evaluated loans to be nonaccrual loans with a balance greater than $1 million; TDR loans, including TDRs that subsequently default; a loan no longer reported as a TDR; or a loan where we reasonably expect it to become a TDR. When a loan is individually evaluated for expected credit losses, we estimate a specific reserve for the loan based on either the projected present value of the loan's future cash flows discounted at the loan's effective interest rate, the observable market price of the loan, or the fair value of the loan's underlying collateral.

The process of estimating future cash flows also incorporates the same determining factors described subsequently under nonaccrual loans. When we base the specific reserve on the fair value of the loan's underlying collateral, we generally charge off the portion of the balance that is greater than fair value. For these loans, subsequent to the charge-off, if the fair value of the loan's underlying collateral increases according to an updated appraisal, we hold a negative reserve up to the lesser of the amount of the charge-off or the updated fair value.

The methodologies described above generally rely on historical loss information to help determine our quantitative portion of the ACL. However, we also consider other qualitative and environmental factors related to current conditions and reasonable and supportable forecasts that may indicate current expected credit losses may differ from the historical information reflected in our quantitative models. Thus, after applying historical loss experience, as described above, we review the quantitative portion of ACL for each segment using qualitative criteria, and we use those criteria to determine our qualitative estimate. We monitor various risk factors that influence our judgment regarding the level of the ACL across the portfolio segments. These factors primarily include:

- Actual and expected changes in international, national, regional, and local economic and business conditions and developments;
- The volume and severity of past due loans, the volume of nonaccrual loans, and the volume and severity of adversely classified or graded loans;
- Lending policies and procedures, including changes in underwriting standards and practices for collection, charge-off, and recovery;
- The experience, ability, and depth of lending management and other relevant staff;
- The nature and volume of the portfolio;
- The quality of the credit review function;
- The existence, growth, and effect of any concentration of credit;
- The effect of other external factors such as regulatory, legal, and technological environments; fiscal and monetary actions; competition; and events such as natural disasters and pandemics.

The magnitude of the impact of these factors on our qualitative assessment of the ACL changes from quarter to quarter according to changes made by management in its assessment of these factors, the extent these factors are already reflected in quantitative loss estimates, and the extent changes in these factors diverge from one to another. We also consider the uncertainty and imprecision inherent in the estimation process when evaluating the ACL.

Off-balance-sheet Credit Exposures

As previously mentioned, we estimate current expected credit losses for off-balance-sheet loan commitments, including standby letters of credit, that are not unconditionally cancelable. This estimate uses the same procedures and methodologies described previously for loans and is calculated by taking the difference between the estimated current expected credit loss and the funded balance, if greater than zero.

Changes in the Allowance for Credit Losses

On January 1, 2020, we adopted ASU 2016-13, or CECL. Due to the adoption of the standard, the ACL methodology explained above has significantly changed from the prior period.

Changes in the ACL are summarized as follows:

(In millions)	December 31, 2020			
	Commercial	Commercial real estate	Consumer	Total
Allowance for loan losses				
Balance at December 31, 2019	$ 341	$ 101	$ 53	$ 495
Adjustment for change in accounting standard	(59)	(32)	93	2
Balance at beginning of year (January 1, 2020)	282	69	146	497
Provision for loan losses	281	103	1	385
Gross loan and lease charge-offs	113	1	14	128
Recoveries	14	—	9	23
Net loan and lease charge-offs (recoveries)	99	1	5	105
Balance at end of year	$ 464	$ 171	$ 142	$ 777
Reserve for unfunded lending commitments				
Balance at December 31, 2019	$ 39	$ 20	$ —	$ 59
Adjustment for change in accounting standard	(28)	(8)	6	(30)
Balance at beginning of year (January 1, 2020)	11	12	6	29
Provision for unfunded lending commitments	19	8	2	29
Balance at end of year	$ 30	$ 20	$ 8	$ 58
Total allowance for credit losses				
Allowance for loan losses	$ 464	$ 171	$ 142	$ 777
Reserve for unfunded lending commitments	30	20	8	58
Total allowance for credit losses	$ 494	$ 191	$ 150	$ 835

	December 31, 2019			
(In millions)	Commercial	Commercial real estate	Consumer	Total
Allowance for loan losses				
Balance at beginning of year	$ 331	$ 110	$ 54	$ 495
Provision for loan losses	42	(11)	6	37
Gross loan and lease charge-offs	57	4	17	78
Recoveries	25	6	10	41
Net loan and lease charge-offs (recoveries)	32	(2)	7	37
Balance at end of year	$ 341	$ 101	$ 53	$ 495
Reserve for unfunded lending commitments				
Balance at beginning of year	$ 40	$ 17	$ —	$ 57
Provision for unfunded lending commitments	(1)	3	—	2
Balance at end of year	$ 39	$ 20	$ —	$ 59
Total allowance for credit losses				
Allowance for loan losses	$ 341	$ 101	$ 53	$ 495
Reserve for unfunded lending commitments	39	20	—	59
Total allowance for credit losses	$ 380	$ 121	$ 53	$ 554

Nonaccrual Loans

Loans are generally placed on nonaccrual status when payment in full of principal and interest is not expected, or the loan is 90 days or more past due as to principal or interest, unless the loan is both well-secured and in the process of collection. Factors we consider in determining whether a loan is placed on nonaccrual include delinquency status, collateral-value, borrower or guarantor financial statement information, bankruptcy status, and other information which would indicate that the full and timely collection of interest and principal is uncertain.

A nonaccrual loan may be returned to accrual status when all delinquent interest and principal become current in accordance with the terms of the loan agreement; the loan, if secured, is well-secured; the borrower has paid according to the contractual terms for a minimum of six months; and an analysis of the borrower indicates a reasonable assurance of the ability and willingness to maintain payments.

The amortized cost basis of loans on nonaccrual status is summarized as follows:

	December 31, 2020			
	Amortized cost basis			
(In millions)	with no allowance	with allowance	Total amortized cost basis	Related allowance
Commercial:				
Commercial and industrial	$ 73	$ 67	$ 140	$ 22
Leasing	—	—	—	—
Owner-occupied	38	38	76	—
Municipal	—	—	—	4
Total commercial	111	105	216	26
Commercial real estate:				
Construction and land development	—	—	—	—
Term	12	19	31	3
Total commercial real estate	12	19	31	3
Consumer:				
Home equity credit line	2	14	16	3
1-4 family residential	14	89	103	9
Construction and other consumer real estate	—	—	—	—
Bankcard and other revolving plans	—	1	1	1
Other	—	—	—	—
Total consumer loans	16	104	120	13
Total	$ 139	$ 228	$ 367	$ 42

The amount of accrued interest receivables written off by reversing interest income during the period is summarized by loan portfolio segment as follows:

(In millions)	Year Ended December 31, 2020
Commercial	$ 16
Commercial real estate	2
Consumer	1
Total	$ 19

Past Due Loans

Closed-end loans with payments scheduled monthly are reported as past due when the borrower is in arrears for two or more monthly payments. Similarly, open-end credits, such as charge-card plans and other revolving credit plans, are reported as past due when the minimum payment has not been made for two or more billing cycles. Other multi-payment obligations (i.e., quarterly, semi-annual, etc.), single payment, and demand notes, are reported as past due when either principal or interest is due and unpaid for a period of 30 days or more.

Past-due loans (accruing and nonaccruing) are summarized as follows:

	December 31, 2020						
(In millions)	Current	30-89 days past due	90+ days past due	Total past due	Total loans	Accruing loans 90+ days past due	Nonaccrual loans that are current[1]
Commercial:							
Commercial and industrial	$ 13,388	$ 26	$ 30	$ 56	$ 13,444	$ 2	$ 109
PPP	5,572	—	—	—	5,572	—	—
Leasing	320	—	—	—	320	—	1
Owner-occupied	8,129	34	22	56	8,185	—	48
Municipal	2,951	—	—	—	2,951	—	—
Total commercial	30,360	60	52	112	30,472	2	158
Commercial real estate:							
Construction and land development	2,341	—	4	4	2,345	4	—
Term	9,692	57	10	67	9,759	4	13
Total commercial real estate	12,033	57	14	71	12,104	8	13
Consumer:							
Home equity credit line	2,733	8	4	12	2,745	—	9
1-4 family residential	6,891	12	66	78	6,969	—	33
Construction and other consumer real estate	630	—	—	—	630		—
Bankcard and other revolving plans	428	2	2	4	432	2	1
Other	123	1	—	1	124	—	—
Total consumer loans	10,805	23	72	95	10,900	2	43
Total	$ 53,198	$ 140	$ 138	$ 278	$ 53,476	$ 12	$ 214

	December 31, 2019						
(In millions)	Current	30-89 days past due	90+ days past due	Total past due	Total loans	Accruing loans 90+ days past due	Nonaccrual loans that are current[1]
Commercial:							
Commercial and industrial	$ 14,665	$ 57	$ 38	$ 95	$ 14,760	$ 8	$ 54
Leasing	334	—	—	—	334	1	—
Owner-occupied	7,862	20	19	39	7,901	—	44
Municipal	2,393	—	—	—	2,393	—	—
Total commercial	25,254	77	57	134	25,388	9	98
Commercial real estate:							
Construction and land development	2,206	5	—	5	2,211	—	1
Term	9,333	8	3	11	9,344	—	10
Total commercial real estate	11,539	13	3	16	11,555	—	11
Consumer:							
Home equity credit line	2,908	6	3	9	2,917	—	7
1-4 family residential	7,532	12	24	36	7,568	—	13
Construction and other consumer real estate	624	—	—	—	624	—	—
Bankcard and other revolving plans	499	2	1	3	502	1	—
Other	154	1	—	1	155	—	—
Total consumer loans	11,717	21	28	49	11,766	1	20
Total	$ 48,510	$ 111	$ 88	$ 199	$ 48,709	$ 10	$ 129

[1] *Represents nonaccrual loans that are not past due more than 30 days; however, full payment of principal and interest is still not expected.*

Credit Quality Indicators

In addition to the nonaccrual and past due criteria, we also analyze loans using loan risk-grading systems, which vary based on the size and type of credit risk exposure. The internal risk grades assigned to loans follow our definitions of Pass, Special Mention, Substandard, and Doubtful, which are consistent with published definitions of regulatory risk classifications.

Definitions of Pass, Special Mention, Substandard, and Doubtful are summarized as follows:

- *Pass* — A Pass asset is higher-quality and does not fit any of the other categories described below. The likelihood of loss is considered low.
- *Special Mention* — A Special Mention asset has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in our credit position at some future date.
- *Substandard* — A Substandard asset is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Assets so classified have well-defined weaknesses and are characterized by the distinct possibility that we may sustain some loss if deficiencies are not corrected.
- *Doubtful* — A Doubtful asset has all the weaknesses inherent in a Substandard asset with the added characteristics that the weaknesses make collection or liquidation in full highly questionable and improbable.

The balance of loans classified as Doubtful as of December 31, 2020 was $4 million. There were no loans classified as Doubtful as of December 31, 2019.

We generally assign internal risk grades to commercial and CRE loans with commitments greater than $1 million based on financial and statistical models, individual credit analysis, and loan officer experience and judgment. For these larger loans, we assign one of multiple grades within the Pass classification or one of the following four grades: Special Mention, Substandard, Doubtful, and Loss. Loss indicates that the outstanding balance has been charged off. We confirm our internal risk grades quarterly, or as soon as we identify information that affects the credit risk of the loan.

For consumer loans and certain small commercial and CRE loans with commitments less than or equal to $1 million, we generally assign internal risk grades similar to those described previously based on automated rules that depend on refreshed credit scores, payment performance, and other risk indicators. These are generally assigned either a Pass, Special Mention, or Substandard grade, and are reviewed as we identify information that might warrant a grade change.

The amortized cost basis of loans and leases categorized by year of origination and by credit quality classifications as monitored by management are summarized as follows:

	December 31, 2020								
	Term Loans Amortized cost basis by year of origination						Revolving loans amortized cost basis	Revolving loans converted to term loans amortized cost basis	Total loans
(In millions)	2020	2019	2018	2017	2016	Prior			
Commercial:									
Commercial and industrial									
Pass	$ 2,585	$ 2,743	$ 1,903	$ 829	$ 296	$ 228	$ 3,298	$ 109	$ 11,991
Special Mention	79	152	183	98	4	43	110	1	670
Accruing Substandard	123	157	129	44	26	17	141	6	643
Nonaccrual	57	2	10	8	2	15	36	10	140
Total commercial and industrial	2,844	3,054	2,225	979	328	303	3,585	126	13,444
PPP									
Pass	5,572	—	—	—	—	—	—	—	5,572
Total PPP	5,572	—	—	—	—	—	—	—	5,572
Leasing									
Pass	87	121	44	34	14	5	—	—	305
Special Mention	1	—	2	1	—	6	—	—	10
Accruing Substandard	2	1	1	1	—	—	—	—	5
Nonaccrual	—	—	—	—	—	—	—	—	—
Total leasing	90	122	47	36	14	11	—	—	320
Owner-occupied									
Pass	1,588	1,205	1,167	895	585	1,806	161	11	7,418
Special Mention	72	65	60	60	51	41	9	3	361
Accruing Substandard	28	64	61	37	35	98	6	1	330
Nonaccrual	8	11	15	11	6	23	2	—	76
Total owner-occupied	1,696	1,345	1,303	1,003	677	1,968	178	15	8,185
Municipal									
Pass	1,031	827	359	419	68	227	3	—	2,934
Special Mention	—	—	—	—	—	8	—	—	8
Accruing Substandard	—	—	—	—	—	9	—	—	9
Nonaccrual	—	—	—	—	—	—	—	—	—
Total municipal	1,031	827	359	419	68	244	3	—	2,951
Total commercial	11,233	5,348	3,934	2,437	1,087	2,526	3,766	141	30,472
Commercial real estate:									
Construction and land development									
Pass	558	933	267	41	1	6	423	3	2,232
Special Mention	24	43	11	—	—	—	5	—	83
Accruing Substandard	—	30	—	—	—	—	—	—	30
Nonaccrual	—	—	—	—	—	—	—	—	—
Total construction and land development	582	1,006	278	41	1	6	428	3	2,345
Term									
Pass	2,524	1,858	1,639	761	778	1,291	73	20	8,944
Special Mention	110	89	177	42	23	85	—	5	531
Accruing Substandard	41	34	96	30	18	34	—	—	253
Nonaccrual	3	5	—	2	1	20	—	—	31
Total term	2,678	1,986	1,912	835	820	1,430	73	25	9,759
Total commercial real estate	3,260	2,992	2,190	876	821	1,436	501	28	12,104

	December 31, 2020								
	Term Loans Amortized cost basis by year of origination						Revolving loans amortized cost basis	Revolving loans converted to term loans amortized cost basis	Total loans
(In millions)	2020	2019	2018	2017	2016	Prior			
Consumer:									
Home equity credit line									
Pass	—	—	—	—	—	—	2,606	115	2,721
Special Mention	—	—	—	—	—	—	2	—	2
Accruing Substandard	—	—	—	—	—	—	6	—	6
Nonaccrual	—	—	—	—	—	—	11	5	16
Total home equity credit line	—	—	—	—	—	—	2,625	120	2,745
1-4 family residential									
Pass	1,185	1,017	833	1,081	1,174	1,570	—	—	6,860
Special Mention	—	—	—	—	—	2	—	—	2
Accruing Substandard	—	—	1	—	2	1	—	—	4
Nonaccrual	2	12	7	19	15	48	—	—	103
Total 1-4 family residential	1,187	1,029	841	1,100	1,191	1,621	—	—	6,969
Construction and other consumer real estate									
Pass	200	296	106	16	1	11	—	—	630
Special Mention	—	—	—	—	—	—	—	—	—
Accruing Substandard	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	—	—	—	—
Total construction and other consumer real estate	200	296	106	16	1	11	—	—	630
Bankcard and other revolving plans									
Pass	—	—	—	—	—	—	426	2	428
Special Mention	—	—	—	—	—	—	—	—	—
Accruing Substandard	—	—	—	—	—	—	3	—	3
Nonaccrual	—	—	—	—	—	—	—	1	1
Total bankcard and other revolving plans	—	—	—	—	—	—	429	3	432
Other consumer									
Pass	51	35	22	10	4	2	—	—	124
Special Mention	—	—	—	—	—	—	—	—	—
Accruing Substandard	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	—	—	—	—
Total other consumer	51	35	22	10	4	2	—	—	124
Total consumer	1,438	1,360	969	1,126	1,196	1,634	3,054	123	10,900
Total loans	$ 15,931	$ 9,700	$ 7,093	$ 4,439	$ 3,104	$ 5,596	$ 7,321	$ 292	$ 53,476

Modified and Restructured Loans

Loans may be modified in the normal course of business for competitive reasons or to strengthen our position. Loan modifications and restructurings may also occur when the borrower experiences financial difficulty and needs temporary or permanent relief from the original contractual terms of the loan. Loans that have been modified to accommodate a borrower who is experiencing financial difficulties, and for which we have granted a concession that we would not otherwise consider, are considered TDRs.

We consider many factors in determining whether to agree to a loan modification involving concessions, and we seek a solution that will both minimize potential loss to us and attempt to help the borrower. We evaluate borrowers' current and forecasted future cash flows, their ability and willingness to make current contractual or proposed modified payments, the value of the underlying collateral (if applicable), the possibility of obtaining additional security or guarantees, and the potential costs related to a repossession or foreclosure and the subsequent sale of the collateral.

TDRs are classified as either accrual or nonaccrual loans. A loan on nonaccrual and restructured as a TDR will remain on nonaccrual status until the borrower has proven the ability to perform under the modified structure for a minimum of six months, and there is evidence that such payments can and are likely to continue as agreed. Performance prior to the restructuring, or significant events that coincide with the restructuring, are included in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual at the time of restructuring or after a shorter performance period. If the borrower's ability to meet the revised payment schedule is uncertain, the loan remains classified as a nonaccrual loan. A TDR loan that specifies an interest rate that, at the time of the restructuring, is greater than or equal to the rate we are willing to accept for a new loan with comparable risk may not be reported as a TDR in the calendar years subsequent to the restructuring if it is in compliance with its modified terms.

Consistent with recent accounting and regulatory guidance, loan modifications provided to borrowers experiencing financial difficulties exclusively related to the COVID-19 pandemic, in which we provide certain short-term modifications or payment deferrals, are not classified as TDRs. The TDRs disclosed subsequently do not include these loan modifications. Other loan modifications above and beyond these short-term modifications or payment deferrals were assessed for TDR classification.

Selected information on TDRs at year-end that includes the recorded investment on an accruing and nonaccruing basis by loan class and modification type is summarized in the following schedules:

	December 31, 2020						
	Recorded investment resulting from the following modification types:						
(In millions)	Interest rate below market	Maturity or term extension	Principal forgiveness	Payment deferral	Other[1]	Multiple modification types[2]	Total
Accruing							
Commercial:							
Commercial and industrial	$ —	$ —	$ —	$ —	$ 3	$ 4	$ 7
Owner-occupied	5	1	—	4	4	8	22
Total commercial	5	1	—	4	7	12	29
Commercial real estate:							
Construction and land development	—	—	—	—	—	—	—
Term	1	—	—	16	94	23	134
Total commercial real estate	1	—	—	16	94	23	134
Consumer:							
Home equity credit line	—	1	7	—	—	2	10
1-4 family residential	4	1	3	—	2	15	25
Construction and other consumer real estate	—	—	—	—	—	—	—
Total consumer loans	4	2	10	—	2	17	35
Total accruing	$ 10	$ 3	$ 10	$ 20	$ 103	$ 52	$ 198
Nonaccruing							
Commercial:							
Commercial and industrial	$ —	$ —	$ —	$ 3	$ 10	$ 52	$ 65
Owner-occupied	5	—	—	3	—	10	18
Municipal	—	—	—	—	—	—	—
Total commercial	5	—	—	6	10	62	83
Commercial real estate:							
Construction and land development	—	—	—	—	—	—	—
Term	2	—	—	13	3	2	20
Total commercial real estate	2	—	—	13	3	2	20
Consumer:							
Home equity credit line	—	—	2	—	—	—	2
1-4 family residential	1	1	—	—	—	6	8
Construction and other consumer real estate	—	—	—	—	—	—	—
Total consumer loans	1	1	2	—	—	6	10
Total nonaccruing	8	1	2	19	13	70	113
Total	$ 18	$ 4	$ 12	$ 39	$ 116	$ 122	$ 311

[1] *Includes TDRs that resulted from other modification types including, but not limited to, a legal judgment awarded on different terms, a bankruptcy plan confirmed on different terms, a settlement that includes the delivery of collateral in exchange for debt reduction, etc.*
[2] *Includes TDRs that resulted from a combination of any of the previous modification types.*

	December 31, 2019						
	Recorded investment resulting from the following modification types:						
(In millions)	Interest rate below market	Maturity or term extension	Principal forgiveness	Payment deferral	Other[1]	Multiple modification types[2]	Total
Accruing							
Commercial:							
Commercial and industrial	$ 1	$ 2	$ —	$ —	$ 8	$ 5	$ 16
Owner-occupied	3	1	—	—	4	7	15
Total commercial	4	3	—	—	12	12	31
Commercial real estate:							
Construction and land development	—	—	—	—	—	—	—
Term	2	—	—	1	—	3	6
Total commercial real estate	2	—	—	1	—	3	6
Consumer:							
Home equity credit line	—	2	7	—	—	2	11
1-4 family residential	1	1	4	—	1	22	29
Construction and other consumer real estate	—	1	—	—	—	—	1
Total consumer loans	1	4	11	—	1	24	41
Total accruing	$ 7	$ 7	$ 11	$ 1	$ 13	$ 39	$ 78
Nonaccruing							
Commercial:							
Commercial and industrial	$ —	$ 4	$ —	$ 20	$ 4	$ 22	$ 50
Owner-occupied	5	—	—	—	1	4	10
Municipal	—	—	—	—	—	—	—
Total commercial	5	4	—	20	5	26	60
Commercial real estate:							
Construction and land development	—	—	—	—	—	—	—
Term	1	—	—	—	3	3	7
Total commercial real estate	1	—	—	—	3	3	7
Consumer:							
Home equity credit line	—	—	2	—	—	—	2
1-4 family residential	—	—	1	—	1	4	6
Construction and other consumer real estate	—	—	—	—	—	—	—
Total consumer loans	—	—	3	—	1	4	8
Total nonaccruing	6	4	3	20	9	33	75
Total	$ 13	$ 11	$ 14	$ 21	$ 22	$ 72	$ 153

[1] *Includes TDRs that resulted from other modification types including, but not limited to, a legal judgment awarded on different terms, a bankruptcy plan confirmed on different terms, a settlement that includes the delivery of collateral in exchange for debt reduction, etc.*
[2] *Includes TDRs that resulted from a combination of any of the previous modification types.*

Unfunded lending commitments on TDRs amounted to approximately $3 million at December 31, 2020, and $5 million at December 31, 2019.

The total recorded investment of all TDRs in which interest rates were modified below market was $76 million at December 31, 2020, and $73 million at December 31, 2019. These loans are included in the previous schedule in the columns for interest rate below market and multiple modification types.

The net financial impact on interest income due to interest rate modifications below market for accruing TDRs for the years ended December 31, 2020 and 2019 was not significant.

On an ongoing basis, we monitor the performance of all TDRs according to their restructured terms. Subsequent payment default is defined in terms of delinquency, when principal or interest payments are past due 90 days or more for commercial loans, or 60 days or more for consumer loans.

The recorded investment of accruing and nonaccruing TDRs that had a payment default during the period listed below (and are still in default at year-end) and are within 12 months or less of being modified as TDRs is as follows:

	December 31, 2020			December 31, 2019		
(In millions)	Accruing	Nonaccruing	Total	Accruing	Nonaccruing	Total
Commercial:						
Commercial and industrial	$ —	$ 2	$ 2	$ —	$ —	$ —
Owner-occupied	—	—	—	—	1	1
Total commercial	—	2	2	—	1	1
Consumer:						
1-4 family residential	—	1	1	—	—	—
Total consumer loans	—	1	1	—	—	—
Total	$ —	$ 3	$ 3	$ —	$ 1	$ 1

Note: Total loans modified as TDRs during the 12 months previous to December 31, 2020, and 2019 were $228 million and $40 million, respectively.

Collateral-dependent Loans

As previously mentioned, when a loan is individually evaluated for expected credit losses, we estimate a specific reserve for the loan based on either the projected present value of the loan’s future cash flows discounted at the loan’s effective interest rate, the observable market price of the loan, or the fair value of the loan’s underlying collateral.

Selected information on loans for which the repayment is expected to be provided substantially through the operation or sale of the underlying collateral and the borrower is experiencing financial difficulties, including the type of collateral and the extent to which the collateral secures the loans, is summarized as follows:

	December 31, 2020		
(In millions)	Amortized Cost	Major Types of Collateral	Weighted Average LTV[1]
Commercial:			
Commercial and industrial	$ 20	Single family residential, Agriculture	55%
Owner-occupied	10	Office Building	47%
Commercial real estate:			
Term	12	Multi-family, Hotel/Motel, Retail	58%
Consumer:			
Home equity credit line	3	Single family residential	34%
1-4 family residential	2	Single family residential	60%
Total	$ 47		

[1] *The fair value is based on the most recent appraisal or other collateral evaluation.*

Foreclosed Residential Real Estate

At December 31, 2020, and December 31, 2019, the amount of foreclosed residential real estate property we held was less than $1 million for both periods. The amortized cost basis of consumer mortgage loans collateralized by residential real estate property that are in the process of foreclosure was $10 million and $8 million for the same periods, respectively.

Concentrations of Credit Risk

Credit risk is the possibility of loss from the failure of a borrower, guarantor, or another obligor to fully perform under the terms of a credit-related contract. Credit risks (whether on- or off-balance sheet) may occur when individual borrowers, groups of borrowers, or counterparties have similar economic characteristics, including industries, geographies, collateral types, sponsors, etc., and are similarly affected by changes in economic or other conditions. Credit risk also includes the loss that would be recognized subsequent to the reporting date if counterparties failed to perform as contracted. See Note 7 for a discussion of counterparty risk associated with our derivative transactions.

We perform an ongoing analysis of our loan portfolio to evaluate whether there is any significant exposure to any concentrations of credit risk. Based on this analysis, we believe that the loan portfolio is generally well diversified; however, there are certain significant concentrations in CRE and oil- and gas-related lending. Further, we cannot guarantee that we have fully understood or mitigated all risk concentrations or correlated risks. We have adopted and adhere to concentration limits on various types of CRE lending, particularly construction and land development lending, leveraged and enterprise value lending, municipal lending, and oil- and gas-related lending. All of these limits are continually monitored and revised as necessary.

7. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Objectives for using derivatives

We maintain an overall interest rate risk management strategy that actively incorporates the use of interest rate derivatives that include unleveraged interest rate swaps, purchased options, combinations of options, and may include futures and other forward interest rate contracts. Our primary objective for using derivatives is to manage risks, primarily interest rate risk. We use derivatives to manage volatility in interest income, interest expense, earnings, and capital by adjusting our interest rate sensitivity to minimize the impact of fluctuations in interest rates. Derivatives are used to stabilize forecasted interest receipts from variable-rate assets and to modify the coupon or the duration of fixed-rate financial assets or liabilities as we consider advisable. We also use derivatives as a product for our customers to manage their risks.

Derivatives related to interest rate risk management — When we use derivatives as hedges, either for economic or accounting purposes, it is done only to manage identified risks. We apply hedge accounting to certain derivatives executed for risk management purposes as subsequently described in more detail. However, we do not apply hedge accounting to all the derivatives involved in our risk management activities. Derivatives not designated as accounting hedges are not speculative and are used to economically manage our exposure to interest rate movements, including offsetting customer-facing derivatives. These derivatives either do not require the use of hedge accounting for their economic impact to be accurately reflected in our financial statements or they do not meet the strict hedge accounting requirements.

Derivatives related to customers — We provide certain borrowers access to over-the-counter interest rate derivatives, which we generally offset with interest rate derivatives executed with other dealers or central clearing houses. Other interest rate derivatives that we provide to customers, or use for our own purposes, include mortgage rate locks and forward sale loan commitments. We also provide commercial clients with short-term foreign currency spot trades or forward contracts with a maturity of, generally, 90 days or less. These trades are also largely offset by foreign currency trades with closely mirroring terms executed with other dealer counterparties or central clearing houses.

Accounting for derivatives

We record all derivatives on the Consolidated Balance Sheet at fair value in Other Assets or Other Liabilities regardless of the accounting designation of each derivative. We enter into International Swaps and Derivatives Association, Inc. (“ISDA”) master netting agreements, or similar agreements, with substantially all derivative counterparties. See Note 4, “Offsetting Assets and Liabilities” for more information. Where legally enforceable, these master netting agreements give us, in the event of default or the triggering of other specified contingent events by the counterparty, the right to use cash or liquidate securities held as collateral and to offset receivables and payables with the same counterparty. For purposes of the Consolidated Balance Sheet, we do not offset derivative assets and liabilities and cash collateral held with the same counterparty where it has a legally enforceable master netting agreement and reports all derivatives on a gross fair value basis. Note 3 discusses the process to estimate fair value for derivatives. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative and the resulting accounting designation. Derivatives used to hedge the exposure to changes in the fair value of assets, liabilities, or firm commitments attributable to interest rates or other eligible risks, are considered fair value hedges. Derivatives used to hedge the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Changes in the fair value of derivatives that are not part of designated fair value or cash flow hedging relationships are recorded in current period earnings.

Fair Value Hedges — We generally use interest rate swaps designated as fair value hedges to hedge changes in the fair value of fixed-rate assets and liabilities for specific risks (e.g., interest rate risk resulting from changes in a benchmark interest rate). We use both received-fixed, pay-floating and pay-fixed, receive floating interest rate swaps to effectively convert the fixed-rate assets and liabilities to floating-rates. In qualifying fair value hedges, changes in value of the derivative hedging instrument are recognized in current period earnings in the same line item affected by the hedged item. Similarly, the periodic changes in value of the hedged item, for the risk being hedged, are recognized in current period earnings, thereby offsetting all, or a significant majority, of the change in the value of the derivative hedging instrument. Interest accruals on both the derivative hedging instrument and the hedged item are recorded in the same line item, effectively converting the designated fixed-rate assets or liabilities to a floating-rate. Generally, the designated risk being hedged in all of our fair value hedges is the change in fair value of the London Interbank Offered Rate (“LIBOR”) benchmark swap rate component of the contractual coupon cash flows of the fixed-rate assets or liabilities. The swaps are structured to match the critical terms of the hedged items, maximizing the economic (and accounting) effectiveness of the hedging relationships and resulting in the expectation that the swaps will be highly effective as a hedging instrument. All interest rate swaps designated as fair value hedges were highly effective and met all other requirements to remain designated and part of qualifying hedge accounting relationships as of the balance sheet date.

Fair Value Hedges of Liabilities — As of December 31, 2020, we had one receive-fixed interest rate swap with an aggregate notional amount of $500 million designated in a qualifying fair value hedge relationship of fixed-rate debt. The receive-fixed interest rate swap effectively converts the interest on our fixed-rate debt to floating.

At December 31, 2019, we had $1.5 billion of fixed-to-floating interest rate swaps designated as fair value hedges of long-term debt (effectively converting the fixed-rate debt into floating-rate debt). In late March 2020, we terminated $1 billion of swaps (i.e., two $500 million swaps with maturities in August 2021 and February 2022). As a result, the cumulative basis adjustment on the debt at the time of the terminations (which was equal to the fair value of the swaps at the termination date) will be amortized as an adjustment to interest expense through the maturity of the debt, thereby reducing the effective interest rate. During 2020, $3 million of the outstanding unamortized debt basis adjustment was amortized. We have $12 million of unamortized debt basis adjustments from previously designed fair value hedges remaining.

Fair Value Hedges of Assets — During the third quarter of 2020, we began hedging certain newly acquired fixed-rate AFS securities using pay-fixed, receive-floating interest rate swaps, effectively converting the fixed interest income to a floating-rate on the hedged portion of the securities. Subsequently, two of these hedges were slightly restructured to better match the terms of the hedged securities requiring these hedges to be redesignated. Changes in the fair value of the hedged securities prior to the redesignations were recognized in the amortized cost basis of the securities and, similar to the terminated debt hedges noted above, the unamortized basis adjustments will be amortized to interest income through the originally designated maturity of the hedging relationships. Both hedges were designated as hedges of 30-year U.S. Treasury securities and hedged for the full life of the securities. We have $7 million of cumulative unamortized basis adjustments from these previous fair value hedging relationships, which will continue to be amortized as an adjustment to interest income through the end of 2050, thereby increasing the effective interest rate recognized on these securities. As of December 31, 2020, we had qualifying fair value hedging relationships of fixed-rate AFS securities being hedged by pay-fixed, receive-floating interest rate swaps with an aggregate notional amount of $383 million.

Cash Flow Hedges — For derivatives designated and qualifying as cash flow hedges, ineffectiveness is not measured or separately disclosed. Rather, as long as the hedging relationship continues to qualify for hedge accounting, the entire change in the fair value of the hedging instrument is recorded in OCI and recognized in earnings as the hedged transaction affects earnings. Derivative amounts affecting earnings are recognized consistent with the classification of the hedged item. We may use interest rate swaps, options, or a combination of options in our cash flow hedging strategy to eliminate or reduce the variable cash flows associated primarily with interest receipts on floating-rate commercial loans due to changes in any separately identifiable and reliably measurable contractual interest rate index.

As of December 31, 2020, we had receive-fixed interest rate swaps with an aggregate notional amount of $3.2 billion designated as cash flow hedges of the variability of interest receipts on floating-rate commercial loans due to changes in the LIBOR swap rate. As of December 31, 2020, we had deferred gains in AOCI from active and terminated cash flow hedges of $95 million. Amounts deferred in AOCI from cash flow hedges are expected to be fully reclassified to interest income by the second quarter of 2024.

Hedge Effectiveness — We assess the effectiveness of each hedging relationship by comparing the changes in fair value or cash flows on the derivative hedging instrument with the changes in fair value or cash flows on the designated hedged item or transactions for the risk being hedged. If a hedging relationship ceases to qualify for hedge accounting, the relationship is discontinued and future changes in the fair value of the derivative instrument are recognized in current period earnings. For a discontinued or terminated fair value hedging relationship, all remaining basis adjustments to the carrying amount of the hedged item are amortized to interest income or expense over the remaining life of the hedged item consistent with the amortization of other discounts or premiums. Previous balances deferred in AOCI from discontinued or terminated cash flow hedges are reclassified to interest income or expense as the hedged transactions affect earnings or over the originally specified term of the hedging relationship.

Collateral and Credit Risk

Exposure to credit risk arises from the possibility of nonperformance by counterparties. No significant losses on derivative instruments have occurred during 2020 as a result of counterparty nonperformance. Financial institutions that are well-capitalized and well-established are the counterparties for those derivatives entered into for asset-liability management and used to offset derivatives sold to our customers. We reduce our counterparty exposure for derivative contracts by centrally clearing all eligible derivatives.

For those derivatives that are not centrally cleared, the counterparties are typically financial institutions or our customers. For those that are financial institutions, as noted above, we manage our credit exposure through the use of a Credit Support Annex ("CSA") to an ISDA master agreement with each counterparty. Eligible collateral types are documented by the CSA and controlled under our general credit policies. Collateral balances are typically monitored on a daily basis. A valuation haircut policy reflects the fact that collateral may fall in value between the date the collateral is called and the date of liquidation or enforcement. As of December 31, 2020, all of our collateral held as credit risk mitigation under a CSA is cash.

We offer interest rate swaps to our customers to assist them in managing their exposure to changing interest rates. Upon issuance, all of these customer swaps are immediately offset through closely matching derivative contracts, such that we minimize our interest rate risk exposure resulting from such transactions. Most of these customers do not have the capability for centralized clearing. Therefore, we manage the credit risk through loan underwriting that includes a credit risk exposure formula for the swap, the same collateral and guarantee protection applicable to the loan and credit approvals, limits, and monitoring procedures. Fee income from customer swaps is included in other service charges, commissions and fees. Nevertheless, the related credit risk is considered and measured when and where appropriate.

Our noncustomer-facing derivative contracts generally require us to pledge collateral for derivatives that are in a net liability position. A certain number of these derivative contracts contain credit-risk-related contingent features that include the requirement to maintain a minimum debt credit rating. We may be required to pledge additional collateral if a credit-risk-related feature were triggered, such as a downgrade of our credit rating. However, in past situations, not all counterparties have demanded that additional collateral be pledged when provided for under their contracts. At December 31, 2020, the fair value of our noncleared (bilateral) derivative liabilities was $418 million, for which we were required to pledge cash collateral of approximately $103 million in the normal course of business. If our credit rating were downgraded one notch by either Standard & Poor's or Moody's at December 31, 2020, there would likely be $2 million additional collateral required to be pledged. As a result of the Dodd-Frank Act, all newly eligible derivatives entered into are cleared through a central clearinghouse. Derivatives that are centrally cleared do not have credit-risk-related features that require additional collateral if our credit rating were downgraded.

Derivative Amounts

Selected information with respect to notional amounts and recorded gross fair values at December 31, 2020, and 2019, and the related gain (loss) of derivative instruments for the years then ended is summarized as follows:

	December 31, 2020			December 31, 2019		
		Fair value			Fair value	
(In millions)	Notional amount	Other assets	Other liabilities	Notional amount	Other assets	Other liabilities
Derivatives designated as hedging instruments:						
Cash flow hedges of floating-rate assets:						
Purchased interest rate floors	$ —	$ —	$ —	$ —	$ —	$ —
Receive-fixed interest rate swaps	3,150	—	—	3,588	—	—
Fair value hedges:						
Debt hedges: Receive-fixed interest rate swaps	500	—	—	1,500	—	—
Asset hedges: Pay-fixed interest rate swaps	383	3	—	—	—	—
Total derivatives designated as hedging instruments	4,033	3	—	5,088	—	—
Derivatives not designated as hedging instruments:						
Customer-facing interest rate derivatives [1, 2]	5,986	390	2	4,409	146	5
Offsetting interest rate derivatives [2]	5,986	3	409	4,422	5	157
Other interest rate derivatives	1,649	20	3	726	3	1
Foreign exchange derivatives	223	4	4	385	4	4
Total derivatives not designated as hedging instruments	13,844	417	418	9,942	158	167
Total derivatives	$ 17,877	$ 420	$ 418	$ 15,030	$ 158	$ 167

[1] *Customer-facing interest rate derivative fair values include an $18 million and $11 million net credit valuation adjustment as of December 31, 2020, and December 31, 2019, respectively. These adjustments are required to reflect both our nonperformance risk and that of the respective counterparty.*
[2] *The fair value amounts for these derivatives do not include the settlement amounts for those trades that are cleared. Once the settlement amounts with the clearing houses are included the derivative fair values would be the following:*

	December 31, 2020		December 31, 2019	
(In millions)	*Other assets*	*Other liabilities*	*Other assets*	*Other liabilities*
Customer-facing interest rate derivatives	$ 390	$ 2	$ 146	$ 5
Offsetting interest rate derivatives	1	29	—	9

The amount of derivative gains (losses) from cash flow and fair value hedges that was deferred in AOCI or recognized in earnings is summarized as follows:

(In millions)	Year Ended December 31, 2020 Effective portion of derivative gain/(loss) deferred in AOCI	Excluded components deferred in AOCI (amortization approach)	Amount of gain/(loss) reclassified from AOCI into income	Interest on fair value hedges	Hedge ineffectiveness / AOCI reclass due to missed forecast
Cash flow hedges of floating-rate assets: [1]					
Purchased interest rate floors	$ —	$ —	$ 11	$ —	$ —
Interest rate swaps	101	—	36	—	—
Fair value hedges of liabilities:					
Receive-fixed interest rate swaps	—	—	—	6	—
Basis amortization on terminated hedges [2, 3]	—	—	—	13	—
Fair value hedges of assets:					
Pay-fixed interest rate swaps	—	—	—	(1)	—
Basis amortization on terminated hedges [2, 3]	—	—	—	—	—
Total derivatives designated as hedging instruments	$ 101	$ —	$ 47	$ 18	$ —

(In millions)	Year Ended December 31, 2019 Effective portion of derivative gain/(loss) deferred in AOCI	Excluded components deferred in AOCI (amortization approach)	Amount of gain/(loss) reclassified from AOCI into income	Interest on fair value hedges	Hedge ineffectiveness / AOCI reclass due to missed forecast
Cash flow hedges of floating-rate assets: [1]					
Purchased interest rate floors	$ —	$ 27	$ 3	$ —	$ —
Interest rate swaps	47	—	(7)	—	—
Fair value hedges of liabilities:					
Receive-fixed interest rate swaps	—	—	—	3	—
Basis amortization on terminated hedges [2, 3]	—	—	—	—	—
Fair value hedges of assets:					
Pay-fixed interest rate swaps	—	—	—	—	—
Basis amortization on terminated hedges [2, 3]	—	—	—	—	—
Total derivatives designated as hedging instruments	$ 47	$ 27	$ (4)	$ 3	$ —

Note: These schedules are not intended to present at any given time our long/short position with respect to our derivative contracts.

[1] *Amounts recognized in OCI and reclassified from AOCI represent the effective portion of the derivative gain (loss). For the 12 months following December 31, 2020, we estimate that $61 million will be reclassified from AOCI into interest income.*

[2] *Adjustment to interest expense resulting from the amortization of the debt basis adjustment on fixed-rate debt previously hedged by terminated receive-fixed interest rate.*

[3] *The cumulative unamortized basis adjustment from previously terminated or redesignated fair value hedges as of December 31, 2020, is $12 million and $7 million of terminated fair value debt and asset hedges, respectively. The amortization of the cumulative unamortized basis adjustment from asset hedges is not shown in the schedules because it is not significant.*

The amount of derivative gains (losses) recognized from derivatives not designated in accounting hedges is as follows:

(In millions)	Noninterest (Other) Income/(Expense) 2020	2019
Derivatives not designated as hedging instruments:		
Customer-facing interest rate derivatives	$ 324	$ 146
Offsetting interest rate derivatives	(300)	(129)
Other interest rate derivatives	8	—
Foreign exchange derivatives	21	23
Total derivatives not designated as hedging instruments	$ 53	$ 40

The following schedule presents derivatives used in fair value hedge accounting relationships, as well as pre-tax gains/(losses) recorded on such derivatives and the related hedged items for the periods presented.

	Gain/(loss) recorded in income					
	Twelve Months Ended December 31, 2020			Twelve Months Ended December 31, 2019		
(In millions)	Derivatives [2]	Hedged items	Total income statement impact	Derivatives [2]	Hedged items	Total income statement impact
Debt: Receive-fixed interest rate swaps [1,2]	$ 63	$ (63)	$ —	$ 5	$ (5)	$ —
Assets: Pay-fixed interest rate swaps [1,2]	28	(28)	—	—	—	—

[1] *Consists of hedges of benchmark interest rate risk of fixed-rate long-term debt and fixed-rate AFS securities. Gains and losses were recorded in net interest expense or income consistent with the hedged items.*
[2] *The income/expense for derivatives does not reflect interest income/expense from periodic accruals and payments (which are reported above) to be consistent with the presentation of the gains/ (losses) on the hedged items.*

The following schedule provides selected information regarding the long-term debt in the statement of financial position in which the hedged item is included.

	Par value of hedged assets/(liabilities)		Carrying amount of the hedged assets/(liabilities)		Cumulative amount of fair value hedging adjustment included in the carrying amount of the hedged assets/(liabilities)	
(In millions)	2020	2019	2020	2019	2020	2019
Long-term fixed-rate debt[1,2]	$ (500)	$ (1,500)	$ (537)	$ (1,510)	$ (37)	$ (10)
Fixed-rate AFS securities[1,2]	383	—	362	—	(21)	—

[1] *Carrying amounts displayed above exclude issuance and purchase discounts or premiums and unamortized issuance/acquisition costs.*
[2] *The carrying amount of the hedged items shown above (long-term fixed-rate debt and fixed-rate AFS securities) excludes amounts related to terminated fair value hedges.*

8. LEASES

On January 1, 2019, we adopted ASU 2016-02, *Leases* (“Topic 842”), which, among other things, requires the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Upon adoption we elected to use the following optional exemptions that are permitted under Topic 842, which have been applied consistently:

- The optional transition method, and there was no impact to retained earnings from recognizing the appropriate amount of lease assets and liabilities on the balance sheet as of the adoption date of the standard. Prior period financial statements were not restated.

- The expedient package to not reassess (1) whether any existing or expired contracts are or contain leases, (2) lease classification for any existing or expired leases, and (3) initial direct costs for any existing leases.
- To not separate lease components from nonlease components for all classes of underlying assets for lessee or lessor transactions.

We determine if a contract is a lease or contains a lease at inception. The right to use leased assets for the lease term are considered ROU assets. Operating lease assets are included in "Other assets" while finance lease assets are included in "Premises, equipment and software, net." Lease liabilities for operating leases are included in "Other liabilities" while finance leases are included in "Long-term debt" on our consolidated balance sheet.

Lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Because most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments. The lease ROU asset also incorporates any amortization incurred, including initial direct costs, and excludes lease incentives received. Our lease terms may include options to extend or terminate the lease, and the lease term incorporates these when it is reasonably certain that we will exercise these options. We enter into certain lease agreements with both lease and nonlease components, which are not separated out for lessees and lessors on a relative standalone basis.

We have operating and finance leases for branches, corporate offices, and data centers. Our equipment leases are not material. At December 31, 2020, we had 422 branches, of which 273 are owned and 149 are leased. We lease our headquarters in Salt Lake City, Utah, and other office or data centers are either owned or leased.

We may enter into certain lease arrangements with a term of 12 months or less, and we have elected to exclude these from capitalization. The length of our commitments for leases ranges from 2021 to 2063, some of which include options to extend or terminate the leases.

As of December 31, 2020, assets recorded under operating leases were $213 million, while assets recorded under finance leases were $4 million. We utilized a secured incremental borrowing rate based on the remaining term of the lease as of the effective date for the discount rate to determine our lease ROU assets and liabilities. The following schedule presents lease-related assets and liabilities, their weighted average remaining life, and the weighted average discount rate.

(Dollar amounts in millions)	**December 31, 2020**	**December 31, 2019**
Operating assets and liabilities		
Operating right-of-use assets, net of amortization	$ 213	$ 218
Operating lease liabilities	240	246
Weighted average remaining lease term (years)		
Operating leases	8.9	9.1
Finance leases	19.2	20.2
Weighted average discount rate		
Operating leases	2.9 %	3.2 %
Finance leases	3.1 %	3.1 %

The components of lease expense are as follows:

	Year Ended December 31,	
(In millions)	**2020**	**2019**
Operating lease costs	$ 49	$ 48
Variable lease costs	49	53
Total lease cost	$ 98	$ 101

Supplemental cash flow information related to leases is as follows:

(In millions)	Year Ended December 31, 2020	2019
Cash paid for amounts in the measurement of lease liabilities:		
Operating cash disbursements from operating leases	$ 51	$ 50

ROU assets obtained in exchange for lease liabilities:

(In millions)	Year Ended December 31, 2020	2019
New operating lease liabilities	$ 9	$ 10
New finance lease liabilities	—	6
Total	$ 9	$ 16

Maturities analysis for operating lease liabilities as of December 31, 2020 is as follows (contractual undiscounted lease payments):

(In millions)	Contractual lease payments
2021	$ 49
2022	46
2023	39
2024	30
2025	21
Thereafter	95
Total	$ 280

We enter into certain lease agreements where we are the lessor of real estate. Real estate leases are made from bank-owned and subleased property to generate cash flow from the property, including from leasing vacant suites in which we occupy portions of the building. Operating lease income was $12 million for both the years ending 2020 and 2019.

We also have a lending division that makes equipment leases, considered to be sales-type leases or direct financing leases, totaling $320 million and $334 million at December 31, 2020 and 2019, respectively. We use leasing of equipment as a venue for customers to access equipment without purchasing upfront. We recorded income of $13 million and $14 million for the years ending 2020 and 2019, respectively.

9. PREMISES, EQUIPMENT AND SOFTWARE, NET

Premises, equipment and software, net are summarized as follows:

(In millions)	December 31, 2020	2019
Land	$ 257	$ 235
Buildings	802	747
Furniture and equipment	420	442
Leasehold improvements	165	164
Software	581	507
Total [1]	2,225	2,095
Less accumulated depreciation and amortization	1,016	953
Net book value	$ 1,209	$ 1,142

[1] *Amounts include $213 million at December 31, 2020, and $105 million at December 31, 2019, of costs that have been capitalized but are not yet depreciating because the respective assets have not been placed in service.*

10. GOODWILL AND OTHER INTANGIBLE ASSETS

Core deposit and other intangible assets and related accumulated amortization are as follows at December 31:

(In millions)	Gross carrying amount 2020	Gross carrying amount 2019	Accumulated amortization 2020	Accumulated amortization 2019	Net carrying amount 2020	Net carrying amount 2019
Core deposit intangibles	$ 167	$ 167	$ (167)	$ (167)	$ —	$ —
Customer relationships and other intangibles	30	28	(28)	(28)	2	—
Total	$ 197	$ 195	$ (195)	$ (195)	$ 2	$ —

Changes in the carrying amount of goodwill for operating segments with goodwill are as follows:

(In millions)	Zions Bank	CB&T	Amegy	Consolidated Bank
Balance at December 31, 2018	$ 20	$ 379	$ 615	$ 1,014
Impairment losses	—	—	—	—
Balance at December 31, 2019	20	379	615	1,014
Impairment losses	—	—	—	—
Balance at December 31, 2020	$ 20	$ 379	$ 615	$ 1,014

A bank-wide annual impairment test is conducted as of October 1 of each year and updated on a more frequent basis when events or circumstances indicate that impairment could have taken place. Results of the testing for 2020 and 2019 concluded that no impairment was present in any of the operating segments.

11. DEPOSITS

At December 31, 2020, the scheduled maturities of all time deposits were as follows:

(In millions)	Amount
2021	$ 2,239
2022	189
2023	78
2024	42
2025	39
Thereafter	1
Total	$ 2,588

The contractual maturities of time deposits with a denomination of $100,000 and over were as follows:

(In millions)	December 31, 2020
Three months or less	$ 274
After three months through six months	204
After six months through twelve months	405
After twelve months	166
Total	$ 1,049

Nonbrokered time deposits in denominations that exceed the current FDIC insurance limit of $250,000 were $554 million and $885 million at December 31, 2020 and 2019, respectively. Nonbrokered time deposits at or under $250,000 were $2.0 billion and $1.6 billion at December 31, 2020 and 2019, respectively. Deposit overdrafts reclassified as loan balances were $9 million and $10 million at December 31, 2020 and 2019, respectively.

12. SHORT-TERM BORROWINGS

Selected information for FHLB advances and other short-term borrowings is as follows:

(Dollar amounts in millions)	2020	2019	2018
Federal Home Loan Bank advances			
Average amount outstanding	$ 206	$ 3,149	$ 2,971
Average rate	1.11 %	2.50 %	2.01 %
Highest month-end balance	$ 2,200	$ 4,950	$ 5,400
Year-end balance	—	1,000	4,500
Average rate on outstanding advances at year-end	— %	1.73 %	2.61 %
Other short-term borrowings, year-end balances			
Federal funds purchased	$ 1,105	$ 472	$ 541
Security repurchase agreements	406	515	527
Securities sold, not yet purchased	61	66	85
Federal funds purchased and other short-term borrowings	$ 1,572	$ 2,053	$ 5,653

We may borrow from the FHLB under their lines of credit that are secured under blanket pledge arrangements. We maintained unencumbered collateral with carrying amounts adjusted for the types of collateral pledged, equal to at least 100% of the outstanding advances. At December 31, 2020, the amount available for FHLB advances was approximately $13.3 billion. We may also borrow from the Federal Reserve based on the amount of collateral pledged to a Federal Reserve Bank. At December 31, 2020, the amount available for Federal Reserve borrowings was approximately $3.8 billion.

Federal funds purchased and security repurchase agreements generally mature in less than 30 days. Our participation in security repurchase agreements is on an overnight or term basis (e.g., 30 or 60 days). We execute overnight repurchase agreements with sweep accounts in conjunction with a master repurchase agreement. When this occurs, securities under our control are pledged and interest is paid on the collected balance of the customers' accounts. For the nonsweep overnight and term repurchase agreements, securities are transferred to the applicable counterparty. The counterparty, in certain instances, is contractually entitled to sell or repledge securities accepted as collateral. Of the total security repurchase agreements at December 31, 2020, $392 million were overnight and $14 million were term.

13. LONG-TERM DEBT

Long-term debt is summarized as follows:

	December 31,	
(In millions)	2020	2019
Subordinated notes	$ 619	$ 572
Senior notes	713	1,147
Finance lease obligations	4	4
Total	$ 1,336	$ 1,723

The preceding carrying values represent the par value of the debt adjusted for any unamortized premium or discount, unamortized debt issuance costs, and basis adjustments for interest rate swaps designated as fair value hedges. The change in the outstanding senior debt balance from December 31, 2019 to December 31, 2020 was primarily a result of the repurchase and retirement of senior notes that had adjustments to their carrying values from being in designated hedge relationships with interest rate swaps. During 2020, we repurchased and retired $219 million of senior notes with an interest rate of 3.50% and $210 million of senior notes with an interest rate of 3.35%.

During 2020, we terminated two receive-fixed interest rate swaps designated as hedges on senior notes, resulting in one outstanding receive-fixed interest rate swap designated as a hedge on a $500 million subordinated note with an interest rate of 3.25% at December 31, 2020. The outstanding swap constitutes a qualifying fair value hedging relationship. The terminated interest rate swaps adjusted the carrying value of the debt and this adjustment will be amortized into earnings until the original maturity date (see the subsequent Senior Notes schedule). For more information on derivatives designated as qualifying hedges, see Note 7 - Derivative Instruments and Hedging Activities.

Subordinated Notes

Subordinated notes we issued consist of the following at December 31, 2020:

(Dollar amounts in millions)	Subordinated notes		
Coupon rate	Balance	Par amount	Maturity
6.95%	$ 87	$ 88	September 2028
3.25%	532	500	October 2029
Total	$ 619	$ 588	

The 6.95% subordinated notes are unsecured and interest is payable quarterly. The earliest possible redemption date on the 6.95% subordinated notes is September 15, 2023, after which the interest rate changes to an annual floating rate equal to 3mL+3.89%. The 3.25% subordinated notes are unsecured, interest is payable semi-annually, and the earliest possible redemption date is July 29, 2029.

Senior Notes

Senior notes we issued consist of the following at December 31, 2020:

(Dollar amounts in millions)	Senior notes		
Coupon rate	Balance	Par amount	Maturity
4.50%	$ 132	$ 132	June 2023
3.50%	285	281	August 2021
3.35%	296	290	March 2022
Total	$ 713	$ 703	

These notes are unsecured and interest is payable semi-annually. The notes were issued under a shelf registration filed with the Securities and Exchange Commission (“SEC”). The notes are not redeemable prior to maturity.

Maturities of Long-term Debt

Maturities of long-term debt are as follows for the years succeeding December 31, 2020:

(In millions)	
2021	$ 282
2022	289
2023	132
2024	—
2025	—
Thereafter	585
Total	$ 1,288

These maturities do not include the basis adjustments for interest rate swaps designated as fair value hedges.

14. SHAREHOLDERS’ EQUITY

Preferred Stock

We have 4.4 million authorized shares of preferred stock without par value and with a liquidation preference of $1,000 per share, or $25 per depositary share. Except for Series I and J, all preferred shares were issued in the form of depositary shares, with each depositary share representing a 1/40th ownership interest in a share of the preferred stock. All preferred shares are registered with the SEC. In addition, Series A, G, and H preferred stock are listed and traded on the NASDAQ Global Select Market.

In general, preferred shareholders may receive asset distributions before common shareholders; however, preferred shareholders have only limited voting rights generally with respect to certain provisions of the preferred stock, the issuance of senior preferred stock, and the election of directors. Preferred stock dividends reduce earnings applicable to common shareholders and are paid on the 15th day of the months indicated in the following schedule. Dividends are approved by the Board of Directors.

Redemption of the preferred stock is at our option after the expiration of any applicable redemption restrictions and the redemption amount is computed at the per share liquidation preference plus any declared but unpaid dividends. Redemptions are subject to certain regulatory provisions and maintaining well-capitalized minimum requirements.

Preferred stock is summarized as follows:

(Dollar amounts in millions)	Carrying value at December 31, 2020	Carrying value at December 31, 2019	Shares at December 31, 2020 Authorized *(thousands)*	Shares at December 31, 2020 Outstanding *(thousands)*	Rate	Dividends payable	Earliest redemption date	Rate following earliest redemption date (when applicable)	Dividends payable after rate change (when applicable)
Series A	$ 67	$ 67	140,000	66,139	> of 4.0% or 3mL+0.52%	Qtrly Mar, Jun, Sep, Dec	Dec 15, 2011		
Series G	138	138	200,000	138,391	6.3%	Qtrly Mar, Jun, Sep, Dec	Mar 15, 2023	annual float-ing rate = 3mL+4.24%	
Series H	126	126	126,221	126,221	5.75%	Qtrly Mar, Jun, Sep, Dec	Jun 15, 2019		
Series I	99	99	300,893	98,555	5.8%	Semi-annually Jun, Dec	Jun 15, 2023	annual float-ing rate = 3mL+3.8%	Qtrly Mar, Jun, Sep, Dec
Series J	136	136	195,152	136,368	7.2%	Semi-annually Mar, Sep	Sep 15, 2023	annual float-ing rate = 3mL+4.44%	Qtrly Mar, Jun, Sep, Dec
Total	$ 566	$ 566							

Common Stock

Our common stock is traded on the NASDAQ Global Select Market. As of December 31, 2020, there were 164.1 million shares of $0.001 par common stock outstanding. The balance of common stock and additional paid-in-capital was $2.7 billion at December 31, 2020, and decreased $49 million, or 2%, from December 31, 2019 as a result of Bank common stock repurchases.

We repurchased 1.7 million shares of common shares outstanding from publicly announced plans during 2020 with a fair value of $75 million at an average price of $45.02 per share. During 2019, we repurchased 23.5 million shares of common shares outstanding from publicly announced plans with a fair value of $1.1 billion at an average price of $46.80 per share.

Common Stock Warrants

On May 22, 2020, 29.2 million common stock warrants (NASDAQ: ZIONW) expired out-of-the-money. Each common stock warrant was convertible into 1.10 shares at an exercise price of $33.31.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income improved to $325 million at December 31, 2020 from $43 million at December 31, 2019, primarily as a result of increases in the fair value of AFS securities due to changes in interest rates. Changes in AOCI by component are as follows:

(In millions)	Net unrealized gains (losses) on investment securities	Net unrealized gains (losses) on derivatives and other	Pension and post-retirement	Total
2020				
Balance at December 31, 2019	$ 29	$ 28	$ (14)	$ 43
Other comprehensive income (loss) before reclassifications, net of tax	229	77	(9)	297
Amounts reclassified from AOCI, net of tax	—	(36)	21	(15)
Other comprehensive income	229	41	12	282
Balance at December 31, 2020	$ 258	$ 69	$ (2)	$ 325
Income tax expense included in other comprehensive income	$ 74	$ 13	$ 4	$ 91
2019				
Balance at December 31, 2018	$ (228)	$ (1)	$ (21)	$ (250)
Other comprehensive income before reclassifications, net of tax	257	24	6	287
Amounts reclassified from AOCI, net of tax	—	5	1	6
Other comprehensive income	257	29	7	293
Balance at December 31, 2019	$ 29	$ 28	$ (14)	$ 43
Income tax expense included in other comprehensive income	$ 84	$ 10	$ 2	$ 96

(In millions) Details about AOCI components	Amounts reclassified from AOCI [1] 2020	2019	2018	Statement of Income (SI)	Affected line item
Net unrealized gains (losses) on derivative instruments	$ 47	$ (4)	$ (4)	SI	Interest and fees on loans
Income tax expense (benefit)	11	(1)	(1)		
	$ 36	$ (3)	$ (3)		
Amortization of net actuarial loss	$ (28)	$ (2)	$ (3)	SI	Other noninterest expense
Income tax benefit	(7)	(1)	(1)		
	$ (21)	$ (1)	$ (2)		

[1] *Positive reclassification amounts indicate increases to earnings in the statement of income.*

Deferred Compensation

Deferred compensation consists of invested assets, including our common stock, which are held in rabbi trusts for certain employees and directors. The cost of the common stock included in retained earnings was approximately $13 million at both December 31, 2020 and 2019. We consolidate the fair value trust invested assets along with the total obligations and include them in other assets and other liabilities in the balance sheet. At December 31, 2020 and 2019, total invested assets were approximately $120 million and $113 million and total obligations were approximately $133 million and $126 million, respectively.

15. REGULATORY MATTERS

We are subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory – and possibly additional discretionary – actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, we must meet specific capital guidelines that involve quantitative measures of our assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. Required capital levels are also subject to judgmental review by regulators.

In 2013, the FRB, FDIC, and the OCC published final rules (the "Basel III capital rules") establishing a new comprehensive capital framework for U.S. banking organizations that implemented the Basel Committee on Banking Supervision's (the "Basel Committee") December 2010 framework, commonly referred to as Basel III, for strengthening international capital standards as well as certain provisions of the Dodd-Frank Act. The Basel III capital rules became effective for us on January 1, 2015 and were subject to phase-in periods for certain of their components. In November 2017, the FRB, FDIC and OCC published a final rule for nonadvanced approaches banks that extends the regulatory capital treatment applicable during 2017 under the regulatory capital rules for certain items. As a "nonadvanced approaches banking organization," we made a one-time permanent election to exclude the effects of AOCI items included in capital as allowed under the Basel III capital rules. We met all capital adequacy requirements under the Basel III capital rules as of December 31, 2020.

Quantitative measures established by regulation to ensure capital adequacy require us to maintain minimum amounts and ratios of Total and Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). "Well-capitalized" levels are also published as a guideline to evaluate capital positions. As of December 31, 2020, all our capital ratios exceeded the "well-capitalized" levels under the regulatory framework for prompt corrective action.

Dividends declared by us in any calendar year may not, without the approval of the appropriate federal regulators, exceed specified criteria. When determining dividends, we consider current and historical earning levels, retained earnings, and risk-based and other regulatory capital requirements and limitations.

Bank-run stress tests seek to comprehensively measure all risks to which the institution is exposed, including credit, liquidity, market, operating and other risks, the losses that could result from those risk exposures under adverse scenarios, and the institution's resulting capital levels. These stress tests have both a qualitative and a quantitative component. The qualitative component evaluates the robustness of our risk identification, stress risk modeling, policies, capital planning, governance processes, and other components of a Capital Adequacy Process. The quantitative process subjects our balance sheet and other risk characteristics to stress testing by using our own models.

Our capital amounts and ratios at December 31, 2020 and 2019 under Basel III are as follows:

(Dollar amounts in millions)	December 31, 2020		To be well-capitalized	
	Amount	Ratio	Amount	Ratio
Basel III Regulatory Capital Amounts and Ratios				
Total capital (to risk-weighted assets)	$ 7,862	14.1 %	$ 5,587	10.0 %
Tier 1 capital (to risk-weighted assets)	6,579	11.8	4,469	8.0
Common equity tier 1 capital (to risk-weighted assets)	6,013	10.8	3,631	6.5
Tier 1 capital (to average assets)	6,579	8.3	3,944	5.0

(Dollar amounts in millions)	December 31, 2019		To be well-capitalized	
	Amount	Ratio	Amount	Ratio
Basel III Regulatory Capital Amounts and Ratios				
Total capital (to risk-weighted assets)	$ 7,411	13.2 %	$ 5,604	10.0 %
Tier 1 capital (to risk-weighted assets)	6,285	11.2	4,483	8.0
Common equity tier 1 capital (to risk-weighted assets)	5,719	10.2	3,643	6.5
Tier 1 capital (to average assets)	6,285	9.2	3,426	5.0

We are also subject to "capital conservation buffer" regulatory requirements. At December 31, 2020, the Basel III capital rules also require us to maintain a 2.5% "capital conservation buffer" designed to absorb losses during periods of economic stress, composed entirely of Common Equity Tier 1 ("CET1"), on top of the minimum risk-weighted asset ratios, effectively resulting in minimum ratios of (1) CET1 to risk-weighted assets of at least 7.0%,

(2) Tier 1 capital to risk-weighted assets of at least 8.5%, and (3) Total capital to risk-weighted assets of at least 10.5%. Banking institutions with a ratio of CET1 to risk-weighted assets above the minimum but below the capital conservation buffer will face constraints on dividends, equity repurchases, and compensation based on the amount of the shortfall. Our internal triggers and limits under actual conditions and baseline projections are more restrictive than the capital conservation buffer requirements.

A final rule adopted by the federal banking agencies in February 2019 provides banking organizations with the option to phase in, over a three-year period, the adverse day-one regulatory capital effects of the adoption of CECL. On March 27, 2020, the federal banking agencies issued an interim final rule that gives banking organizations that implement CECL before the end of 2020 the option to reduce for two years a portion of CECL's adverse effect on regulatory capital. This is in addition to the three-year transition period already in place, resulting in an optional five-year transition. We adopted the provisions of this guidance beginning with the first quarter 2020 financial statements. As a result, we will delay recognizing the December 31, 2020 impact of the ACL on regulatory capital until after a two-year deferral period, which for us extends through December 31, 2021. Beginning on January 1, 2022, we will be required to phase in 25% of the previously deferred estimated capital impact of the ACL, with an additional 25% to be phased in at the beginning of each subsequent year until fully phased in by the first quarter of 2025. At December 31, 2020, the application of these provisions improved our CET1, Tier 1 risk-based and Total risk-based capital ratios by 10 bps each, and our Tier 1 leverage capital ratio by 6 bps.

The schedule below presents our actual capital ratios in comparison to minimum capital ratios and capital ratios in excess of minimum capital requirements plus minimum capital conservation buffer requirements.

	December 31, 2020			
	Actual Capital Ratio	Minimum Capital Ratio	Capital Conservation Buffer Ratio	Capital Ratio in Excess of Minimum Capital Ratio plus Capital Conservation Buffer Requirement
Total capital (to risk-weighted assets)	14.1 %	8.0 %	2.5 %	3.6 %
Tier 1 capital (to risk-weighted assets)	11.8	6.0	2.5	3.3
Common equity tier 1 capital (to risk-weighted assets)	10.8	4.5	2.5	3.8

16. COMMITMENTS, GUARANTEES, CONTINGENT LIABILITIES, AND RELATED PARTIES

Commitments and Guarantees

We use certain financial instruments, including derivative instruments, in the normal course of business to meet the financing needs of our customers, to reduce our own exposure to fluctuations in interest rates, and to make a market in U.S. government, agency, corporate, and municipal securities. These financial instruments involve, to varying degrees, elements of credit, liquidity, and interest rate risk in excess of the amounts recognized in the balance sheet. Derivative instruments are described in Notes 7 and 3.

Contractual amounts of the off-balance sheet financial instruments used to meet the financing needs of our customers are as follows:

	December 31,	
(In millions)	2020	2019
Net unfunded commitments to extend credit [1]	$ 24,217	$ 23,099
Standby letters of credit:		
Financial	531	631
Performance	167	192
Commercial letters of credit	34	5
Total unfunded lending commitments	$ 24,949	$ 23,927

[1] *Net of participations.*

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require the payment of a fee. The amount of collateral obtained, if deemed necessary by us upon extension of credit, is based on our initial credit evaluation of the counterparty. Types of collateral vary, but may include accounts receivable, inventory, property, plant and equipment, and income-producing properties.

While establishing commitments to extend credit creates credit risk, a significant portion of such commitments is expected to expire without being drawn upon. As of December 31, 2020, $7.7 billion of commitments expire in 2021. We use the same credit policies and procedures in making commitments to extend credit and conditional obligations as we do for on-balance sheet instruments. These policies and procedures include credit approvals, limits, and monitoring.

We issue standby and commercial letters of credit as conditional commitments generally to guarantee the performance of a customer to a third party. The guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions. Standby letters of credit include remaining commitments of $398 million expiring in 2021 and $300 million expiring thereafter through 2030. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. We generally hold marketable securities and cash equivalents as collateral when necessary. At December 31, 2020, we had recorded $6 million as a liability for these guarantees, which consisted of $4 million attributable to the RULC and $2 million of deferred commitment fees.

Certain mortgage loans sold have limited recourse provisions for periods ranging from three months to one year. The amount of losses resulting from the exercise of these provisions has not been significant.

The contractual or notional amount of financial instruments indicates a level of activity associated with a particular financial instrument class and is not a reflection of the actual level of risk. As of December 31, 2020 and 2019, the regulatory risk-weighted values assigned to all off-balance sheet financial instruments and derivative instruments described herein were $8.5 billion and $8.3 billion, respectively.

At December 31, 2020, we were not required to maintain any cash balances with the Federal Reserve Bank to meet minimum balance requirements in accordance with FRB regulations.

Contingent Liabilities and Legal Matters

We are subject to litigation in court and arbitral proceedings, as well as proceedings, investigations, examinations and other actions brought or considered by governmental and self-regulatory agencies. Litigation may relate to lending, deposit and other customer relationships, vendor and contractual issues, employee matters, intellectual property matters, personal injuries and torts, regulatory and legal compliance, and other matters. While most matters relate to individual claims, we are also subject to putative class action claims and similar broader claims. Proceedings, investigations, examinations and other actions brought or considered by governmental and self-regulatory agencies may relate to our banking, investment advisory, trust, securities, and other products and services; our customers' involvement in money laundering, fraud, securities violations and other illicit activities or our policies and practices relating to such customer activities; and our compliance with the broad range of banking, securities and other laws and regulations applicable to us. At any given time, we may be in the process of responding to subpoenas, requests for documents, data and testimony relating to such matters and engaging in discussions to resolve the matters.

As of December 31, 2020, we were subject to the following material litigation or governmental inquiries:

- a civil suit, *JTS Communities, Inc. et. al v. CB&T, Jun Enkoji and Dawn Satow*, brought against us in the Superior Court for Sacramento County, California in June 2017. In this case four investors in our former customer, International Manufacturing Group ("IMG") seek to hold us liable for losses arising from their investments in that company, alleging that we conspired with and knowingly assisted IMG and its principal in furtherance of an alleged Ponzi scheme. This case is in the discovery phase with dispositive motion practice having been completed. Trial is scheduled for the first quarter of 2021.
- a civil class action lawsuit, *Evans v. CB&T*, brought against us in the United States District Court for the Eastern District of California in May 2017. This case was filed on behalf of a class of up to 50 investors in IMG

and seeks to hold us liable for losses of class members arising from their investments in IMG, alleging that we conspired with and knowingly assisted IMG and its principal in furtherance of an alleged Ponzi scheme. In December 2017, the District Court dismissed all claims against us. In January 2018, the plaintiff filed an appeal with the Court of Appeals for the Ninth Circuit. The appeal was heard in early April 2019 with the Court of Appeals reversing the trial court's dismissal. This case is in the post-pleading phase and trial will not occur for a substantial period of time.

- two civil cases, *Lifescan Inc. and Johnson & Johnson Health Care Services v. Jeffrey Smith, et. al.*, brought against us in the United States District Court for the District of New Jersey in December 2017, and *Roche Diagnostics and Roche Diabetes Care Inc. v. Jeffrey C. Smith, et. al.*, brought against us in the United States District Court for the District of New Jersey in March 2019. In these cases, certain manufacturers and distributors of medical products seek to hold us liable for allegedly fraudulent practices of our borrower who filed for bankruptcy protection in 2017. The cases are in early phases, with initial motion practice and discovery underway in the *Lifescan* case. Trial has not been scheduled in either case.
- a civil class action lawsuit, *Gregory, et. al. v. Zions Bancorporation*, brought against us in the United States District Court in Utah in January 2019. This case was filed on behalf of investors in Rust Rare Coin, Inc., alleging that we aided and abetted a Ponzi scheme fraud perpetrated by Rust Rare Coin, a Zions Bank customer. The case follows civil actions and the establishment of a receivership for Rust Rare Coin by The Commodities Futures Trading Commission and the Utah Division of Securities in November 2018, as well as a separate suit brought by the SEC against Rust Rare Coin and its principal, Gaylen Rust. During the third quarter of 2020, the Court granted our motion to dismiss the plaintiffs' claims in part, dismissing claims relating to fraud and fiduciary duty, but allowing a claim for aiding and abetting conversion to proceed. The case is in the early discovery phase. Trial has not been scheduled.

During the third quarter of 2020, the plaintiffs in three civil class action lawsuits, *Fahmia Inc. v Zions Bancorporation, et. al., ImpAcct LLC v. JPMorgan Chase, et. al., and Manoloff v. Bank of America, et. al.*, voluntarily agreed to dismiss their actions against us. These cases alleged that we wrongly failed to pay agents of borrowers receiving loans from us under the Government's Paycheck Protection Program fees that were allegedly owed to them under the program.

At least quarterly, we review outstanding and new legal matters, utilizing then available information. In accordance with applicable accounting guidance, if we determine that a loss from a matter is probable and the amount of the loss can be reasonably estimated, we establish an accrual for the loss. In the absence of such a determination, no accrual is made. Once established, accruals are adjusted to reflect developments relating to the matters.

In our review, we also assess whether we can determine the range of reasonably possible losses for significant matters in which we are unable to determine that the likelihood of a loss is remote. Because of the difficulty of predicting the outcome of legal matters, described subsequently, we are able to meaningfully estimate such a range only for a limited number of matters. Based on information available as of December 31, 2020, we estimated that the aggregate range of reasonably possible losses for those matters to be from $0 million to roughly $35 million in excess of amounts accrued. The matters underlying the estimated range will change from time to time, and actual results may vary significantly from this estimate. Those matters for which a meaningful estimate is not possible are not included within this estimated range and, therefore, this estimated range does not represent our maximum loss exposure.

Based on our current knowledge, we believe that our current estimated liability for litigation and other legal actions and claims, reflected in our accruals and determined in accordance with applicable accounting guidance, is adequate and that liabilities in excess of the amounts currently accrued, if any, arising from litigation and other legal actions and claims for which an estimate as previously described is possible, will not have a material impact on our financial condition, results of operations, or cash flows. However, in light of the significant uncertainties involved in these matters, and the very large or indeterminate damages sought in some of these matters, an adverse outcome in one or more of these matters could be material to our financial condition, results of operations, or cash flows for any given reporting period.

Any estimate or determination relating to the future resolution of litigation, arbitration, governmental or self-regulatory examinations, investigations or actions or similar matters is inherently uncertain and involves significant judgment. This is particularly true in the early stages of a legal matter, when legal issues and facts have not been well articulated, reviewed, analyzed, and vetted through discovery, preparation for trial or hearings, substantive and productive mediation or settlement discussions, or other actions. It is also particularly true with respect to class action and similar claims involving multiple defendants, matters with complex procedural requirements or substantive issues or novel legal theories, and examinations, investigations and other actions conducted or brought by governmental and self-regulatory agencies, in which the normal adjudicative process is not applicable. Accordingly, we usually are unable to determine whether a favorable or unfavorable outcome is remote, reasonably likely, or probable, or to estimate the amount or range of a probable or reasonably likely loss, until relatively late in the course of a legal matter, sometimes not until a number of years have elapsed. Accordingly, our judgments and estimates relating to claims will change from time to time in light of developments and actual outcomes will differ from our estimates. These differences may be material.

Related Party Transactions

We have no material related party transactions requiring disclosure. In the ordinary course of business, we extend credit to related parties, including executive officers, directors, principal shareholders, and their associates and related interests. These related party loans are made in compliance with applicable banking regulations.

17. REVENUE RECOGNITION

Adoption of ASC Topic 606, "*Revenue from Contracts with Customers*"

On January 1, 2018, we adopted the accounting guidance in ASC Topic 606, "*Revenue from Contracts with Customers*" ("ASC 606") using the modified retrospective method applied to those contracts with customers for which the performance obligations were not completed as of January 1, 2018. Upon adoption, we elected to use the following optional exemptions that are permitted under the ASC 606, which have been applied consistently to all contracts within all reporting periods presented:

- We recognize the incremental cost of obtaining a contract as an expense, when incurred, if the amortization period of the asset that we would have recognized is one year or less.
- For performance obligations satisfied over time, if we have a right to consideration from a customer in an amount that corresponds directly with the value to the customer of our performance completed to date, we will generally recognize revenue in the amount to which we have a right to invoice.
- We do not generally disclose information about our remaining performance obligations for those performance obligations that have an original expected duration of one year or less, or where we recognize revenue in the amount to which we have a right to invoice.

Revenue Recognition

We derive our revenue primarily from interest income on loans and securities, which was more than three-quarters of our revenue for 2020. Only noninterest income is considered to be revenue from contracts with customers in scope of ASC 606. Revenue from contracts with customers is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. The following is a description of revenue from contracts with customers:

Commercial account fees

Commercial account fee income is comprised of account analysis fees, merchant fees, and payroll services income. Revenue is recognized as the services are rendered or upon completion of services.

Card fees

Our card fee income includes interchange income from credit and debit cards, net fees earned from processing card transactions for merchants, and automated teller machine ("ATM") services. Card income is recognized as earned. Reward program costs are recorded when the rewards are earned by the customer and presented as a reduction to interchange income.

Retail and business banking fees

Retail and business banking fees typically consist of fees charged for providing customers with deposit services. These fees are primarily comprised of insufficient funds fees, noncustomer ATM charges, and other various fees on deposit accounts. Service charges on deposit accounts include fees earned in lieu of compensating balances, and fees earned for performing cash management services and other deposit account services. Service charges on deposit accounts in this revenue category are recognized over the period in which the related service is provided. Treasury Management fees are billed monthly based on services rendered for the month.

Loan-related fees and income

Loan-related fees and income consist of servicing and sales income on loan accounts as well as other miscellaneous loan-related fees. Service charges on loan accounts are recognized over the period in which the related service is provided, when the service is rendered, or upon completion of the service.

Capital markets and foreign exchange fees

Capital markets and foreign exchange fees primarily consist of mutual fund distribution fees, municipal advisory services, customer swap fees, loan syndication fees, and foreign exchange services provided to customers. Revenue is recognized as the services are rendered or upon completion of services.

Wealth management and trust fees

Wealth management and trust fees are primarily comprised of personal trust income and wealth management commissions, but also are made up of other products such as corporate trust income, portfolio services, and advisory services. Revenue is recognized as the services are rendered or upon completion of services. Financial planning and estate services typically have performance obligations that are greater than 12 months, although the amount of future performance obligations are not significant.

Other customer-related fees

Other customer-related fees consist of miscellaneous income streams, including claims and inventory management services for certain customers. Revenue is recognized as the services are rendered or upon completion of services.

Disaggregation of Revenue

We provide services across different geographic areas, primarily in 11 Western U.S. States, under banking operations that have their own individual brand names, including Zions Bank, Amegy Bank, California Bank & Trust, National Bank of Arizona, Nevada State Bank, Vectra Bank Colorado, and The Commerce Bank of Washington. The operating segment listed as “Other” includes certain nonbank financial services subsidiaries, centralized back-office functions, and eliminations of transactions between the segments. Certain prior period amounts have been reclassified to conform with the current period presentation. These reclassifications did not affect net income or shareholders’ equity.

The following schedule presents noninterest income and net revenue by operating segments:

	Zions Bank			Amegy			CB&T		
(In millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Commercial account fees	$ 42	$ 41	$ 41	$ 37	$ 34	$ 34	$ 22	$ 23	$ 23
Card fees	49	51	50	24	28	29	14	16	15
Retail and business banking fees	21	23	24	15	17	16	11	13	14
Capital markets and foreign exchange fees	(1)	—	—	5	6	6	—	—	—
Wealth management and trust fees	23	17	16	16	12	10	8	4	4
Other customer-related fees	2	2	3	1	1	1	1	2	2
Total noninterest income from contracts with customers (ASC 606)	136	134	134	98	98	96	56	58	58
Other noninterest income (Non-ASC 606 customer related)	23	12	12	34	40	30	36	28	22
Total customer-related fees	159	146	146	132	138	126	92	86	80
Other noninterest income (noncustomer-related)	(1)	1	1	1	—	—	3	2	2
Total noninterest income	158	147	147	133	138	126	95	88	82
Other real estate owned income	—	3	1	—	—	—	1	—	—
Net interest income	650	688	662	485	489	485	512	512	508
Total income less interest expense	$ 808	$ 838	$ 810	$ 618	$ 627	$ 611	$ 608	$ 600	$ 590

	NBAZ			NSB			Vectra		
(In millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Commercial account fees	$ 7	$ 7	$ 7	$ 8	$ 8	$ 9	$ 6	$ 6	$ 6
Card fees	9	11	11	10	12	12	5	6	6
Retail and business banking fees	8	8	9	9	11	10	4	5	4
Capital markets and foreign exchange fees	—	—	—	—	—	—	—	—	—
Wealth management and trust fees	3	2	2	3	3	3	4	2	2
Other customer-related fees	1	1	1	1	1	1	—	—	—
Total noninterest income from contracts with customers (ASC 606)	28	29	30	31	35	35	19	19	18
Other noninterest income (Non-ASC 606 customer related)	12	12	9	12	8	6	13	7	6
Total customer-related fees	40	41	39	43	43	41	32	26	24
Other noninterest income (noncustomer-related)	1	1	—	—	—	—	—	—	—
Total noninterest income	41	42	39	43	43	41	32	26	24
Other real estate owned income	—	—	—	—	1	—	—	—	—
Net interest income	216	223	216	146	148	142	135	135	130
Total income less interest expense	$ 257	$ 265	$ 255	$ 189	$ 192	$ 183	$ 167	$ 161	$ 154

	TCBW			Other			Consolidated Bank		
(In millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Commercial account fees	$ 1	$ 2	$ 2	$ 2	$ —	$ —	$ 125	$ 121	$ 122
Card fees	1	1	2	1	2	—	113	127	125
Retail and business banking fees	—	—	—	—	1	1	68	78	78
Capital markets and foreign exchange fees	—	—	—	8	7	6	12	13	12
Wealth management and trust fees	1	1	—	1	16	14	59	57	51
Other customer-related fees	—	—	—	19	11	16	25	18	24
Total noninterest income from contracts with customers (ASC 606)	3	4	4	31	37	37	402	414	412
Other noninterest income (Non-ASC 606 customer related)	2	1	1	15	3	10	147	111	96
Total customer-related fees	5	5	5	46	40	47	549	525	508
Other noninterest income (noncustomer-related)	—	—	—	21	33	41	25	37	44
Total noninterest income	5	5	5	67	73	88	574	562	552
Other real estate owned income	—	—	—	—	—	—	1	4	1
Net interest income	52	53	52	20	24	35	2,216	2,272	2,230
Total income less interest expense	$ 57	$ 58	$ 57	$ 87	$ 97	$ 123	$ 2,791	$ 2,838	$ 2,783

Revenue from contracts with customers did not generate significant contract assets and liabilities. Contract receivables are included in Other Assets. Payment terms vary by services offered, and the timing between completion of performance obligations and payment is typically not significant.

18. RETIREMENT PLANS

Defined Benefit Plans

Pension — In October 2018, we announced our intention to terminate our defined benefit pension plan, subject to obtaining necessary regulatory approval. We received an IRS letter of determination on March 31, 2020. Plan participants made elections for lump-sum distributions or annuity benefits. Lump-sum distributions were completed in May 2020, and the annuity purchase was completed in June 2020. As a result of the pension termination, we incurred $28 million of expense, which was recognized in Other noninterest expense.

Supplemental Retirement — These unfunded, nonqualified plans are for certain current and former employees. Each year, our contributions to these plans are made in amounts sufficient to meet benefit payments to plan participants.

Post-retirement Medical/Life — This unfunded health care and life insurance plan provides post-retirement medical benefits to certain former full-time employees who meet minimum age and service requirements. The plan also provides specified life insurance benefits to certain employees. The plan is contributory with retiree contributions adjusted annually, and contains other cost-sharing features such as deductibles and coinsurance. Plan coverage is provided by self-funding or health maintenance organization options. Our contribution toward the retiree medical premium has been permanently frozen at an amount that does not increase in any future year. Retirees pay the difference between the full premium rates and our capped contribution. Because our contribution rate is capped, there is no effect on the post-retirement plan from assumed increases or decreases in health care cost trends. Each year, our contributions to the plan are made in amounts sufficient to meet the portion of the premiums that are our responsibility.

The following schedule presents the change in benefit obligation, change in fair value of plan assets, and funded status, of the plans and amounts recognized in the balance sheet as of the measurement date of December 31:

	Pension		Supplemental Retirement		Post-retirement	
(In millions)	2020	2019	2020	2019	2020	2019
Change in benefit obligation:						
Benefit obligation at beginning of year	$ 140	$ 138	$ 8	$ 9	$ 1	$ 1
Interest cost	1	5	—	—	—	—
Actuarial loss	13	8	1	—	—	—
Annuity purchase	(97)	—	—	—	—	—
Benefits paid	(57)	(11)	(1)	(1)	—	—
Benefit obligation at end of year	—	140	8	8	1	1
Change in fair value of plan assets:						
Fair value of plan assets at beginning of year	171	157	—	—	—	—
Actual return on plan assets	4	25	—	—	—	—
Employer contributions	(21)	—	1	1	—	—
Annuity purchase	(97)	—	—	—	—	—
Benefits paid	(57)	(11)	(1)	(1)	—	—
Fair value of plan assets at end of year	—	171	—	—	—	—
Funded status	$ —	$ 31	$ (8)	$ (8)	$ (1)	$ (1)
Amounts recognized in balance sheet:						
Asset (liability) for pension/postretirement benefits	$ —	$ 31	$ (8)	$ (8)	$ (1)	$ (1)
Accumulated other comprehensive income (loss)	—	(17)	(3)	(2)	—	—

The pension asset and the liability for supplemental retirement and post-retirement benefits are included in other assets and other liabilities, respectively, in the balance sheet. The accumulated benefit obligation is the same as the benefit obligation shown in the preceding schedule.

The following schedule presents the components of net periodic benefit cost (credit) for the plans:

	Pension			Supplemental Retirement			Post-retirement		
(In millions)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Interest cost	$ 1	$ 5	$ 6	$ —	$ —	$ —	$ —	$ —	$ —
Expected return on plan assets	(2)	(9)	(11)	—	—	—	—	—	—
Amortization of net actuarial loss	—	—	1	—	—	—	—	—	—
Settlement loss	28	1	1	—	—	—	—	—	—
Net periodic benefit cost	$ 27	$ (3)	$ (3)	$ —	$ —	$ —	$ —	$ —	$ —

Weighted average assumptions based on the pension plan are the same where applicable for each of the plans and are as follows:

	2020	2019	2018
Used to determine benefit obligation at year-end:			
Discount rate	1.85 %	3.20 %	4.20 %
Used to determine net periodic benefit cost for the years ended December 31:			
Discount rate	NA	4.20	3.50
Expected long-term return on plan assets	NA	5.25	5.75

The discount rate reflects the yields available on long-term, high-quality fixed-income debt instruments with cash flows similar to the obligations of the pension plan, and is reset annually on the measurement date. The expected long-term rate of return on plan assets is based on a review of the target asset allocation of the plan. This rate is intended to approximate the long-term rate of return that we anticipate receiving on the plan’s investments, considering the mix of the assets that the plan holds as investments, the expected return on these underlying investments, the diversification of these investments, and the rebalancing strategies employed. An expected long-term rate of return is assumed for each asset class and an underlying inflation rate assumption is determined.

Benefit payments to the plans' participants are estimated in the following schedule for the years succeeding December 31, 2020.

(In millions)	Supplemental Retirement	Post-retirement
2021	$ 2	$ —
2022	1	—
2023	1	—
2024	1	—
2025	1	—
Years 2026 – 2030	2	—

We are obligated under supplemental retirement plans for certain current and former employees. Our liability for these plans was $5 million at both December 31, 2020 and 2019.

As of December 31, 2019, pension plan investments valued using NAV as the practical expedient for fair value consist of $166 million in debt investments in pooled separate accounts. These funds are invested in by more than one investor. They are offered through separate accounts of the trustee's insurance company and managed by internal and professional advisors. Participation units in these accounts are valued at the NAV as the practical expedient for fair value as determined by the insurance company.

The following presents additional information as of December 31, 2019 for the pooled separate accounts and limited partnerships whose fair values under Levels 2 and 3 are based on NAV per share:

Investment	Unfunded commitments *(in millions, approximately)*	Redemption Frequency	Redemption Notice period
Pooled separate accounts	NA	Daily	< $1 million, 1 day >= $1 million, 3 days

The following reconciles the beginning and ending balances of assets measured at fair value on a recurring basis using Level 3 inputs:

	Guaranteed deposit account	
	Year Ended December 31,	
(In millions)	2020	2019
Balance at beginning of year	$ 5	$ 12
Purchases	151	4
Sales	(156)	(11)
Balance at end of year	$ —	$ 5

Defined Contribution Plan

We offer a 401(k) and employee stock ownership plan under which employees select from several investment alternatives. Employees can contribute up to 80% of their earnings subject to the annual maximum allowed contribution. We match 100% of the first 3% of employee contributions and 50% of the next 3% of employee contributions. Matching contributions to participants, which were shares of our common stock purchased in the open market, amounted to $31 million, $33 million, and $29 million in 2020, 2019, and 2018 respectively.

The 401(k) plan also has a noncontributory profit-sharing feature which is discretionary and may range from 0% to 3.5% of eligible compensation based upon our return on average common equity for the year. The profit-sharing expense was $7 million, $16 million, and $17 million in 2020, 2019, and 2018, respectively. The profit-sharing contribution to participants consisted of shares of our common stock purchased in the open market.

19. SHARE-BASED COMPENSATION

We have a share-based compensation incentive plan which allows us to grant stock options, restricted stock, RSUs, and other awards to employees and nonemployee directors. Total shares authorized under the plan were 9,000,000 at December 31, 2020, of which 2,786,162 were available for future grants.

All share-based payments to employees, including grants of employee stock options, are recognized in the statement of income based on their grant date values. The value of an equity award is estimated on the grant date using a fair value-based model without regard to service or performance vesting conditions, but does consider post-vesting restrictions.

We classify all share-based awards as equity instruments. Compensation expense is included in salaries and employee benefits in the statement of income, with the corresponding increase included in additional paid-in capital. We account for forfeitures of share-based compensation awards as they occur. Substantially all awards of stock options, restricted stock, and RSUs have graded vesting that is recognized on a straight-line basis over the vesting period.

Compensation expense and the related tax benefit for all share-based awards were as follows:

(In millions)	2020	2019	2018
Compensation expense	$ 26	$ 27	$ 26
Reduction of income tax expense	8	11	14

We reduced share-based compensation expense by $1 million during 2020, 2019, and 2018, respectively, as a result of using a valuation model to estimate a liquidity discount on RSUs with post-vesting restrictions.

As of December 31, 2020, compensation expense not yet recognized for nonvested share-based awards was approximately $27 million, which is expected to be recognized over a weighted average period of 2.4 years.

Stock Options

Stock options granted to employees generally vest at the rate of one third each year and expire seven years after the date of grant. For all stock options granted in 2020, 2019, and 2018, we used the Black-Scholes option pricing model to estimate the grant date value of stock options in determining compensation expense. The following summarizes the weighted average value at grant date and the significant assumptions used in applying the Black-Scholes model for options granted:

	2020	2019	2018
Weighted average value for options granted	$ 8.18	$ 10.30	$ 12.64
Weighted average assumptions used:			
Expected dividend yield	3.0 %	2.5 %	2.0 %
Expected volatility	27.0 %	26.0 %	27.5 %
Risk-free interest rate	1.38 %	2.52 %	2.62 %
Expected life (in years)	5.0	5.0	5.0

The assumptions for expected dividend yield, expected volatility, and expected life reflect management’s judgment and include consideration of historical experience. Expected volatility is based in part on historical volatility. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option.

The following summarizes our stock option activity for the three years ended December 31, 2020:

	Number of shares	Weighted average exercise price
Balance at December 31, 2017	2,560,571	$ 27.06
Granted	194,001	55.13
Exercised	(729,346)	26.79
Expired	(2,000)	25.74
Forfeited	(18,628)	31.11
Balance at December 31, 2018	2,004,598	29.85
Granted	256,818	50.80
Exercised	(569,808)	24.61
Expired	(4,330)	22.37
Forfeited	(10,500)	43.13
Balance at December 31, 2019	1,676,778	34.77
Granted	320,913	45.61
Exercised	(285,954)	26.48
Expired	(22,685)	30.17
Forfeited	(5,395)	51.34
Balance at December 31, 2020	1,683,657	38.26
Outstanding stock options exercisable as of:		
December 31, 2020	1,137,596	$ 33.42
December 31, 2019	1,239,821	28.95
December 31, 2018	1,448,244	26.68

We issue new authorized common shares for the exercise of stock options. The total intrinsic value of stock options exercised was approximately $3 million in 2020, $13 million in 2019, and $20 million in 2018. Cash received from the exercise of stock options was $7 million in 2020, $13 million in 2019, and $18 million in 2018.

Additional selected information on stock options at December 31, 2020 follows:

	Outstanding stock options			Exercisable stock options	
Exercise price range	Number of shares	Weighted average exercise price	Weighted average remaining contractual life (years)	Number of shares	Weighted average exercise price
$4.15 to $19.99	10,867	$ 6.22 [1]		10,867	$ 6.22
$20.00 to $24.99	276,809	21.03	2.1	276,809	21.03
$25.00 to $29.99	450,709	28.53	1.1	450,031	28.53
$30.00 to $39.99	22,225	30.10	0.4	22,225	30.10
$40.00 to $44.99	173,351	44.10	3.0	171,290	44.12
$45.00 to $49.99	318,954	45.65	6.1	—	—
$50.00 to $55.68	430,742	52.90	4.5	206,374	53.58
	1,683,657	38.26 [1]	3.3	1,137,596	33.42

[1] *The weighted average remaining contractual life excludes 10,867 stock options without a fixed expiration date that were assumed with the Amegy acquisition. They expire between the date of termination and one year from the date of termination, depending upon certain circumstances.*

The aggregate intrinsic value of outstanding and exercisable stock options at December 31, 2020 and 2019 was $14 million and $29 million, respectively. For exercisable options, the weighted average remaining contractual life was 2.2 years and 2.4 years at December 31, 2020 and 2019, respectively, excluding the stock options previously noted without a fixed expiration date. At December 31, 2020, 546,061 stock options with a weighted average exercise price of $48.34, a weighted average remaining life of 5.5 years, and an aggregate intrinsic value of $12 thousand, were expected to vest.

Restricted Stock and Restricted Stock Units

Restricted stock is common stock with certain restrictions that relate to trading and the possibility of forfeiture. Generally, restricted stock vests over four years. Holders of restricted stock have full voting rights and receive dividend equivalents during the vesting period. In addition, holders of restricted stock can make an election to be subject to income tax on the grant date rather than the vesting date.

RSUs represent rights to one share of common stock for each unit and generally vest over four years. Holders of RSUs receive dividend equivalents during the vesting period, but do not have voting rights.

Compensation expense is determined based on the number of restricted shares or RSUs granted and the market price of our common stock at the issue date.

During 2020, 2019, and 2018, we granted 28,992, 19,116, and 14,796 RSUs, respectively, to nonemployee directors. The RSUs vested immediately upon grant.

The following summarizes our restricted stock activity for the three years ended December 31, 2020:

	Number of shares	Weighted average fair value
Nonvested restricted shares at December 31, 2017	38,978	$ 25.91
Issued	21,634	42.90
Vested	(14,836)	26.27
Forfeited	(90)	55.68
Nonvested restricted shares at December 31, 2018	45,686	33.78
Issued	24,994	42.83
Vested	(20,223)	30.69
Nonvested restricted shares at December 31, 2019	50,457	39.50
Issued	27,798	45.65
Vested	(20,859)	34.77
Nonvested restricted shares at December 31, 2020	57,396	44.20

The following summarizes our RSU activity for the three years ended December 31, 2020:

	Number of restricted stock units	Weighted average fair value
Restricted stock units at December 31, 2017	1,709,813	$ 30.08
Granted	461,305	53.17
Vested	(699,920)	29.56
Forfeited	(70,499)	35.95
Restricted stock units at December 31, 2018	1,400,699	37.65
Granted	536,489	47.85
Vested	(614,968)	33.74
Forfeited	(28,150)	44.69
Restricted stock units at December 31, 2019	1,294,070	43.59
Granted	586,302	42.75
Vested	(593,375)	37.56
Forfeited	(44,676)	47.78
Restricted stock units at December 31, 2020	1,242,321	46.31

The total value at grant date of restricted stock and RSUs vested during the year was $23 million in 2020, and $21 million in both 2019 and 2018. At December 31, 2020, 57,396 shares of restricted stock and 812,947 RSUs were expected to vest with an aggregate intrinsic value of $2 million and $35 million, respectively.

20. INCOME TAXES

Income tax expense is summarized as follows:

(In millions)	2020	2019	2018
Federal:			
Current	$ 153	$ 195	$ 210
Deferred	(47)	(1)	(1)
Total Federal	106	194	209
State:			
Current	38	44	49
Deferred	(11)	(1)	1
Total State	27	43	50
Total	$ 133	$ 237	$ 259

Income tax expense computed at the statutory federal income tax rate of 21% reconciles to actual income tax expense as follows:

(In millions)	2020	2019	2018
Income tax expense at statutory federal rate	$ 141	$ 221	$ 240
State income taxes including credits, net	21	34	40
Other nondeductible expenses	8	13	15
Nontaxable income	(32)	(28)	(24)
Share-based compensation	(1)	(4)	(7)
Tax credits and other taxes	(4)	1	(5)
Total	$ 133	$ 237	$ 259

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets (“DTA”) and deferred tax liabilities (“DTL”) are presented below:

	December 31,	
(In millions)	2020	2019
Gross deferred tax assets:		
Book loan loss deduction in excess of tax	$ 205	$ 137
Pension and postretirement	1	5
Deferred compensation	71	72
Lease liabilities	59	61
Other	24	35
Total deferred tax assets before valuation allowance	360	310
Valuation allowance	—	—
Total deferred tax assets	360	310
Gross deferred tax liabilities:		
Premises and equipment, due to differences in depreciation	(81)	(66)
Federal Home Loan Bank stock dividends	(2)	(2)
Leasing operations	(55)	(52)
Prepaid expenses	(6)	(6)
Prepaid pension reserves	(6)	(12)
Mortgage servicing	(8)	(7)
Security investments and derivative fair value adjustments	(102)	(17)
Deferred loan fees	(32)	(30)
ROU assets	(53)	(55)
Equity investments	(18)	(26)
Total deferred tax liabilities	(363)	(273)
Net deferred tax assets (liabilities)	$ (3)	$ 37

The amount of the net DTL is included with other liabilities, and the amount of the net DTA is included with other assets in the balance sheet. There is no valuation allowance at December 31, 2020 or December 31, 2019. At December 31, 2020, the tax effect of remaining net operating loss and tax credit carryforward was less than $1 million, expiring through 2030.

We evaluate DTAs on a regular basis to determine whether a valuation allowance is required. In conducting this evaluation, we have considered all available evidence, both positive and negative, based on the more likely than not criteria that such assets will be realized. This evaluation includes, but is not limited to: (1) available carryback potential to prior tax years; (2) potential future reversals of existing deferred tax liabilities, which historically have a reversal pattern generally consistent with DTAs; (3) potential tax planning strategies; and (4) future projected taxable income. Based on this evaluation, and considering the weight of the positive evidence compared to the negative evidence, we have concluded that a valuation allowance is not required as of December 31, 2020.

We have a liability for unrecognized tax benefits relating to uncertain tax positions for tax credits on technology initiatives. A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows:

(In millions)	2020	2019	2018
Balance at beginning of year	$ 14	$ 8	$ 6
Tax positions related to current year:			
Additions	2	2	1
Reductions	—	—	—
Tax positions related to prior years:			
Additions	—	4	1
Reductions	(5)	—	—
Settlements with taxing authorities	—	—	—
Lapses in statutes of limitations	—	—	—
Balance at end of year	$ 11	$ 14	$ 8

At both December 31, 2020 and 2019, the liability for unrecognized tax benefits included approximately $10 million (net of the federal tax benefit on state issues) that, if recognized, would affect the effective tax rate. The amount of gross unrecognized tax benefits related to tax credits on technology initiatives that may increase or decrease during the 12 months subsequent to December 31, 2020, is dependent on the timing and outcome of various federal and state examinations that are ongoing.

Interest and penalties related to unrecognized tax benefits are included in income tax expense in the statement of income. At both December 31, 2020 and 2019, accrued interest and penalties recognized in the balance sheet, net of any federal and state tax benefits, were $1 million.

We file income tax returns in U.S. federal and various state jurisdictions. We are no longer subject to income tax examinations for years prior to 2013 for federal and for certain state returns.

21. NET EARNINGS PER COMMON SHARE

Basic and diluted net earnings per common share based on the weighted average outstanding shares are summarized as follows:

(In millions, except shares and per share amounts)	2020	2019	2018
Basic:			
Net income	$ 539	$ 816	$ 884
Less common and preferred dividends	259	260	236
Undistributed earnings	280	556	648
Less undistributed earnings applicable to nonvested shares	2	4	5
Undistributed earnings applicable to common shares	278	552	643
Distributed earnings applicable to common shares	223	224	200
Total earnings applicable to common shares	$ 501	$ 776	$ 843
Weighted average common shares outstanding (in thousands)	163,737	175,984	193,589
Net earnings per common share	$ 3.06	$ 4.41	$ 4.36
Diluted:			
Total earnings applicable to common shares	$ 501	$ 776	$ 843
Weighted average common shares outstanding (in thousands)	163,737	175,984	193,589
Dilutive effect of common stock warrants (in thousands)	1,641	9,926	11,959
Dilutive effect of stock options (in thousands)	235	594	953
Weighted average diluted common shares outstanding (in thousands)	165,613	186,504	206,501
Net earnings per common share	$ 3.02	$ 4.16	$ 4.08

The following schedule presents the weighted average stock awards that were anti-dilutive and not included in the calculation of diluted earnings per share.

(In thousands)	2020	2019	2018
Restricted stock and restricted stock units	$ 1,338	$ 1,390	$ 1,602
Stock options	889	460	151

22. OPERATING SEGMENT INFORMATION

We manage our operations and prepare management reports and other information with a primary focus on geographic area. Our banking operations are managed under their own individual brand names, including Zions Bank, Amegy Bank, California Bank & Trust, National Bank of Arizona, Nevada State Bank, Vectra Bank Colorado, and The Commerce Bank of Washington. Performance assessment and resource allocation are based upon this geographic structure. The operating segment identified as “Other” includes certain nonbank financial service subsidiaries, centralized back-office functions, and eliminations of transactions between segments.

We allocate the cost of centrally provided services to the business segments based upon estimated or actual usage of those services. We also allocate capital based on the risk-weighted assets held at each business segment. We use an internal FTP allocation process to report results of operations for business segments. This process is continually refined. In the third quarter of 2019, we made changes to the FTP process to more accurately reflect the cost of funds for loans. Additionally, in the third quarter of 2020, we allocated the net interest income associated with our Treasury department to the affiliates. Historically, this amount was presented in the “Other” segment. Prior period amounts have been revised to reflect the impact of these changes had they been instituted for the periods presented. Total average loans and deposits presented for the banking segments include insignificant intercompany amounts between banking segments and may also include deposits with the “Other” segment.

As of December 31, 2020, our banking business is conducted through seven locally managed and branded segments in distinct geographic areas. Zions Bank operates 95 branches in Utah, 25 branches in Idaho, and one branch in Wyoming. CB&T operates 85 branches in California. Amegy operates 76 branches in Texas. NBAZ operates 56 branches in Arizona. NSB operates 46 branches in Nevada. Vectra operates 34 branches in Colorado and one branch in New Mexico. TCBW operates two branches in Washington and one branch in Oregon.

The accounting policies of the individual operating segments are the same as those of the Bank. Transactions between operating segments are primarily conducted at fair value, resulting in profits that are eliminated for reporting consolidated results of operations.

The following schedule does not present total assets or income tax expense for each operating segment, but instead presents average loans, average deposits and income before income taxes because these are the metrics that management uses when evaluating performance and making decisions pertaining to the operating segments. The condensed statement of income identifies the components of income and expense which affect the operating amounts presented in the "Other" segment.

The following schedule presents selected operating segment information:

(In millions)	Zions Bank			Amegy			CB&T		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
SELECTED INCOME STATEMENT DATA									
Net interest income	$ 650	$ 688	$ 662	$ 485	$ 489	$ 485	$ 512	$ 512	$ 508
Provision for credit losses	67	18	8	111	9	(80)	120	7	15
Net interest income after provision for credit losses	583	670	654	374	480	565	392	505	493
Noninterest income	158	147	147	133	138	126	95	88	82
Noninterest expense	446	471	460	329	344	344	305	316	308
Income before income taxes	$ 295	$ 346	$ 341	$ 178	$ 274	$ 347	$ 182	$ 277	$ 267
SELECTED AVERAGE BALANCE SHEET DATA									
Total average loans	$ 13,845	$ 13,109	$ 12,643	$ 13,114	$ 12,235	$ 11,358	$ 12,366	$ 10,763	$ 10,033
Total average deposits	18,370	15,561	15,149	12,970	11,627	11,160	13,763	11,522	11,268

(In millions)	NBAZ			NSB			Vectra		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
SELECTED INCOME STATEMENT DATA									
Net interest income	$ 216	$ 223	$ 216	$ 146	$ 148	$ 142	$ 135	$ 135	$ 130
Provision for credit losses	35	2	8	37	(1)	1	34	3	6
Net interest income after provision for credit losses	181	221	208	109	149	141	101	132	124
Noninterest income	41	42	39	43	43	41	32	26	24
Noninterest expense	147	156	152	141	145	143	109	108	105
Income before income taxes	$ 75	$ 107	$ 95	$ 11	$ 47	$ 39	$ 24	$ 50	$ 43
SELECTED AVERAGE BALANCE SHEET DATA									
Total average loans	$ 5,099	$ 4,774	$ 4,608	$ 3,102	$ 2,630	$ 2,394	$ 3,401	$ 3,109	$ 2,924
Total average deposits	5,771	5,002	4,931	5,427	4,512	4,286	3,637	2,853	2,761

(In millions)	TCBW			Other			Consolidated Bank		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
SELECTED INCOME STATEMENT DATA									
Net interest income	$ 52	$ 53	$ 52	$ 20	$ 24	$ 35	$ 2,216	$ 2,272	$ 2,230
Provision for credit losses	7	(1)	2	3	2	—	414	39	(40)
Net interest income after provision for credit losses	45	54	50	17	22	35	1,802	2,233	2,270
Noninterest income	5	5	5	67	73	88	574	562	552
Noninterest expense	22	22	22	205	180	145	1,704	1,742	1,679
Income (loss) before income taxes	$ 28	$ 37	$ 33	$ (121)	$ (85)	$ (22)	$ 672	$ 1,053	$ 1,143
SELECTED AVERAGE BALANCE SHEET DATA									
Total average loans	$ 1,460	$ 1,194	$ 1,118	$ 629	$ 451	$ 347	$ 53,016	$ 48,265	$ 45,425
Total average deposits	1,256	1,094	1,092	2,495	2,910	2,536	63,689	55,081	53,183

23. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

Financial information by quarter for 2020 and 2019 is shown below. Certain prior period amounts have been reclassified to conform with the current year presentation. These reclassifications did not affect net income. See related discussion in Note 1.

(In millions, except per share amounts)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
2020				
Gross interest income	$ 571	$ 581	$ 595	$ 622
Net interest income	550	555	563	548
Provision for credit losses	(67)	55	168	258
Noninterest income	166	157	117	134
Noninterest expense	424	442	430	408
Income before income taxes	359	215	82	16
Net income	284	175	66	14
Preferred stock dividends	(9)	(8)	(9)	(8)
Net earnings applicable to common shareholders	275	167	57	6
Net earnings per common share:				
Basic	1.66	1.01	0.34	0.04
Diluted	1.66	1.01	0.34	0.04
2019				
Gross interest income	$ 647	$ 677	$ 684	$ 675
Net interest income	559	567	569	576
Provision for credit losses	4	10	21	4
Noninterest income	152	146	132	132
Noninterest expense	472	415	424	430
Income before income taxes	235	288	256	274
Net income	183	222	198	213
Preferred stock dividends	(9)	(8)	(9)	(8)
Net earnings applicable to common shareholders	174	214	189	205
Net earnings per common share:				
Basic	1.03	1.23	1.05	1.10
Diluted	0.97	1.17	0.99	1.04

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2020. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2020. There were no changes in our internal control over financial reporting during the fourth quarter of 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. See “Report on Management’s Assessment of Internal Control over Financial Reporting” included in Item 8 on page 82 for management’s report on the adequacy of internal control over financial reporting. Also see “Report on Internal Control over Financial Reporting” issued by Ernst & Young LLP included in Item 8 on page 84.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated by reference from our Proxy Statement to be subsequently filed.

ITEM 11. EXECUTIVE COMPENSATION

Incorporated by reference from our Proxy Statement to be subsequently filed.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

EQUITY COMPENSATION PLAN INFORMATION

The following schedule provides information as of December 31, 2020 with respect to the shares of our common stock that may be issued under existing equity compensation plans.

Plan category [1]	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plan approved by security holders:			
Zions Bancorporation, N.A. 2015 Omnibus Incentive Plan	1,499,553	$ 39.58	2,786,162

[1] Column (a) excludes 57,396 shares of unvested restricted stock, 1,242,321 RSUs (each unit representing the right to one share of common stock), and 173,237 shares of common stock issuable upon the exercise of stock options, with a weighted average exercise price of $28.78, granted under the prior plan. The schedule also excludes 10,867 shares of common stock issuable upon the exercise of stock options, with a weighted average exercise price of $6.22, granted under plans assumed in mergers that are outstanding.

Other information required by Item 12 is incorporated by reference from our Proxy Statement to be subsequently filed.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Incorporated by reference from our Proxy Statement to be subsequently filed.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Incorporated by reference from our Proxy Statement to be subsequently filed.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

a. (1) Financial statements — The following consolidated financial statements of Zions Bancorporation, N.A. and subsidiaries are filed as part of this Form 10-K under Item 8, Financial Statements and Supplementary Data:

Consolidated balance sheets — December 31, 2020 and 2019

Consolidated statements of income — Years ended December 31, 2020, 2019 and 2018

Consolidated statements of comprehensive income — Years ended December 31, 2020, 2019 and 2018

Consolidated statements of changes in shareholders' equity — Years ended December 31, 2020, 2019 and 2018

Consolidated statements of cash flows — Years ended December 31, 2020, 2019 and 2018

Notes to consolidated financial statements — December 31, 2020

(2) Financial statement schedules — All financial statement schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions, the required information is contained elsewhere in the Form 10-K, or the schedules are inapplicable and have therefore been omitted.

(3) List of Exhibits:

Exhibit Number	Description	
2.1	Amended and Restated Agreement and Plan of Merger, dated as of July 10, 2018, by and between Zions Bancorporation and ZB, National Association, incorporated by reference to Exhibit 2.1 of Form 8-K filed on October 2, 2018.	*
3.1	Second Amended and Restated Articles of Association of Zions Bancorporation, National Association, incorporated by reference to Exhibit 3.1 of Form 8-K filed on October 2, 2018.	*
3.2	Second Amended and Restated Bylaws of Zions Bancorporation, National Association, incorporated by reference to Exhibit 3.2 of Form 8-K filed on April 4, 2019.	*
4.1	Senior Debt Indenture dated September 10, 2002 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, with respect to senior debt securities of Zions Bancorporation, incorporated by reference to Exhibit 4.1 of Form 10-K for the year ended December 31, 2017.	*
4.2	First Supplemental Indenture dated April 21, 2014 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.2 of Form 10-K for the year ended December 31, 2019.	*
4.3	Second Supplemental Indenture, dated as of September 30, 2018, by and among The Bank of New York Mellon Trust Company, N.A., as Trustee, ZB, National Association and Zions Bancorporation, incorporated by reference to Exhibit 4.1 of Form 8-K filed on October 2, 2018.	*

Exhibit Number	Description	
4.4	Subordinated Debt Indenture dated September 10, 2002 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, with respect to subordinated debt securities of Zions Bancorporation, incorporated by reference to Exhibit 4.2 of Form 10-K for the year ended December 31, 2017.	*
4.5	Supplemental Indenture dated June 30, 2009 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.5 of Form 10-K for the year ended December 31, 2018.	*
4.6	Second Supplemental Indenture dated November 5, 2013 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.6 of Form 10-K for the year ended December 31, 2018.	*
4.7	Third Supplemental Indenture dated April 21, 2014 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.7 of Form 10-K for the year ended December 31, 2019.	*
4.8	Fourth Supplemental Indenture, dated as of September 30, 2018, by and among The Bank of New York Mellon Trust Company, N.A., as Trustee, ZB, National Association and Zions Bancorporation, incorporated by reference to Exhibit 4.2 of Form 8-K filed on October 2, 2018.	*
4.9	Junior Subordinated Indenture dated August 21, 2002 between Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, N.A., as trustee, with respect to junior subordinated debentures of Zions Bancorporation, incorporated by reference to Exhibit 4.3 of Form 10-K for the year ended December 31, 2017.	*
4.10	Description of Securities of Zions Bancorporation, National Association, as of December 31, 2020 (filed herewith).	
10.1	Zions Bancorporation 2017-2019 Value Sharing Plan, incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended June 30, 2017.	*
10.2	Zions Bancorporation 2018-2020 Value Sharing Plan, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended June 30, 2018.	*
10.3	Zions Bancorporation 2017 Management Incentive Compensation Plan, incorporated by reference to Appendix I of our Proxy Statement dated April 14, 2016.	*
10.4	Zions Bancorporation Third Restated and Revised Deferred Compensation Plan, incorporated by reference to Exhibit 10.5 of Form 10-K for the year ended December 31, 2018.	*
10.5	Zions Bancorporation Fourth Restated Deferred Compensation Plan for Directors, incorporated by reference to Exhibit 10.6 of Form 10-K for the year ended December 31, 2018.	*
10.6	Amendment to the Zions Bancorporation Fourth Restated Deferred Compensation Plan for Directors, incorporated by reference to Exhibit 10.8 of Form 10-K for the year ended December 31, 2015.	*
10.7	Amegy Bancorporation, Inc. Fifth Amended and Restated Non-Employee Directors Deferred Fee Plan (Frozen upon merger with Zions Bancorporation in 2005), incorporated by reference to Exhibit 10.8 of Form 10-K for the year ended December 31, 2018.	*

Exhibit Number	Description	
10.8	Zions Bancorporation Executive Management Pension Plan (filed herewith).	
10.9	Zions Bancorporation First Restated Excess Benefit Plan (filed herewith).	
10.10	Amegy Bancorporation 2004 (formerly Southwest Bancorporation of Texas, Inc.) Omnibus Incentive Plan, incorporated by reference to Exhibit 10.38 of Form 10-K for the year ended December 31, 2015.	*
10.11	Trust Agreement establishing the Zions Bancorporation Deferred Compensation Plan Trust by and between Zions Bancorporation and Cigna Bank & Trust Company, FSB effective October 1, 2002, incorporated by reference to Exhibit 10.12 of Form 10-K for the year ended December 31, 2018.	*
10.12	Amendment to the Trust Agreement Establishing the Zions Bancorporation Deferred Compensation Plans Trust, effective September 1, 2006, incorporated by reference to Exhibit 10.13 of Form 10-K for the year ended December 31, 2018.	*
10.13	Amendment to the Trust Agreement establishing the Zions Bancorporation Deferred Compensation Plan Trust by and between Zions Bancorporation and Cigna Bank & Trust Company, FSB substituting Prudential Bank & Trust, FSB as the trustee, incorporated by reference to Exhibit 10.12 of Form 10-K for the year ended December 31, 2016.	*
10.14	Zions Bancorporation Deferred Compensation Plans Master Trust between Zions Bancorporation and Fidelity Management Trust Company, effective September 1, 2006, incorporated by reference to Exhibit 10.15 of Form 10-K for the year ended December 31, 2018.	*
10.15	Revised schedule C to Zions Bancorporation Deferred Compensation Plans Master Trust between Zions Bancorporation and Fidelity Management Trust Company, effective September 13, 2006, incorporated by reference to Exhibit 10.16 of Form 10-K for the year ended December 31, 2018.	*
10.16	Third Amendment to the Trust Agreement between Fidelity Management Trust Company and Zions Bancorporation for the Deferred Compensation Plans, dated June 13, 2012, incorporated by reference to Exhibit 10.17 of Form 10-K for the year ended December 31, 2017.	*
10.17	Fifth Amendment to the Trust Agreement between Fidelity Management Trust Company and Zions Bancorporation for the Deferred Compensation Plans, incorporated by reference to Exhibit 10.18 of Form 10-K for the year ended December 31, 2018.	*
10.18	Sixth Amendment to the Trust Agreement between Fidelity Management Trust Company and Zions Bancorporation for the Deferred Compensation Plans, dated August 17, 2015, (filed herewith).	
10.19	Seventh Amendment to the Trust Agreement between Fidelity Management Trust Company and Zions Bancorporation for the Deferred Compensation Plans, effective September 30, 2018, incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended September 30, 2018.	*
10.20	Second Amendment to the Zions Bancorporation Pension Plan, dated July 17, 2017, incorporated by reference to Exhibit 10.3 of Form 10-Q for the quarter ended June 30, 2017.	*
10.21	Third Amendment to the Zions Bancorporation Pension Plan, dated October 30, 2017, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended September 30, 2018.	*

Exhibit Number	Description	
10.22	Sixth Amendment to the Zions Bancorporation Pension Plan, dated June 25, 2020, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended June 30, 2020.	*
10.23	Zions Bancorporation Restated Pension Plan effective January 1, 2009, including amendments adopted through December 31, 2013, incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended June 30, 2018.	*
10.24	First Amendment to the Zions Bancorporation Restated Pension Plan, effective October 1, 2018, dated October 29, 2018, incorporated by reference to Exhibit 10.24 of Form 10-K for the year ended December 31, 2018.	*
10.25	Second Amendment to the Zions Bancorporation Restated Pension Plan, effective December 31, 2018, dated December 31, 2018, incorporated by reference to Exhibit 10.25 of Form 10-K for the year ended December 31, 2018.	*
10.26	Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, Restated and Amended effective January 31, 2007, incorporated by reference to Exhibit 10.3 of Form 10-Q for the quarter ended June 30, 2018.	*
10.27	Second Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated December 31, 2018, effective January 1, 2019, incorporated by reference to Exhibit 10.27 of Form 10-K for the year ended December 31, 2018.	*
10.28	Third Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated June 27, 2019, effective September 30, 2018, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended June 30, 2019.	*
10.29	Fourth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated September 11, 2020, effective January 1, 2020, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended September 30, 2020.	*
10.30	Fifth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated September 11, 2020, effective January 1, 2020, incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended September 30, 2020.	*
10.31	Sixth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated September 11, 2020, effective October 1, 2020, incorporated by reference to Exhibit 10.3 of Form 10-Q for the quarter ended September 30, 2020.	*
10.32	Seventh Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan, dated December 23, 2020, effective January 1, 2021 (filed herewith).	
10.33	Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated July 3, 2006, incorporated by reference to Exhibit 10.28 of Form 10-K for the year ended December 31, 2018.	*
10.34	First Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated April 5, 2010, incorporated by reference to Exhibit 10.25 of Form 10-K for the year ended December 31, 2015.	*
10.35	Second Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated April 5, 2010, incorporated by reference to Exhibit 10.26 of Form 10-K for the year ended December 31, 2015.	*

Exhibit Number	Description	
10.36	Third Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated April 30, 2010, incorporated by reference to Exhibit 10.27 of Form 10-K for the year ended December 31, 2015.	*
10.37	Fourth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated October 1, 2014, (filed herewith).	
10.38	Fifth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated October 1, 2014, (filed herewith).	
10.39	Sixth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated August 17, 2015, (filed herewith).	
10.40	Seventh Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, dated April 27, 2016, incorporated by reference to Exhibit 10.31 of Form 10-K for the year ended December 31, 2016.	*
10.41	Eighth Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan Trust Agreement between Zions Bancorporation and Fidelity Management Trust Company, effective September 30, 2018, incorporated by reference to Exhibit 10.3 of Form 10-Q for the quarter ended September 30, 2018.	*
10.42	Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.43	Form of Restricted Stock Award Agreement subject to holding requirement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.44	Form of Standard Restricted Stock Award Agreement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.45	Form of Standard Restricted Stock Unit Award Agreement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.46	Form of Restricted Stock Unit Agreement subject to holding requirement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.47	Form of Standard Stock Option Award Agreement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.48	Form of Standard Directors Stock Award Agreement, Zions Bancorporation 2015 Omnibus Incentive Plan, (filed herewith).	
10.49	Form of Change in Control Agreement between the Bank and Certain Executive Officers (filed herewith).	
10.50	Form of Change in Control Agreement between the Bank and Dallas E. Haun, dated May 23, 2008 (filed herewith).	
21	List of Subsidiaries of Zions Bancorporation, National Association (filed herewith).	
23	Consent of Independent Registered Public Accounting Firm (filed herewith).	

Exhibit Number	Description
31.1	Certification by Chief Executive Officer required by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934 (filed herewith).
31.2	Certification by Chief Financial Officer required by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934 (filed herewith).
32	Certification by Chief Executive Officer and Chief Financial Officer required by Sections 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 (15 U.S.C. 78m) and 18 U.S.C. Section 1350 (furnished herewith).
101	Pursuant to Rules 405 and 406 of Regulation S-T, the following information is formatted in inline XBRL: (i) the Consolidated Balance Sheets as of December 31, 2020 and December 31, 2019, (ii) the Consolidated Statements of Income for the years ended December 31, 2020, December 31, 2019, and December 31, 2018, (iii) the Consolidated Statements of Comprehensive Income for the years ended December 31, 2020, December 31, 2019, and December 31, 2018, (iv) the Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2020, December 31, 2019, and December 31, 2018, (v) the Consolidated Statements of Cash Flows for the years ended December 31, 2020, December 31, 2019, and December 31, 2018, and (vi) the Notes to Consolidated Financial Statements (filed herewith).
104	The cover page from this Annual Report on Form 10-K, formatted as Inline XBRL.

** Incorporated by reference*

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, copies of certain instruments defining the rights of holders of long-term debt are not filed. We agree to furnish a copy thereof to the Securities and Exchange Commission and the Office of the Comptroller of the Currency upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

February 25, 2021 ZIONS BANCORPORATION, NATIONAL ASSOCIATION

By /s/ Harris H. Simmons

HARRIS H. SIMMONS, Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

February 25, 2021

/s/ Harris H. Simmons	/s/ Paul E. Burdiss
HARRIS H. SIMMONS, Director, Chairman and Chief Executive Officer (Principal Executive Officer)	**PAUL E. BURDISS, Executive Vice President and Chief Financial Officer (Principal Financial Officer)**
/s/ Alexander J. Hume	/s/ Gary L. Crittenden
ALEXANDER J. HUME, Controller (Principal Accounting Officer)	**GARY L. CRITTENDEN, Director**
/s/ Suren K. Gupta	/s/ J. David Heaney
SUREN K. GUPTA, Director	**J. DAVID HEANEY, Director**
/s/ Claire A. Huang	/s/ Vivian S. Lee
CLAIRE A. HUANG, Director	**VIVIAN S. LEE, Director**
/s/ Scott J. McLean	/s/ Edward F. Murphy
SCOTT J. MCLEAN, Director	**EDWARD F. MURPHY, Director**
/s/ Stephen D. Quinn	/s/ Aaron B. Skonnard
STEPHEN D. QUINN, Director	**AARON B. SKONNARD, Director**
/s/ Barbara A. Yastine	
BARBARA A. YASTINE, Director	

Description of Securities

The following is a summary description of certain important terms of securities of Zions Bancorporation, National Association (the "Bank") that are registered under Section 12 of the Securities Exchange Act, as amended (the "Exchange Act"), as of December 31, 2020. The following summary does not purport to be complete and is qualified in its entirety by reference to the pertinent sections of the Second Amended and Restated Articles of Association of the Bank, dated as of September 30, 2018 (the "Articles"), and the Second Amended and Restated Bylaws of the Bank, dated as of April 1, 2019 (the "Bylaws"), which are incorporated by reference into the Annual Report on Form 10K of the Bank of which this exhibit is a part.

Unless the context otherwise provides, all references to the Bank in this description refer only to Zions Bancorporation, National Association and do not include its consolidated subsidiaries.

Overview

The Articles authorize the Bank to issue up to 350,000,000 shares of common stock, par value $0.001 per share ("Common Stock"), and up to 4,400,000 shares of preferred stock, no par value per share ("Preferred Stock").

As of December 31, 2020, of the 4,400,000 shares of Preferred Stock authorized for issuance, the following series and numbers of shares have been designated: (i) 140,000 shares of Series A Preferred Stock, (ii) 1,400,000 shares of Series C Preferred Stock, (iii) 250,000 shares of Series F Preferred Stock, (iv) 200,000 shares of Series G Preferred Stock, (v) 126,222 shares of Series H Preferred Stock, (vi) 300,893 shares of Series I Preferred Stock and (vii) 195,152 shares of Series J Preferred Stock.

As of December 31, 2020, the Common Stock, depositary shares representing an ownership interest in Series A Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, each as described below, and the 2028 Notes (as defined in "2028 Notes" below) were registered under Section 12 of the Exchange Act.

Common Stock

Summary of Terms of Common Stock

Voting Rights. Unless otherwise provided in the Articles, the Bylaws, applicable provisions of the National Bank Act, the applicable regulations of the Office of the Comptroller of the Currency (the "OCC") or other applicable law, the holders of Common Stock are entitled to voting rights for the election of directors and for other purposes. Each share of Common Stock entitles the holder thereof to one vote in respect of a matter. Shares of Common Stock do not have cumulative voting rights with respect to any election of directors.

The voting rights of Common Stock are subject to the special voting rights of certain series of Preferred Stock which may entitle the holders of such shares of Preferred Stock to vote in respect of, among other things, the election of directors in the event dividends on such shares are in arrears or any amendment to the Articles, subject to exceptions, that materially and adversely affects the powers, preferences, privileges or rights of such series of Preferred Stock. The voting rights of Common Stock are also subject to the voting rights of any Preferred Stock that may in the future be designated by the board of directors of the Bank (the "Board of Directors").

Dividend Rights. Subject to the preferential rights of holders of Preferred Stock, holders of Common Stock are entitled to receive dividends if, as and when declared by the Board of Directors out of any funds legally available therefor.

Ranking. The Common Stock ranks junior to the Preferred Stock and all existing and future debt obligations of the Bank.

Liquidation Rights. Holders of Common Stock are entitled to receive, upon any voluntary or involuntary liquidation, dissolution or windingup of the affairs of the Bank, following the settlement of any claims of creditors and preferences of any series of Preferred Stock, pro rata the net assets of the Bank.

Other Rights. Holders of Common Stock have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any securities of the Bank or its subsidiaries.

Listing. The Common Stock is listed on the Nasdaq Global Select Market ("Nasdaq") under the ticker symbol "ZION."

Transfer Agent and Registrar. The transfer agent and registrar for the Common Stock is [•].

Certain AntiTakeover Matters

The Articles and Bylaws include a number of provisions, including those described below, that may have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with the Board of Directors rather than pursue non-negotiated takeover attempts.

No Cumulative Voting. The Articles and Bylaws do not authorize cumulative voting for directors.

Removal of Directors. The Bylaws provide that the shareholders may, at a meeting called for such purpose, remove any director with or without cause unless the Articles provide that directors may be removed only for cause. In addition, the Articles provide that the removal of any director requires the affirmative vote of the holders of twothirds of the outstanding shares then entitled to vote at an election of directors.

Shareholder Proposals. A shareholder who intends to nominate a candidate for election to the Board of Directors or to raise new business at an annual meeting of shareholders must deliver timely written notice of such business to the Secretary of the Bank not earlier than the date which is 150 calendar days nor later than the date which is 120 calendar days before the first anniversary of the date of the Bank's proxy statement to shareholders in respect of the annual meeting of the prior year. However, notwithstanding the foregoing, if the date of the applicable year's annual meeting has been changed by more than 30 calendar days from the first anniversary of the date of the previous year's annual meeting, then a shareholder's notice must be received by the Secretary the later of the close of business on (i) the date which is 120 calendar days before the applicable year's annual meeting is to be held or (ii) 10 calendar days after the Bank's first public announcement of the date of the applicable year's annual meeting of shareholders. Further, in the event that the number of directors to be elected to the Board of Directors at the annual meeting is increased and either all nominees for directors or the increased size of the Board of Directors is not publicly disclosed at least 100 calendar days prior to the first anniversary of the date of the previous year's annual meeting, then a shareholder proposal in respect of such election will be considered timely with respect to nominees for any new positions created by such increase if delivered to the Secretary of the Bank not later than the close of business on the 10^{th} day following the first date all of such nominees or the size of the increased Board of Directors is publicly disclosed.

Additionally, the notice provisions in the Bylaws require a shareholder desiring to raise new business or nominate any person for election as a director to provide the Bank with certain information regarding such matter. Such requirements may discourage shareholders of the Bank from submitting nomination and proposals.

Restrictions on Certain Business Transactions. Subject to certain exceptions, the Articles provide that certain business transactions with a person who beneficially owns, directly or indirectly, at least 10% of the voting stock of the Bank must be approved by either a majority of the continuing directors or holders of at least 80% of the outstanding voting shares of the Bank. Such business transactions include mergers, consolidations, sales of all or more than 20% of the fair market value of the corporation's assets, issuance of securities of the corporation, reclassifications that increase voting power of the interested shareholder, or liquidations, spin-offs or dissolution of the Bank. The provisions in the Articles regarding related person transactions may not be repealed or amended unless approved by the affirmative vote of holders of not less than 80% of the outstanding voting stock of the Bank.

Blank Check Preferred Stock. The Articles grant the Board broad power to establish the rights and preferences of authorized and unissued shares of Preferred Stock. Such an issuance of shares of Preferred Stock may have the effect of delaying, deterring or preventing a change in control of the Bank. The existence of authorized but unissued shares of Preferred Stock may enable the Board of Directors to render more difficult or to discourage an attempt to obtain control of the Bank by means of a merger, tender offer, proxy contest or otherwise.

Supermajority Vote for Certain Amendments to the Articles. The Articles provide that the affirmative vote of two-thirds of the outstanding and issued shares entitled by statute to vote shall be required to amend, alter, change or repeal the third paragraph of Article FIFTH (regarding removal of directors), any provision of Article SIXTH (regarding quorum requirement and management authority of the Board of Directors) or Article TENTH (amendment to the Articles) or any other provision if such amendment, alteration, change or repeal would restrict, limit or alter the power or authority of the Board or any other officer or agent of the Bank; would vest any powers of the Bank in any other officer or agent other than the Board, or officers and agents appointed by or under the authority of the Board; would require the approval of any shareholders in order for the Board or any officer or agent to take any action; or would change the number of directors, the quorum requirements for any meeting of the Board, the vote by which it must act in connection with any matter, the manner of calling or conducting meetings of directors, or the place of such meetings.

Series A Depositary Shares

Shares of Series A Preferred Stock are outstanding in the form of depositary shares, with each such depositary share representing a 1/40th ownership interest in a share of Series A Preferred Stock ("Series A Depositary Shares").

Terms of Series A Depositary Shares

General. Each holder of a Series A Depositary Share is entitled, subject to the terms of the deposit agreement governing the Series A Depositary Shares, to all the rights and preferences of the Series A Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights) in proportion to the applicable fraction of a share of Series A Preferred Stock represented by such Series A Depositary Share. Each Series A Depositary Share is evidenced by a depositary receipt.

Receipt of Dividends. The depositary will distribute any cash dividends or other cash distributions received in respect of Series A Preferred Stock (see "Terms of Series A Preferred Stock—Dividend Rights" below) to the record holders of Series A Depositary Shares relating to such underlying Series A Preferred Stock. The depositary will distribute any property received by it other than cash to the record holders of Series A Depositary Shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with the approval of the Bank, sell the property and distribute the net proceeds from such sale to holders of Series A Depositary Shares pro rata.

The amounts distributed to holders of Series A Depositary Shares will be reduced by any amounts required to be withheld by the depositary or by the Bank on account of taxes or other governmental charges.

Redemption. In the event the Bank redeems shares of Series A Preferred Stock represented by Series A Depositary Shares (see "Terms of Series A Preferred Stock—Redemption Rights" below), the depositary will redeem, as of the same redemption rate, the number of Series A Depositary Shares representing shares of Series A Preferred Stock so redeemed; provided, however, in the case of any redemption of less than all of the outstanding Series A Depositary Shares, the depositary shares to be redeemed will be selected by the depositary pro rata, by lot, or in such other manner determined by the Bank to be equitable and, in any such case, Series A Depositary Shares will be redeemed only in increments of 40 shares and any multiple thereof.

Voting. When the depositary receives notice of any meeting at which the holders of Series A Preferred Stock are entitled to vote (see "Terms of Series A Preferred Stock—Voting Rights" below), the depositary will mail the information contained in the notice to the record holders of Series A Depositary Shares. Each record holder of Series A Depositary Shares on the record date, which will be the same date as the record date for the Series A Preferred Stock, may instruct the depositary to vote the number of shares of Series A Preferred Stock represented by such holder's Series A Depositary Shares. To the extent possible, the depositary will vote the number of shares of the Series A Preferred Stock represented by Series A Depositary Shares in accordance with the instructions it receives. If the depositary does not receive specific instructions from the holders of any Series A Depositary Shares, it will vote all shares of Series A Preferred Stock represented thereby proportionately with instructions received to the extent permitted by any applicable regulatory body.

Listing. The Series A Depositary Shares are listed on Nasdaq under the ticker symbol "ZIONP."

Depositary; Registrar; Calculation Agent. The registrar, depositary and calculation agent of the Series A Depositary Shares is the Bank.

Terms of Series A Preferred Stock

Dividend Rights. Dividends on the liquidation preference of the Series A Preferred Stock of $1,000 are payable quarterly in arrears when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, at a rate per annum equal to the greater of (i) 0.52% above three-month LIBOR on the related LIBOR determination date or (ii) 4.00%. The applicable threemonth LIBOR is determined in accordance with the Articles; however, absent manifest error, the determination thereof by the calculation agent for the Series A Preferred Stock will be binding and conclusive.

Dividends on the Series A Preferred Stock are payable on the 15th day of March, June, September and December of each year; provided, however, if such date is not a business day, then the dividend payment date will be the next succeeding business day. The record date for a given dividend on the Series A Preferred Stock is the 1st day of March, June, September or December, as applicable, immediately preceding the payment date.

Dividends on the Series A Preferred Stock are non-cumulative. Accordingly, if no dividend is declared on the Series A Preferred Stock in respect of any dividend period, such dividend will not accrue or be payable, and the Bank will have no obligation to pay dividends in respect of such dividend period, whether or not dividends on the Series A Preferred Stock are declared for any future dividend period.

Ranking. The Series A Preferred Stock ranks:

- senior to the Common Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series A Preferred Stock ranks senior to such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- on par with the Series G Preferred Stock, Series H Preferred Stock, Series I Preferred Stock, Series J Preferred Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series A Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- junior to each class or series of capital stock of the Bank, the terms of which provide that the Series A Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank; and

- junior to all existing and future debt obligations of the Bank.

Liquidation Rights. Upon any voluntary or involuntary liquidation, dissolution or windingup of the affairs of the Bank, holders of Series A Preferred Stock are entitled to receive, out of assets available for distribution to shareholders of the Bank, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to the Series A Preferred Stock, before any distribution of assets is made to holders of Common Stock or any securities ranking junior to the Series A Preferred Stock, a liquidating distribution in the amount of the liquidation preference of $1,000 per share (equivalent to $25 per depositary share) plus declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of the Series A Preferred Stock will not be entitled to receive any other amounts from the Bank after the payment of such liquidating distribution.

If the assets of the Bank are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of the Series A Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock, the Series I Preferred Stock, the Series J Preferred Stock and all holders of any other shares of capital stock ranking on par with the Series A Preferred Stock, then the amounts paid to the holders of all such parity stock will be paid pro rata in accordance with the respective aggregate liquidating distribution owed to those holders.

Redemption Rights. The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The holders of Preferred Stock (or, for the avoidance of doubt, the holders of Series A Depositary Shares) do not have the right to require the Bank to redeem or repurchase any shares of Series A Preferred Stock.

The Series A Preferred Stock is redeemable at the Bank's option, in whole or in part, from time to time at a redemption price equal to $1,000 per share (equivalent to $25 per Series A Depositary Share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. The prior approval of the OCC is required in order for the Bank to repurchase shares of its capital stock, including Series A Preferred Stock.

Voting Rights. Holders of Series A Preferred Stock are entitled to limited voting rights as follows:

- any issuance, authorization or increase in the authorized amount of, or the issuance or authorization of any obligation or security convertible into or evidencing the right to purchase, any class or series of capital stock ranking senior to the Series A Preferred Stock with respect to the payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up of the Bank requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series A Preferred Stock and any class or series of Preferred Stock ranking on parity with the Series A Preferred Stock (including the Series G Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series J Preferred Stock), voting together as a class;

- any amendment to the Articles, whether by merger, consolidation or otherwise, that, subject to exceptions set forth in the Articles, materially and adversely affects the powers, preferences, privileges or rights of Series A Preferred Stock, taken as a whole, requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series A Preferred Stock; and

- the holders of Series A Preferred Stock are entitled to participate in the election of certain directors in the event the Bank fails to declare and pay certain dividends on the Series A Preferred Stock.

If the Bank fails to declare and pay dividends in respect of the Series A Preferred Stock or any other class or series of voting parity stock (as defined below) in an aggregate amount at least equal to the amount of dividends payable on such class or series at its stated dividend rate for a period of six dividend periods, whether or not for consecutive dividend periods (a "Nonpayment"), then (i) the number of directors then constituting the Board of Directors will be increased by two and (ii) to the extent a Nonpayment exists with respect to such class or series of voting parity stock (which may include the Series A Preferred Stock), the holders of such voting parity stock will be entitled to vote as a single class for the election of the two additional directors (the "Preferred Directors"), but only if the election of such directors would not cause the Bank to violate applicable law, the implementing regulations and guidelines of the OCC or the listing standards of Nasdaq (or any other exchange on which its securities may be listed) or the rules and regulations of any other regulatory or self-regulatory body. As used in this paragraph and the following paragraph, "voting parity stock" means the Series A Preferred Stock and each class or series of preferred stock that ranks on parity with the Series A Preferred Stock as to payment of dividends and has voting rights similar to those described in this section, including the Series G Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series J Preferred Stock.

The Preferred Directors will each be entitled to one vote per director on any matter and, for the avoidance of doubt, in no event will the number of Preferred Directors exceed two.

In the event of a Nonpayment, at the written request of any holder of record of at least 20% of the outstanding shares of any voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series A Preferred Stock), the Secretary of the Bank will call a special meeting of the holders of all voting parity stock with respect to which a Nonpayment exists for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the shareholders, in which event such election will be held at such next annual or special meeting of shareholders). So long as these voting rights have not ceased, holders of voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series A Preferred Stock) voting as a single class will continue to elect the Preferred Directors at each subsequent annual meeting.

If and when full dividends on any class or series of voting parity stock as to which a Nonpayment exists or existed have been paid for at least four dividend periods following a Nonpayment, the voting rights in respect of the Preferred Directors will cease with respect to such class or series (subject to revesting in the event of each subsequent Nonpayment). If and when full dividends have been paid for at least four dividend periods on all classes and series of voting parity stock as to which a Nonpayment exists or existed, the term of office of each Preferred Director so elected will immediately terminate and the number of directors on the board of directors will automatically decrease by two.

Any Preferred Director may be removed at any time, with or without cause, by the holders of record of a majority of the outstanding shares of all classes and series of voting parity stock with respect to which a Nonpayment then exists, voting together as a single class. Subject to the termination of the term of the Preferred Directors set forth above, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of voting parity stock with respect to which a Nonpayment then exists voting as a single class, with the successor to serve until the next annual meeting of shareholders.

Series G Depositary Shares

Shares of Series G Preferred Stock are outstanding in the form of depositary shares, with each such depositary share representing a 1/40th ownership interest in a share of Series G Preferred Stock ("Series G Depositary Shares").

Terms of Series G Depositary Shares

General. Each holder of a Series G Depositary Share is entitled, subject to the terms of the deposit agreement governing the Series G Depositary Shares, to all the rights and preferences of the Series G Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights) in proportion to the applicable fraction of a share of Series G Preferred Stock represented by such Series G Depositary Share. Each Series G Depositary Share is evidenced by a depositary receipt.

Receipt of Dividends. The depositary will distribute any cash dividends or other cash distributions received in respect of Series G Preferred Stock (see "Terms of Series G Preferred Stock—Dividend Rights" below) to the record holders of Series G Depositary Shares relating to such underlying Series G Preferred Stock. The depositary will distribute any property received by it other than cash to the record holders of Series G Depositary Shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with the approval of the Bank, sell the property and distribute the net proceeds from such sale to holders of Series G Depositary Shares pro rata.

The amounts distributed to holders of Series G Depositary Shares will be reduced by any amounts required to be withheld by the depositary or by the Bank on account of taxes or other governmental charges.

Redemption. In the event the Bank redeems shares of Series G Preferred Stock represented by Series G Depositary Shares (see "Terms of Series G Preferred Stock—Redemption Rights" below), the depositary will redeem, as of the same redemption rate, the number of Series G Depositary Shares representing shares of Series G Preferred Stock so redeemed; provided, however, in the case of any redemption of less than all of the outstanding

Series G Depositary Shares, the depositary shares to be redeemed will be selected by the depositary pro rata, by lot, or in such other manner determined by the Bank to be equitable and, in any such case, Series G Depositary Shares will be redeemed only in increments of 40 shares and any multiple thereof.

Voting. When the depositary receives notice of any meeting at which the holders of Series G Preferred Stock are entitled to vote (see "Terms of Series G Preferred Stock—Voting Rights" below), the depositary will mail the information contained in the notice to the record holders of Series G Depositary Shares. Each record holder of Series G Depositary Shares on the record date, which will be the same date as the record date for the Series G Preferred Stock, may instruct the depositary to vote the number of shares of Series G Preferred Stock represented by such holder's Series G Depositary Shares. To the extent possible, the depositary will vote the number of shares of the Series G Preferred Stock represented by Series G Depositary Shares in accordance with the instructions it receives. If the depositary does not receive specific instructions from the holders of any Series G Depositary Shares, it will vote all shares of Series G Preferred Stock represented thereby proportionately with instructions received to the extent permitted by any applicable regulatory body.

Listing. The Series G Depositary Shares are listed on Nasdaq under the ticker symbol "ZIONO."

Depositary; Registrar; Calculation Agent. The registrar, depositary and calculation agent of the Series G Depositary Shares is the Bank.

Terms of Series G Preferred Stock

Dividend Rights. Dividends on the liquidation preference of the Series G Preferred Stock of $1,000 are payable quarterly in arrears when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, at a rate per annum equal to (i) a fixed rate of 6.30% for dividend periods up to and including the dividend period ending on March 14, 2023 and (ii) a floating rate of threemonth LIBOR plus 4.24% for all dividend periods after March 14, 2023. The applicable threemonth LIBOR is determined in accordance with the Articles; however, absent manifest error, the determination thereof by the calculation agent for the Series G Preferred Stock will be binding and conclusive.

Dividends on the Series G Preferred Stock are payable on the 15th day of March, June, September and December of each year; provided, however, if such date is not a business day, then the dividend payment date will be the next succeeding business day. The record date for a given dividend on the Series G Preferred Stock is the 1st day of March, June, September or December, as applicable, immediately preceding the payment date.

Dividends on the Series G Preferred Stock are non-cumulative. Accordingly, if no dividend is declared on the Series G Preferred Stock in respect of any dividend period, such dividend will not accrue or be payable, and the Bank will have no obligation to pay dividends in respect of such dividend period, whether or not dividends on the Series G Preferred Stock are declared for any future dividend period.

Ranking. The Series G Preferred Stock ranks:

- senior to the Common Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series G Preferred Stock ranks senior to such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- on par with the Series A Preferred Stock, Series H Preferred Stock, Series I Preferred Stock, Series J Preferred Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series G Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- junior to each class or series of capital stock of the Bank, the terms of which provide that the Series G Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank; and

- junior to all existing and future debt obligations of the Bank.

Liquidation Rights. Upon any voluntary or involuntary liquidation, dissolution or windingup of the affairs of the Bank, holders of Series G Preferred Stock are entitled to receive, out of assets available for distribution to shareholders of the Bank, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to the Series G Preferred Stock, before any distribution of assets is made to holders of Common Stock or any securities ranking junior to the Series G Preferred Stock, a liquidating distribution in the amount of the liquidation preference of $1,000 per share (equivalent to $25 per depositary share) plus declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of the Series G Preferred Stock will not be entitled to receive any other amounts from the Bank after the payment of such liquidating distribution.

If the assets of the Bank are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of the Series A Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock, the Series I Preferred Stock, the Series J Preferred Stock and all holders of any other shares of capital stock ranking on par with the Series G Preferred Stock, then the amounts paid to the holders of all such parity stock will be paid pro rata in accordance with the respective aggregate liquidating distribution owed to those holders.

Redemption Rights. The Series G Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The holders of Preferred Stock (or, for the avoidance of doubt, the holders of Series G Depositary Shares) do not have the right to require the Bank to redeem or repurchase any shares of Series G Preferred Stock.

The Series G Preferred Stock is redeemable at the Bank's option, in whole or in part, from time to time on or after March 15, 2023 at a redemption price equal to $1,000 per share (equivalent to $25 per Series G Depositary Share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends, and prior to such date in whole upon the occurrence of certain events. The prior approval of the OCC is required in order for the Bank to repurchase shares of its capital stock, including Series G Preferred Stock.

Voting Rights. Holders of Series G Preferred Stock are entitled to limited voting rights as follows:

- any issuance, authorization or increase in the authorized amount of, or the issuance or authorization of any obligation or security convertible into or evidencing the right to purchase, any class or series of capital stock ranking senior to the Series G Preferred Stock with respect to the payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up of the Bank requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series G Preferred Stock and any class or series of Preferred Stock ranking on parity with the Series G Preferred Stock (including the Series A Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series J Preferred Stock), voting together as a class;

- any amendment to the Articles, whether by merger, consolidation or otherwise, that, subject to exceptions set forth in the Articles, materially and adversely affects the powers, preferences, privileges or rights of Series G Preferred Stock, taken as a whole, requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series G Preferred Stock; and

- the holders of Series G Preferred Stock are entitled to participate in the election of certain directors in the event the Bank fails to declare and pay certain dividends on the Series G Preferred Stock.

If there exists a Nonpayment in respect of the Series G Preferred Stock or any other class or series of voting parity stock (as defined below), then (i) the number of directors then constituting the Board of Directors will be increased by two and (ii) to the extent a Nonpayment exists with respect to such class or series of voting parity stock (which may include the Series G Preferred Stock), the holders of such voting parity stock will be entitled to vote as a single class for the election of the two Preferred Directors, but only if the election of such directors would not cause the Bank to violate applicable law, the implementing regulations and guidelines of the OCC or the listing standards of Nasdaq (or any other exchange on which its securities may be listed) or the rules and regulations of any other regulatory or self-regulatory body. As used in this paragraph and the following paragraph, "voting parity stock" means the Series G Preferred Stock and each class or series of preferred stock that ranks on parity with the Series G Preferred Stock as to payment of dividends and has voting rights similar to those described in this section, including the Series A Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series J Preferred Stock.

The Preferred Directors will each be entitled to one vote per director on any matter and, for the avoidance of doubt, in no event will the number of Preferred Directors exceed two.

In the event of a Nonpayment, at the written request of any holder of record of at least 20% of the outstanding shares of any voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series G Preferred Stock), the Secretary of the Bank will call a special meeting of the holders of all voting parity stock with respect to which a Nonpayment exists for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the shareholders, in which event such election will be held at such next annual or special meeting of shareholders). So long as these voting rights have not ceased, holders of voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series G Preferred Stock) voting as a single class will continue to elect the Preferred Directors at each subsequent annual meeting.

If and when full dividends on any class or series of voting parity stock as to which a Nonpayment exists or existed have been paid for at least four dividend periods following a Nonpayment, the voting rights in respect of the Preferred Directors will cease with respect to such class or series (subject to revesting in the event of each subsequent Nonpayment). If and when full dividends have been paid for at least four dividend periods on all classes and series of voting parity stock as to which a Nonpayment exists or existed, the term of office of each Preferred Director so elected will immediately terminate and the number of directors on the board of directors will automatically decrease by two.

Any Preferred Director may be removed at any time, with or without cause, by the holders of record of a majority of the outstanding shares of all classes and series of voting parity stock with respect to which a Nonpayment then exists, voting together as a single class. Subject to the termination of the term of the Preferred Directors set forth above, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of voting parity stock with respect to which a Nonpayment then exists voting as a single class, with the successor to serve until the next annual meeting of shareholders.

Series H Depositary Shares

Shares of Series H Preferred Stock are outstanding in the form of depositary shares, with each such depositary share representing a 1/40th ownership interest in a share of Series H Preferred Stock ("Series H Depositary Shares").

Terms of Series H Depositary Shares

General. Each holder of a Series H Depositary Share is entitled, subject to the terms of the deposit agreement governing the Series H Depositary Shares, to all the rights and preferences of the Series H Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights) in proportion to the applicable fraction of a share of Series H Preferred Stock represented by such Series H Depositary Share. Each Series H Depositary Share is evidenced by a depositary receipt.

Receipt of Dividends. The depositary will distribute any cash dividends or other cash distributions received in respect of Series H Preferred Stock (see "Terms of Series H Preferred Stock—Dividend Rights" below) to the record holders of Series H Depositary Shares relating to such underlying Series H Preferred Stock. The depositary will distribute any property received by it other than cash to the record holders of Series H Depositary Shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with the approval of the

Bank, sell the property and distribute the net proceeds from such sale to holders of Series H Depositary Shares pro rata.

The amounts distributed to holders of Series H Depositary Shares will be reduced by any amounts required to be withheld by the depositary or by the Bank on account of taxes or other governmental charges.

Redemption. In the event the Bank redeems shares of Series H Preferred Stock represented by Series H Depositary Shares (see “Terms of Series H Preferred Stock—Redemption Rights” below), the depositary will redeem, as of the same redemption rate, the number of Series H Depositary Shares representing shares of Series H Preferred Stock so redeemed; provided, however, in the case of any redemption of less than all of the outstanding Series H Depositary Shares, the depositary shares to be redeemed will be selected by the depositary pro rata, by lot, or in such other manner determined by the Bank to be equitable and, in any such case, Series H Depositary Shares will be redeemed only in increments of 40 shares and any multiple thereof.

Voting. When the depositary receives notice of any meeting at which the holders of Series H Preferred Stock are entitled to vote (see “Terms of Series H Preferred Stock—Voting Rights” below), the depositary will mail the information contained in the notice to the record holders of Series H Depositary Shares. Each record holder of Series H Depositary Shares on the record date, which will be the same date as the record date for the Series H Preferred Stock, may instruct the depositary to vote the number of shares of Series H Preferred Stock represented by such holder’s Series H Depositary Shares. To the extent possible, the depositary will vote the number of shares of the Series H Preferred Stock represented by Series H Depositary Shares in accordance with the instructions it receives. If the depositary does not receive specific instructions from the holders of any Series H Depositary Shares, it will vote all shares of Series H Preferred Stock represented thereby proportionately with instructions received to the extent permitted by any applicable regulatory body.

Listing. The Series H Depositary Shares are listed on Nasdaq under the ticker symbol “ZIONN.”

Depositary; Registrar; Calculation Agent. The registrar, depositary and calculation agent of the Series H Depositary Shares is the Bank.

Terms of Series H Preferred Stock

Dividend Rights. Dividends on the liquidation preference of the Series H Preferred Stock of $1,000 are payable quarterly in arrears when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, at a rate per annum equal to 5.75%.

Dividends on the Series H Preferred Stock are payable on the 15th day of March, June, September and December of each year; provided, however, if such date is not a business day, then the dividend payment date will be the next succeeding business day. The record date for a given dividend on the Series H Preferred Stock is the 1st day of March, June, September or December, as applicable, immediately preceding the payment date.

Dividends on the Series H Preferred Stock are non-cumulative. Accordingly, if no dividend is declared on the Series H Preferred Stock in respect of any dividend period, such dividend will not accrue or be payable, and the Bank will have no obligation to pay dividends in respect of such dividend period, whether or not dividends on the Series H Preferred Stock are declared for any future dividend period.

Ranking. The Series H Preferred Stock ranks:

- senior to the Common Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series H Preferred Stock ranks senior to such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- on par with the Series A Preferred Stock, Series G Preferred Stock, Series I Preferred Stock, Series J Preferred Stock and any other class or series of capital stock of the Bank, the terms of which provide that the Series H Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank;

- junior to each class or series of capital stock of the Bank, the terms of which provide that the Series H Preferred Stock ranks on par with such class or series in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding-up of the affairs of the Bank; and

- junior to all existing and future debt obligations of the Bank.

Liquidation Rights. Upon any voluntary or involuntary liquidation, dissolution or windingup of the affairs of the Bank, holders of Series H Preferred Stock are entitled to receive, out of assets available for distribution to shareholders of the Bank, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to the Series H Preferred Stock, before any distribution of assets is made to holders of Common Stock or any securities ranking junior to the Series H Preferred Stock, a liquidating distribution in the amount of the liquidation preference of $1,000 per share (equivalent to $25 per depositary share) plus declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of the Series H Preferred Stock will not be entitled to receive any other amounts from the Bank after the payment of such liquidating distribution.

If the assets of the Bank are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of the Series A Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock, the Series I Preferred Stock, the Series J Preferred Stock and all holders of any other shares of capital stock ranking on par with the Series H Preferred Stock, then the amounts paid to the holders of all such parity stock will be paid pro rata in accordance with the respective aggregate liquidating distribution owed to those holders.

Redemption Rights. The Series H Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The holders of Preferred Stock (or, for the avoidance of doubt, the holders of Series H Depositary Shares) do not have the right to require the Bank to redeem or repurchase any shares of Series H Preferred Stock.

The Series H Preferred Stock is redeemable at the Bank’s option, in whole or in part, from time to time at a redemption price equal to $1,000 per share (equivalent to $25 per Series H Depositary Share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. The prior approval of the OCC is required in order for the Bank to repurchase shares of its capital stock, including Series H Preferred Stock.

Voting Rights. Holders of Series H Preferred Stock are entitled to limited voting rights as follows:

- any issuance, authorization or increase in the authorized amount of, or the issuance or authorization of any obligation or security convertible into or evidencing the right to purchase, any class or series of capital stock ranking senior to the Series H Preferred Stock with respect to the payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up of the Bank requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series H Preferred Stock and any class or series of Preferred Stock ranking on parity with the Series H Preferred Stock (including the Series A Preferred Stock, Series G Preferred Stock, Series I Preferred Stock and Series J Preferred Stock), voting together as a class;

- any amendment to the Articles, whether by merger, consolidation or otherwise, that, subject to exceptions set forth in the Articles, materially and adversely affects the powers, preferences, privileges or rights of Series H Preferred Stock, taken as a whole, requires the affirmative vote or consent of the holders of at least twothirds of all outstanding shares of Series H Preferred Stock; and

- the holders of Series H Preferred Stock are entitled to participate in the election of certain directors in the event the Bank fails to declare and pay certain dividends on the Series H Preferred Stock.

If there exists a Nonpayment in respect of the Series H Preferred Stock or any other class or series of voting parity stock (as defined below), then (i) the number of directors then constituting the Board of Directors will be increased by two and (ii) to the extent a Nonpayment exists with respect to such class or series of voting parity stock (which may include the Series H Preferred Stock), the holders of such voting parity stock will be entitled to vote as a single class for the election of the two Preferred Directors, but only if the election of such directors would not cause the Bank to violate applicable law, the implementing regulations and guidelines of the OCC or the listing standards of Nasdaq (or any other exchange on which its securities may be listed) or the rules and regulations of any other regulatory or self-regulatory body. As used in this paragraph and the following paragraph, "voting parity stock" means the Series H Preferred Stock and each class or series of preferred stock that ranks on parity with the Series H Preferred Stock as to payment of dividends and has voting rights similar to those described in this section, including the Series A Preferred Stock, Series G Preferred Stock, Series I Preferred Stock and Series J Preferred Stock.

The Preferred Directors will each be entitled to one vote per director on any matter and, for the avoidance of doubt, in no event will the number of Preferred Directors exceed two.

In the event of a Nonpayment, at the written request of any holder of record of at least 20% of the outstanding shares of any voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series H Preferred Stock), the Secretary of the Bank will call a special meeting of the holders of all voting parity stock with respect to which a Nonpayment exists for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the shareholders, in which event such election will be held at such next annual or special meeting of shareholders). So long as these voting rights have not ceased, holders of voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series H Preferred Stock) voting as a single class will continue to elect the Preferred Directors at each subsequent annual meeting.

If and when full dividends on any class or series of voting parity stock as to which a Nonpayment exists or existed have been paid for at least four dividend periods following a Nonpayment, the voting rights in respect of the Preferred Directors will cease with respect to such class or series (subject to revesting in the event of each subsequent Nonpayment). If and when full dividends have been paid for at least four dividend periods on all classes and series of voting parity stock as to which a Nonpayment exists or existed, the term of office of each Preferred Director so elected will immediately terminate and the number of directors on the board of directors will automatically decrease by two.

Any Preferred Director may be removed at any time, with or without cause, by the holders of record of a majority of the outstanding shares of all classes and series of voting parity stock with respect to which a Nonpayment then exists, voting together as a single class. Subject to the termination of the term of the Preferred Directors set forth above, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of voting parity stock with respect to which a Nonpayment then exists voting as a single class, with the successor to serve until the next annual meeting of shareholders.

2028 Notes

As of December 31, 2020, there was issued and outstanding $88 million aggregate principal amount of Fixed-to-Floating Rate Subordinated Notes due September 15, 2028 (the "2028 Notes").

Interest. The 2028 Notes bear interest (i) at a fixed rate per annum equal to 6.95% until but excluding September 15, 2023, and (ii) at a floating rate per annum equal to three-month LIBOR plus 3.89% from and including September 15, 2023 to but excluding September 15, 2028. The applicable threemonth LIBOR is determined in accordance with the certificates representing the 2028 Notes; however, absent manifest error, the determination thereof by the calculation agent for 2028 Notes will be binding and conclusive.

Interest on the 2028 Notes is payable on the 15th day of March, June, September and December of each year; provided, however, if such date is not a business day, then the interest payment date will be the next succeeding business day. Interest on the 2028 Notes is payable to holders of record of as they appear on the books of the Bank on the applicable record date, which will be the 1st of March, June, September or December, as applicable, immediately preceding the respective interest payment date.

Unless all principal of and any premium or interest on senior indebtedness (as defined in "—Ranking" below) has been paid in full, no payment or other distribution may be made in respect of the 2028 Notes:

- in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for the benefit of creditors or other similar proceedings or events involving the Bank or its assets;
- (i) in the event and during the continuation of any default in the payment of principal of or premium or interest on any senior indebtedness beyond any applicable grace period or (ii) in the event that any judicial proceeding is pending with respect to any such default; or
- in the event that any 2028 Notes have been declared due and payable before their stated maturity.

Maturity. The 2028 Notes mature on September 15, 2028. Holders of the notes may not accelerate the maturity of the notes, except upon an event of default. See "—Defaults and Events of Default" below.

Redemption. The Bank may redeem the 2028 Notes in whole or in part on or after September 15, 2023 by paying the principal amount of the 2028 Notes so redeemed plus accrued interest thereon through the date of redemption. The Bank will notify the holder, in writing, of the redemption not less than 30 days nor more than 60 days before the redemption date. There are no sinking funds for the 2028 Notes.

Ranking. The 2028 Notes are unsecured obligations of the Bank and are subordinated in right of payment to all senior indebtedness (as defined below) and effectively subordinated to all existing and future debt and all other liabilities of the subsidiaries of the Bank and, upon the occurrence of certain events of insolvency, will be subordinated to the prior payment in full of all general obligations of the Bank. The indenture under which the 2028 Notes are issued does not limit the ability of the Bank to incur senior indebtedness or general obligations, including indebtedness ranking equally with the 2028 Notes.

"Senior indebtedness" means (i) the principal of, and any premium and interest on, all of indebtedness of the Bank for purchased or borrowed money, whether or not evidenced by securities, notes, debentures, bonds or other similar instruments issued by the Bank; (ii) capital lease obligations of the Bank; (iii) all obligations issued or assumed as the deferred purchase price of property, all conditional sale obligations and all obligations under any conditional sale or title retention agreement, but excluding trade accounts payable in the ordinary course of business; (iv) all obligations in respect of any letters of credit, bankers acceptance, security purchase facilities and similar credit transactions; (v) all obligations in respect of interest rate swap, cap or other agreements, interest rate future or options contracts, currency swap agreements, currency future or option contracts and other similar agreements; (vi) all obligations of the type referred to in (i) through (v) of other persons for the payment of which the Bank is responsible or liable as obligor, guarantor or otherwise; (vii) all obligations of the type referred to (i) through (vi) of other persons secured by any lien on any properties or assets of the Bank; and (viii) any deferrals renewals or extensions of (i) through (vii).

However, "senior indebtedness" does not include:

- the 2028 Notes;
- any indebtedness that by its terms is subordinated to, or ranks on par with, the 2028 Notes; or
- any indebtedness between or among the Bank and its affiliates, including all other debt securities and guarantees in respect of debt securities issued to any trust, or a trustee of such trust, partnership or other entity affiliated with the Bank which is a financing vehicle of the Bank in connection with the issuance by such financing vehicle of capital securities or other securities guaranteed by the Bank pursuant to an instrument that ranks on par with or junior in respect of payment to the 2028 Notes.

Defaults and Events of Default. If the Bank files for bankruptcy or there occurs certain other events of bankruptcy, insolvency or reorganization relating to the Bank (each, an "Event of Default"), and such Event of Default is continuing, either the trustee or the holders of at least 25% in aggregate principal amount of the 2028

Notes may accelerate the maturity of the 2028 Notes. If an Event of Default occurs and is not cured, the trustee must use the degree of care of a prudent person in the conduct of his or her own affairs in the exercise of its powers; however, the trustee will be under no obligation to exercise any of its rights or powers under the indenture governing the 2028 Notes at the request of any holders of 2028 Notes unless they have offered to the trustee reasonable security or indemnity.

If a Default (as defined below) occurs that is not also an Event of Default, neither the trustee nor the holders of the 2028 Notes may act to accelerate the maturity of the 2028 Notes. However, if a Default occurs, the trustee may proceed to enforce any covenant and other rights of the holders of the 2028 Notes, and if the Default relates to the failure of the Bank to make any payment of interest when due and payable and such failure continues for a period of 30 days or such failure is made in the payment of the principal at the maturity of the 2028 Notes, then the trustee may demand payment of the amounts then due and payable and may proceed to prosecute such failure to make sure payments.

A “Default” means (i) the failure to pay principal of or any premium of the 2028 Notes when due; (ii) the failure to pay any interest on the 2028 Notes when due and that failure continues for 30 days; (iii) the failure to perform any other covenant in the indenture governing the 2028 Notes and that failure continues for 60 days after written notice to the Bank by the trustee or the holders of at least 25% in aggregate principal amount of the 2028 Notes; or (iv) any Event of Default.

The Bank must deliver to the trustee, within 120 days after the end of each fiscal year of the Bank, an officers’ certificate stating whether or not, to the best knowledge of the signatories thereof, the Bank is in default in the performance and observance of any of the terms, provisions and conditions of the indenture governing the terms of the 2028 Notes (without regard to any period of grace or requirement of notice provided thereunder) and, if the Bank is in default, specifying all such defaults and their nature and status to the extent known by such signatories.

Modification of Terms. Certain limited modifications of the indenture governing the 2028 Notes may be made without obtaining the consent of the holders of the 2028 Notes, whereas other modifications may be made only with the consent of the holders of 66 2/3% in principal amount of the outstanding 2028 Notes. However, a modification requires the consent of the holder of each outstanding 2028 Note if such modification would:

- change the stated maturity of the principal or interest of the 2028 Notes;
- reduce the principal amount of or interest on the 2028 Notes or change the currency in which the 2028 Notes are payable;
- change the place of payment;
- impair the right to institute suit for the enforcement of any payment on the 2028 Notes on or after their maturity date or redemption date;
- reduce the percentage of holders whose consent is needed to modify the indenture or to waive compliance with certain provisions of the indenture or to waive certain Defaults;
- modify the provisions with respect to subordination of the 2028 Notes in a manner adverse to the holders; or
- modify the provisions dealing with modification and waiver of the indenture.

The holders of 66 2/3% in principal amount of the outstanding 2028 Notes may, on behalf of all holders of 2028 Notes, waive compliance by the Bank with certain restrictive provisions of the indenture. The holders of a majority in principal amount of the outstanding 2028 Notes may, on behalf of all holders of 2028 Notes, waive any past default, except a default in the payment of principal or interest, and defaults in respect of a covenant or provision which cannot be modified or amended without the consent of each holder of 2028 Notes.

Trustee. The trustee for holders of the 2028 Notes is The Bank of New York Mellon Trust Company, N.A.

Calculation and Paying Agent. The calculation and paying agent for the 2028 Notes is the Bank.

EXHIBIT 10.8

ZIONS BANCORPORATION

EXECUTIVE MANAGEMENT PENSION PLAN

Effective January 1, 1994

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Introduction

Zions Bancorporation recognizes the value of services performed by its executives and desires to provide them with full pension benefits even when those benefits exceed the limits on benefits which can be provided by Zions Bancorporation Pension Plan. This reflects Zions Bancorporation's recognition that the value of services provided by its executives may not be adequately reflected in the retirement benefits provided under its tax qualified retirement plans.

Accordingly, this Executive Management Pension Plan is established supplement benefits provided to executives under the tax qualified Zions Bancorporation Pension Plan.

Article 1

Definitions

1.1 Accrued Benefit means the monthly amount of benefit credited to a Participant in accordance with Section 3.1.

1.2 Code means the Internal Revenue Code of 1986, as amended.

1.3 Committee means the Retirement Committee appointed to administer the Pension Plan.

1.4 Company means Zions Bancorporation and any affiliate or subsidiary which adopts this Plan with the consent of the Board of Directors of Zions Bancorporation.

1.5 Effective Date means January 1, 1994.

1.6 ERISA means the Employee Retirement Income Security Act of 1974, as amended.

1.7 Executive Management Plan Benefit means a Participant's monthly accrued benefit under this Plan determined in accordance with Section 3.1.

1.8 Executive Management Retirement Income means a Participant's monthly retirement income under this Plan determined in accordance with Article3.

1.9 Participant means an employee or former employee of the Company who is eligible for an Executive Management Plan Benefit in accordance with Article 2.

1.10 Pension Plan means the Zions Bancorporation Pension Plan as it may be amended from time to time.

1.11 Pension Plan Benefit means a Participant's monthly accrued benefit under the Pension Plan.

1.12 Plan means the Zions Bancorporation Executive Management Pension Plan.

1.13 Retirement Date means a Participant's normal, early, late, or disability retirement date determined under the Pension Plan.

1.14 Unrestricted Pension Plan Benefit means a Participant's monthly accrued benefit under the Pension Plan, determined without regard to the limitations on benefits imposed by Code Section 415 or the limitation on compensation taken into account under the Pension Plan imposed under Code Section 401(a)(17).

Article 2

Participation

2.1 Participants

The Board of Directors shall determine the Participants in this Plan, provided that each Participant shall be an employee of the Company who is an active participant in the Pension Plan on or after the Effective Date and who meets the following requirements:

(a) the employee is, or has been, a member of the Company's Executive Management Committee on or after the Effective Date, and

(b) the employee is (1) employed in a management position with the Company having principal responsibility for the management, direction and success of the Company as a whole or a particular business unit thereof, or (2) a highly compensated employee of the Company within the meaning of ERISA Section 401.

Article 3

Executive Management Retirement Income

3.1 Amount of Accrued Benefit A Participant’s Executive Management Plan Benefit is equal to the excess of the Participant’s Unrestricted Pension Plan Benefit over the Participant’s Pension Plan Benefit.

3.2 Executive Management Retirement Income A Participant’s monthly Executive Management Retirement Income commencing on his or her retirement Date will be equal to his or her Executive Management Plan Benefit as of such date adjusted to reflect the form of retirement income elected and, in the case of an early retirement date, adjusted to reflect the age of the Participant on the date benefit payments commence.

3.3 Forms of Retirement Income The forms of retirement income available under this Plan are the same as those described in the Pension Plan. A Participant’s election of any form of retirement income or benefit commencement date under the Pension Plan will be deemed to apply to any Executive Management Retirement Income under this Plan.

Article 4

Termination and Vesting

4.1 Vesting

The Company will provide an Executive Management Plan Benefit to a Participant who terminates employment with the Company equal to his or her vested Accrued Benefit. A Participant's vested interest in his or her Accrued Benefit will be equal to the Accrued Benefit multiplied by the Participant's vested percentage under the Pension Plan.

All rights to any Executive Management Plan Benefit payable under this Plan, including the payment of any unpaid benefit installments, will be immediately forfeited if any of the following events occur:

(a) The Company terminates the Participant's employment for any act of willful malfeasance or gross negligence in the performance of his or her duties.

(b) The Participant enters into competition with the Company without the prior written permission of Company's Board of Directors.

Article 5

Disability Benefits

5.1 Payment of Disability Benefit

A Participant who is eligible for disability retirement income under the Pension Plan shall be entitled to disability retirement income under this Plan to the extent the Participant's Unrestricted Pension Plan Benefit exceeds the Participant's Pension Plan Benefit. The provisions of the Pension Plan shall apply for determining disability, eligibility, and disability retirement income.

Article 6

Death Benefits

6.1 Preretirement Death Benefit

A Participant's spouse or other beneficiary who qualifies for a preretirement death benefit under the Pension Plan shall be entitled to a preretirement death benefit under this Plan. The amount of such benefit, if any, will be based on the Participant's vested interest in his or her Accrued Benefit under this Plan and will be determined in the same manner as set forth in the applicable section of the Pension Plan. In addition, such benefit will be payable as provided under the Pension Plan.

6.2 Postretirement Death Benefit

Death benefits payable after a Participant's retirement shall be determined according to the form of retirement income elected by the Participant upon retirement.

Article 7

General Provisions

7.1 Unfunded Obligation

The benefits provided by this Plan shall be an unfunded obligation of the Company. The Company is not required to segregate any monies from its general funds, to create any trusts, or to make any special deposits with respect to this obligation. Title to and beneficial ownership of any investments which the Company may make to fulfill its obligation shall at all times remain in the Company.

7.2 Administration

The Committee shall have complete control of the administration of the Plan, subject to the provisions hereof, with all powers necessary to enable it to carry out its duties properly in that respect. In addition, it will have the power to construe the terms of the Plan and to determine all questions that may arise hereunder, including all questions relating to the eligibility of employees to participate in the Plan and the amount of benefit to which any Participant or beneficiary may become entitled. The Committee's decisions upon all matters within the scope of its authority will be final.

7.3 Employment Status

Nothing contained in the Plan will be deemed to give any employee the right to be retained in the employ of the Company or to interfere with the rights of the Company to discharge any employee at any time.

7.4 Amendment and Termination of Plan

The Company may amend, suspend or terminate the Plan at any time. No amendment, suspension or termination may impair the right of a Participant or his or her beneficiary to receive benefits accrued under the Plan as of the date the amendment, suspension or termination if adopted.

7.5 Provision Against Anticipation

No benefit under the Plan shall be subject any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge or other legal process, and any attempt to do so shall be void.

7.6 Facility of Payment

If any Participant or beneficiary is physically or mentally incapable of giving a valid receipt for any payment due him or her and no legal representative has been appointed for such Participant or beneficiary, the Committee may make such payment to any person or institution maintaining such Participant or beneficiary, and the release of such person or institution will be a valid and complete discharge for such payment. Any final payment or distribution to any Participant, the legal representative of the Participant, or to any beneficiaries of such Participant in accordance with the provision herein will be in full satisfaction of all claims against the Company arising under or by virtue of the Plan.

7.7 Withholding Taxes

Appropriate tax withholding shall be made from payments to Participants pursuant to this Plan or from other wages of Participants as required under applicable law.

7.8 Applicable Law

This Plan shall be interpreted and enforced in accordance with the laws of the State of Utah.

Executed this 16th day of December, 1994 at Salt Lake City, Utah.

ZIONS BANCORPORATION

by /s/ Harris H. Simmons
President

ATTEST:

/s/ Gary L. Anderson
Secretary

EXHIBIT 10.9

ZIONS BANCORPORATION

FIRST RESTATED EXCESS BENEFIT PLAN

Effective as of January 1, 2005

ZIONS BANCORPORATION
FIRST RESTATED EXCESS BENEFIT PLAN
(Effective January 1, 2005)

ARTICLE I

INTRODUCTION

1.1 Continuation of Existing Plan Benefits. Zions Bancorporation previously established the Zions Bancorporation Deferred Compensation Plan effective as of January 1, 2001, which Plan was restated in its entirety effective January 1, 2003 ("Deferred Compensation Plan"). Effective January 1, 2004 certain benefits previously provided in the Deferred Compensation began to be provided instead through this Plan. It is a purpose of this January 1, 2005 First Restatement to have those amounts which were 100% vested and credited to a Benefit Account in this Plan prior to January 1, 2005 ("409A Grandfather Amounts") be governed by the applicable laws and rules governing deferred compensation arrangements, prior to the enactment of Section 409A of the Code ("409A") together with the provisions of the January 1, 2004 version of this Plan ("Prior Plan"). Notwithstanding the foregoing, there shall only be one Plan which will include a Benefit Account for 409A Grandfather Amounts and a Benefit Account for post December 31, 2004 benefits. Accordingly, the provisions of the Prior Plan shall govern that portion of a Participant's Benefit Account which consists of 409A Grandfather Amounts. Unless specifically provided herein, the provisions of this restated Plan Document where different from the Prior Plan shall apply only to amounts credited and 100% vested to a Benefit Account after December 31, 2004. If the application of any provision of this Plan document would constitute a "material modification" with respect to 409A Grandfather Amounts under guidance issued by the Service under 409A, then such provision will not be applied to any 409A Grandfather Amounts and the provision of the Prior Plan will control. By this document the Prior Plan is restated and revised as of the Effective Date and to read as set forth hereafter.

1.2 Purpose of Plan. Zions Bancorporation has established this Plan as a means to continue providing certain benefits to select employees which were previously provided through the Deferred Compensation Plan. Zions Bancorporation intends to maintain the Plan primarily for the purpose of providing benefits for a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended. The Plan will be interpreted in a manner consistent with these intentions.

1.3 Combined Plans and Successor Plan. With the Deferred Compensation Plan as restated effective January 1, 2003, Zions Bancorporation combined and merged certain other plans which also provided for deferred compensation. The plans which were combined and merged into the Deferred Compensation Plan (and jointly referred to hereafter as the "Merged Plans") were:

Zions Bancorporation Deferred Compensation Plan for Value-Sharing Participants

Zions Bancorporation Executive Management Plan (“SERP”)
Grossmont Bank Deferred Compensation Plan for Key Employees

Those portions of the Merged Plans which provided for continuing contributions from the Company (as hereafter defined) and which were preserved in the Deferred Compensation Plan (including all related benefits and liabilities) were transferred to and assumed by this Plan, which was created by the Company for that purpose. From and after the January 1, 2004 no further benefits attributable to Company contributions are available from or accrue under the Deferred Compensation Plan. All benefits previously provided under the Deferred Compensation Plan which were attributable to Company contributions shall only be payable by and available from this Plan according to its terms, regardless of the time or manner such benefits may have been previously payable under the Merged Plans or the Deferred Compensation Plan.

ARTICLE II

DEFINITIONS

Definitions are contained in this article and throughout other sections of the Plan. The location of a definition is for convenience only and should not be given any significance. A word or term defined in this article (or in any other article) will have the same meaning throughout the Plan unless the context clearly requires a different meaning.

2.1 Base Salary means the employee’s base salary paid for each payroll period, including any periodic payment which constitutes a draw or advance against future potential commission payments, and (ii) in the case of an employee whose compensation from the Company contains a commission element, the amount of the commission as paid, excluding any draw or advance received, and without regard to any Bonus(es) or other additional amount(s) paid or payable to the employee.

2.2 Beneficiary means the individual(s) or entity(ies) designated by a Participant, or by the Plan, to receive any benefit payable upon the death of a Participant or Beneficiary. A Beneficiary designation must be signed by the Participant and delivered to the Committee on a form specified by the Committee for that purpose. In the absence of a valid or effective Beneficiary designation, the Beneficiary will be the Participant’s surviving spouse, or if there is no surviving spouse, the Participant’s estate.

2.3 Board means the Board of Directors of the Company.

2.4 Bonus means any periodic or non-periodic payment to the Participant which is not part of the Participant’s Base Salary, including incentive pay, discretionary bonuses and any amount denominated and paid by the Company as a value sharing payment, and which is not otherwise excluded from the definition of Compensation contained in this Plan. For purposes of this Section “discretionary bonus” means any one time annual payment (typically paid in February of each year) and not included in any incentive plan, “incentive pay” means any payment (excluding commissions) made to compensate for meeting established goals or production levels set forth in documented performance plans and value sharing payments means monies paid according to long term based (more than one year) plans.

2.5 Code means the Internal Revenue Code of 1986, as amended from time to time.

2.6 Committee means the Zions Bancorporation Benefits Committee. The Committee will serve as the "plan administrator" to manage and control the operation and administration of the Plan, within the meaning of ERISA Section 3(16)(A).

2.7 Company means Zions Bancorporation, any successor of Zions Bancorporation, and any subsidiary or affiliate of Zions Bancorporation which elects, with the approval of Zions Bancorporation, to become a participating employer under this Plan. Regardless of the adoption of or participation in this Plan by one or more affiliates of Zions Bancorporation, all rights, duties and responsibilities for operation of this Plan, including all rights reserved to amend, alter, supplement or terminate this Plan, shall remain exclusively with and be exercised solely by the Board of Directors of Zions Bancorporation, unless such rights or duties are specifically allocated or assigned under this Plan to the Committee or by Zions Bancorporation to one or more participating employers.

2.8 Compensation means the employee's Base Salary, Bonus(es) and any amounts withheld by salary reduction under Code §§125 or 401(k), or under the Deferred Compensation Plan. Compensation excludes any other form of remuneration paid or payable to an Eligible Employee, such as restricted stock, stock options, proceeds from stock options or stock appreciation rights, severance payments, moving expenses, car or other special allowances, and any other amounts, whether or not included in an Eligible Employee's taxable income. Company contribution credits under Article IV shall be computed before taking into account any reduction in an Eligible Employee's Compensation by salary reduction election under Code §§125 or 401(k), or deferral election under the Deferred Compensation Plan.

2.9 Benefit Account means a bookkeeping account established for and maintained on behalf of a Participant, which shall include and credit all amounts previously credited to the Participant under any of the Merged Plans as well as all amounts attributable to Company contributions and credited under the Deferred Compensation Plan as of December 31, 2003. To determine the amount to be credited under this Plan based upon the Participant's benefit under the SERP as of the day before that amount was transferred to the Deferred Compensation Plan, this Plan shall calculate the lump sum present value on that date of the Participant's accrued benefit, as defined in section 3.1 of the SERP. For this purpose this Plan shall utilize the actuarial factors described in the Zions Bancorporation Pension Plan ("Pension Plan") as applicable when calculating lump sum payment amounts. The Benefit Account shall also include net income (or losses) thereon, as have been credited under the Deferred Compensation Plan and are credited under this Plan.

2.10 Deferred Compensation Plan means the Zions Bancorporation Restated Deferred Compensation Plan, as restated effective January 1, 2004 as amended from time to time. The Deferred Compensation Plan shall provide benefits to certain Eligible Employees as determined through their deferral of Compensation.

2.11 Disability means a Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Company.

2.12 Effective Date means January 1, 2005, the date this Plan, as restated, shall be effective. The Prior Plan was effective January 1, 2004. The original effective date of the Deferred Compensation Plan is January 1, 2001. Notwithstanding the foregoing, unless specifically provide herein, amounts deferred and vested under the this Plan, the Prior Plan or the Deferred Compensation Plan prior to January 1, 2005 shall not be subject to any amendments with an effective date subsequent to December 31, 2004

2.13 Eligible Employee means a common law employee of the Company who:

(a) on the day before to January 1, 2004 was a participant in the Deferred Compensation Plan; or

(b) has or is projected to have Compensation in excess of $90,000 for the Plan Year commencing on the January 1, 2004 and for any Plan Year thereafter (or such greater dollar amount as determined and announced by the Committee from year to year); and

(c) having satisfied (a) or (b), is identified by the Committee and designated as eligible to participate in the Plan;

For purposes of determining as of any given date whether the Eligible Employee's Compensation will satisfy (b) above, the Committee may project the Eligible Employee's current rate of Compensation on a Plan Year basis. The Committee may adjust the dollar amount in (b) above from year to year consistent with any index selected by the Committee for this purpose, without further written amendment to this Plan. Except as otherwise provided in Section 3.1 (concerning an individual who ceases to be an Eligible Employee), an individual's status as an Eligible Employee for a Plan Year shall be determined immediately prior to the first day of the Plan Year. An individual's status who becomes an Eligible Employee on or after the first day of a Plan Year but prior to the next calendar quarter shall be determined prior to that calendar quarter. Notwithstanding the foregoing, the Committee may determine in writing that an otherwise Eligible Employee shall not be eligible to participate in this Plan.

2.14 ERISA means the Employee Retirement Income Security Act of 1974, as amended.

2.15 Hardship means an unforeseeable emergency which is a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's beneficiary, or the Participant's dependent (as defined in section 152 of the Code without regard to section 152(b)(1), (b)(2) and (d)(1)(b)); loss of the Participant's property due to casualty (including a need to rebuild a home following damage to a home not otherwise covered by insurance, for example, not as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay medical expenses, including nonrefundable deductibles, as well as for the costs of prescription drug medication may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse, a beneficiary, or a dependent (as defined in section 152 of the Code without regard to section 152(b)(1), (b)(2) and (d)(1)(b)) may also constitute an unforeseeable emergency. Generally the purchase of a home or the payment of college tuition are not unforeseeable emergencies. Whether a Participant is faced with an unforeseeable emergency is to be determined based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of assets would not cause severe financial hardship, or by cessation of deferrals under the plan. A Hardship and any resulting distribution will be determined in accordance with section 409A of the Code and guidance issued by the Service there under. The Committee will have sole discretion to determine whether a Hardship condition exists and the amount of the distribution. The Committee's determination will be final.

A Participant must submit a written request for a distribution based on Hardship to the Committee on the form and in the manner prescribed by the Committee. The Hardship request must: (i) describe and certify the Hardship condition substantiating the severe unforeseeable emergency and all circumstances necessary to meet the definition of Hardship; (ii) state the amount the Participant requests as a withdrawal of all or a portion of his Deferral Account; and (iii) demonstrate the amounts requested to be distributed do not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay any federal, state, local, or foreign income taxes or penalties reasonably anticipated as a result of the distribution. Determinations of amounts necessary to satisfy an emergency must take into account any additional compensation that will be made available due to the restriction on further deferrals set forth below in this Section. The Committee will have sole discretion to determine whether a Hardship exists and to determine the appropriate action, if any, provided however, in no event will the Committee approve a Hardship distribution request for expenses related to any medical condition or expenses related to the death of any person unless the request for distribution is submitted to the Committee and approved by the Committee for Hardship distribution prior to the date on which the expense is incurred. The Committee, in its sole discretion, may make exception to the foregoing rule if it determines that the circumstances creating the expense for which reimbursement is sought were not reasonably foreseeable. Regardless of whether the Participant desires to reduce or cease any Compensation amounts to be deferred after the Hardship request is made, the Participant will be precluded from deferring Compensation for the remainder of the Plan Year in which a Hardship is approved by the Committee.

2.16 Insolvent means the Company is (i) unable to pay its debts as they become due or (ii) subject to a pending proceeding as a debtor under the United States Bankruptcy Code.

2.17 Investment Options means the investments designated by the Committee as the basis for determining the earnings return to be allocated to Participants' Benefit Accounts. The Committee may change Investment Options at such times as it deems appropriate.

2.18 Participant means an Eligible Employee who is eligible to participate in the Plan as provided in Section 3.1 and who is entitled to Company contribution credits under Article IV.

2.19 Plan means the Zions Bancorporation First Restated Excess Benefit Plan, as set forth in this document, as amended from time to time.

2.20 Plan Year means the Company's fiscal year, beginning January 1 and ending December 31.

2.21 Retirement Age means, while employed by the Company, attainment of age 55 with 10 Years of Service ("Early Retirement Age"), or attainment of age 65, without regard to Years of Service.

2.22 Year of Service means, with respect to a Participant, a calendar year during which the Eligible Employee was in full time employment with the Company for the entire year. Full time employment shall be determined according to the rules adopted and utilized by the Company to classify full time employees.

2.23 Separation from Service means a Participant who is an employee of the Company has died, retired or otherwise has a Termination of Employment. However, the employment relationship is treated as continuing intact while the employee is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the individual retains a right to reemployment with the Company under an applicable statute or by contract. A leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the employee will return to perform services for the Company. If the period of leave exceeds six months and the individual does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six month period. Notwithstanding the foregoing, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the employee to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29 month period may, at the Company's discretion, be substituted for such six month period.

Section 2.24 Termination of Employment occurs when the facts and circumstances indicate that an employee and the Company reasonably anticipate that no further services would be performed after a certain date (whether as an employee or as an independent contractor) or that the level of bona fide services the employee would perform after such date (whether as an employee or an independent contractor) would permanently decrease to no more than 40 percent of the average level of bona fide services performed (whether as an employee or independent contractor) over the immediately preceding 36 month period (or the full period services to the Company if the employee has been providing services to the Company less than 36 months) and in accordance with applicable guidance issued by the Internal Revenue Service.

ARTICLE III

PARTICIPATION

3.1 Eligibility. An Eligible Employee of the Company shall participate in the Plan only to the extent and for the period that the Eligible Employee satisfies the definition of Eligible Employee in this Plan, is selected by the Committee to participate and is a member of a select group of management or highly compensated employees, as such group is described under Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA. An individual who is an Eligible Employee as of the first day of the Plan Year but who ceases to be an Eligible Employee during the Plan Year shall terminate participation as of the end of the Plan Year. The Participant shall not be permitted to re-enter the Plan unless and until the individual again becomes an Eligible Employee.

ARTICLE IV
COMPANY CONTRIBUTION CREDITS

4.1 Limited Company Contributions. Except as specifically provided in this Article IV the Company shall not make or credit any contributions to the Plan.

4.2 Vesting. Except as otherwise provided in this Section, a Participant's interest in the amounts in his or her Benefit Account attributable to (i) Company contribution credits made pursuant to this Article IV, and (ii) any earnings credited to the Participant's Benefit Account pursuant to Section 5.6, shall be at all times fully vested and nonforfeitable. Notwithstanding the foregoing, the following amounts credited to a Participant's Benefit Account, including earnings thereon, shall be subject to the vesting and forfeiture provisions outlined hereafter:

(a) all amounts which have been credited under this Plan based upon the Participant's benefit credited under the SERP as of December 31, 2002;

(b) all amounts which have been credited under this Plan based upon the Participant's benefit credited under the Grossmont Bank Deferred Compensation Plan for Key Employees as of December 31, 2002;

(c) all amounts which are credited under Section 4.3; and

(d) all amounts which are credited under Section 4.4.

The amounts described in (a), (c) and (d), including earnings thereon, shall become vested under the same rules which apply to accrued benefits under the Pension Plan, without regard to whether the Pension Plan would be treated as a frozen plan or otherwise deemed to provide fully vested benefits due to its current status. The amounts described in (a), (b), (c) and (d), including earnings thereon, shall also be subject to immediate forfeiture and loss (without regard to prior vested status or whether payment of such amounts has commenced under Article 6) if any of the following events occurs:

(e) the Company terminates the Participant's employment for any act of willful malfeasance, gross misconduct or gross negligence in the performance of his or her duties; or

(f) the Participant enters into competition with the Company without the prior written permission of the Board of Zions Bancorporation.

4.3 SERP Participants Company Contribution Credit. An Eligible Employee who has a Benefit Account in the Plan by virtue of his or her participation in the SERP on December 31, 2002 ("SERP Participant") shall continue to receive Company contribution credits under this Plan on an annual basis from and after January 1, 2004 according to the following rules, as applicable.

(a) Great Grandfather Benefits. A SERP Participant who continues to receive a benefit accrual under Section 4.4 of the Pension Plan shall receive Company contribution credits to his or her Benefit Account at a rate equal to the actuarial equivalent of the annual benefit accrual under the Pension Plan, but only on the amount of Compensation (as defined in this Plan) which exceeds the level taken into account under the Pension Plan.

(b) Grandfather Benefits. A SERP Participant who continues to receive a benefit accrual under Section 4.8 of the Pension Plan shall receive Company contribution credits to his or her Benefit Account at a rate equal to the annual benefit accrual rate described in section 3.2(g) of the Pension Plan, but only on the amount of Compensation (as defined in this Plan) which exceeds the level taken into account under the Pension Plan. The Company contribution credit hereunder shall not include any equivalent amount for interest credits which may be provided under section 3.3 of the Pension Plan.

(c) Other SERP Participant Benefits. A SERP Participant, whether or not entitled to a Company contribution credit under (a) or (b) above, shall receive Company contribution credits under this Plan on an annual basis at a rate equal to the rate of the employer non-elective contribution made to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan ("Payshelter ESOP") under section 5.07 thereof, but only on the amount of Compensation (as defined in this Plan) which exceeds the level taken into account under the Payshelter ESOP.

4.4 Company Contribution Credits for Executive Management Committee Members. An Eligible Employee who does not receive Company contribution credits under Section 4.3 but who is an executive management committee member shall receive Company contribution credits under this Plan on an annual basis at a rate equal to the rate of the employer non-elective contribution made to the Payshelter ESOP under section 5.07 thereof, but only on the amount of Compensation which exceeds the level taken into account under the Payshelter ESOP.

4.5 Company Contribution Credits for All Other Participants. A Participant who does not receive Company contribution credits under either Sections 4.3 or 4.4 but who participates in the Payshelter ESOP, shall receive Company contribution credits under this Plan on an annual basis at a rate equal to the rate of the employer non-elective contribution made to the Payshelter ESOP under section 5.07 thereof, but only on the amount of the Participant's Compensation which exceeds the level taken into account under the Payshelter ESOP but does not exceed the dollar limit under Code §401(a)(17) which is applicable for the plan year.

ARTICLE V
PARTICIPANT BENEFIT ACCOUNT BALANCES

5.1 Establishment of Benefit Accounts. The Committee may select an independent record keeper (who may be an affiliate of the Company) to establish and maintain a Benefit Account under this Plan on behalf of each Participant. Contribution credits and credit for net income (or losses) will be allocated to each Benefit Account in accordance with the provision of this Article.

5.2 Bookkeeping. Benefit Accounts will be maintained primarily for accounting purposes and will not restrict the operation of the Plan or require separate earmarked assets to be allocated to any account. The establishment of a Benefit Account will not give any Participant the right to receive any asset held by the Company in connection with the Plan or otherwise.

5.3 Crediting Benefit Accounts. The Committee will credit to a Participant's Benefit Account the amount determined by the Company under the terms of this Plan at the time designated by the Company. To the extent the amount to be credited is based on a calculation of the Company's contribution to the Pension Plan or Payshelter ESOP, the amount shall be credited at the time the Company makes its contribution to the Pension Plan or Payshelter ESOP, as applicable.

5.4 Establishment of Investment Options. The Committee, in its sole discretion, will establish one or more Investment Options which will be maintained for the purpose of determining the investment return to be credited to a Participant's Benefit Account. The Committee may change from time to time the number, identity or composition of the Investment Options or discontinue the availability of any Investment Option. The Investment Options will reflect investment choices which are available in the marketplace for self directed accounts in retirement plans and may be (but need not be) the same investment choices available through any qualified retirement plan sponsored by the Company.

Pursuant to rules adopted by the Committee each Participant will indicate the Investment Options to which contribution credits under Article IV and any existing Benefit Account balances shall be deemed allocated. Investment Option elections of Participants must be made in whole percentage increments and at such times and in such manner as the Committee will specify. A Participant may change his or her Investment Options at any time and in such manner as the Committee shall specify. Each Participant shall be provided from time to time with the earnings "results" of the selected Investment Options. The Company's liability to the Participant for amounts in his or her Benefit Account will include gains and losses attributed to the Investment Options selected by the Participant.

5.5 Crediting Investment Results. A Participant's Benefit Account balance will be increased or decreased to reflect investment results, as they occur. While the credited investment return to the Participant's Benefit Account is intended to reflect the actual performance of the Investment Options, net of any investment or management fees, in which the Participant is deemed invested, nevertheless, no provision of this Plan shall be interpreted to require the Company to actually invest any amounts in any particular Investment Option or any other fund, whether or not the fund is one of the Investment Options available for selection by Participants in the Plan.

5.6 Notification to Participants. The Committee shall notify each Participant with respect to the status of the Participant's Benefit Account as soon as practicable after the end of each Plan Year. Neither the Company nor the Committee to any extent warrants, guarantees or represents that the value of any Participant's Benefit Account at any time will equal or exceed the amount previously allocated or contributed thereto.

ARTICLE VI

DISTRIBUTION OF ACCOUNTS

6.1 Distribution Upon Separation from Service or Attainment of Retirement Age. A Participant who attains a Separation from Service, whether before or after attaining Retirement Age, shall receive his vested Benefit Account at the time and in the manner elected by the Participant pursuant to his/her election(s) provided to the Committee. An election regarding the time and manner of payment of the Participant's Benefit Account balance (including all future years' contribution credits) shall be made at the time the Participant first commences participation in the Plan and in accordance with rules established by the Committee. The distribution election may be amended any time thereafter in the discretion of the Participant and in accordance with rules established by the Committee. However, any change in a Participant's distribution election, unless specifically provided in the amended election shall be prospective only and take effect with respect to amounts credited to such Participant's account for plan years beginning after the year in which the amended distribution election was executed. To the extent the Participant specifically elects to have an amended distribution election modify the timing and/or manner of the of payment of sums credited to such Participants account prior to and through the year in which the amended distribution election is executed, such amended distribution election shall be applied only as allowed under 409A including but not limited to the requirements that a change in time and/or manner must be executed at least twelve months prior to the date the payment would have been made; there shall be no acceleration of any payment in contravention of 409A; and any postponement of a distribution shall be for a minimum of five years from the date the distribution was to have been made. However, until December 31, 2007 or such other time as allowed by the Internal Revenue Service, a Participant may amend an existing Deferred Compensation Agreement or complete a new Deferred Compensation Agreement modifying the time and/or form of payment of all or a portion of such Participant's Deferral Account without regard to the requirement in Section 409A(a)(4) that postponement in starting date for a distribution be for a minimum of five years from the previously selected payment start date. Any such amendment or new election must be made on or before December 31, 2007(or such other date as allowed by the Internal Revenue Service) and must not take effect earlier than 12 months from the date of such amendment.

(a) **Time of Payment.** A Participant's vested Deferral Account balance shall be paid (or commence to be paid) as soon as administratively feasible but not later than the later of December 31 of the year in which such Participant right to payment occurred or the 15th day of the third month following such date.

(b) **Manner of Payment.** A Participant's vested Deferral Account will be paid in accordance with the election the Participant made in the Deferred Compensation Agreement. The Deferred Compensation Agreement shall provide the Participant a right to elect a lump sum cash payment, or a series of substantially equal separate monthly payments over a period of five (5), ten (10), fifteen (15) or twenty (20) years. If no election has been made by the Participant, the Deferral Account will be paid in a series of substantially equal monthly payments over a period of five years. The final monthly installment payment shall be the remaining balance in the Participant's Deferral Account on the date the payment is made.

(c) **Value of Benefit Account Balance.** The value of a Participant's Benefit Account to be distributed shall be determined as of the date a payment is made, and shall be charged with distributions and adjusted for gains and losses, through such date.

6.2 **Distribution of Small Accounts Upon Separation of Employment.** A Participant who separates from employment with the Company for any reason and who, at the time of separation has a balance in his or her Benefit Account which is less than Ten Thousand Dollars ($10,000.00) shall receive the amounts credited to his vested Benefit Account in a lump sum cash payment only, commencing at the time specified in Section 6.1(a). For purposes of this Section 6.2, the value of a Participant's Benefit Account to be distributed shall be determined as of the date the payment is made, and shall be credited with earnings through that date.

6.3 **Distribution Upon Death.** In the event a Participant dies prior to receiving all of his or her vested Benefit Account, the Participant's Beneficiary shall receive the unpaid portion of the Participant's Benefit Account in the form of lump sum cash payment at the time specified in Section 6.1(a) after written proof of the Participant's death. For purposes of this Section 6.3, the value of a Participant's Benefit Account to be distributed shall be determined as of the date the payment is made, and shall be credited with earnings through such date and, in the case of a Participant who dies while employed with the Company, any contribution credits that would have been allocated to the Benefit Account if the Participant had continued employment with the Company through such date.

6.4 Distribution in the Event of Hardship. Prior to a distribution under Sections 6.1 or 6.3, payment of all or a portion of a Participant's vested Deferral Account may be made in the event of Hardship. The amount of any Hardship distribution will not exceed the amounts allowable under IRS Guidelines. A Hardship distribution shall be made in a single sum cash payment as soon as practicable after the Committee approves the Hardship withdrawal request.

6.5 Cash Payments Only. All distributions under the Plan will be made in cash by check, unless in the sole discretion of the Company it determines to make a distribution in kind (or partly in kind and partly in cash) from the account, if any, which the Company has established to provide a source of payment for the benefits due a Participant. In the event of a distribution of property, the property will be valued at fair market value as of the date of distribution**.**

6.6 Disability. In the event of a Participant's Disability, the Participant will be considered to have separated from employment as of the first day the Participant first meets the definition of Disability.

6.7 Specified Employee. Notwithstanding any other provision of this Article VI, any distribution to a specified employee (as defined in 409A) may not be made before the date which is 6 months after the date of Separation from Service (or, if earlier, the date of death of the Specified Employee) .

6.8 409A Grandfather Amounts. Grandfather amounts shall be governed by the plan language which was effective prior to January 1, 2005.

ARTICLE VII
PLAN ADMINISTRATION

7.1 Plan Administrator. This Plan shall be administered by the Committee, which will be the Plan Administrator. The Committee members shall be appointed by and serve at the pleasure of the Board.

7.2 Amendment or Termination. To the extent permitted under this Plan or authorized by the Board of Directors of Zions Bancorporation, the Committee may amend any provision of this Plan at any time and for any reason. Only the Board of Directors of Zions Bancorporation may terminate the Plan in its entirety. No amendment or termination of the Plan will reduce any Participant's Benefit Account balance as of the effective date of such amendment or termination. Upon termination of the Plan in its entirety, each Participant's Benefit Account shall be distributed to the Participant at the times and in accordance with the distribution rules set forth in Article VI. Notwithstanding the foregoing, no amendment shall be made to the Plan with respect to any amount deferred and vested prior to January 1, 2005 unless such amendment explicitly provides that it is applicable to such amount; and except as the Committee otherwise determines in writing, no distribution shall be made upon termination of the Plan if such distribution shall be subject to the excise tax applicable under section 409A of the Code.

7.3 Administration of the Plan. The Committee shall have the sole authority to control and manage the operation and administration of the Plan and have all powers, authority and discretion necessary or appropriate to carry out the Plan provisions, and to interpret and apply the terms of the Plan to particular cases or circumstances. All decisions, determinations and interpretations of the Committee will be binding on all interested parties, subject to the claims and appeal procedure necessary to satisfy the minimum standard of ERISA Section 503, and will be given the maximum deference allowed by law. The Committee may delegate in writing its responsibilities as it sees fit.

Committee members who are Participants will abstain from voting on any Plan matters that relate primarily to themselves or that would cause them to be in constructive receipt of amounts credited to their respective Benefit Accounts. The Board will identify three or more individuals to serve as a temporary replacement of the Committee members in the event that all three members must abstain from voting.

7.4 Indemnification. The Company will and hereby does indemnify and hold harmless any of its employees, officers, directors or members of the Committee who have fiduciary or administrative responsibilities with respect to the Plan from and against any and all losses, claims, damages, expenses and liabilities (including reasonable attorneys' fees and amounts paid, with the approval of the Board, in settlement of any claim) arising out of or resulting from the implementation of a duty, act or decision with respect to the Plan, so long as such duty, act or decision does not involve gross negligence or willful misconduct on the part of any such individual.

7.5 Claims Procedure. A Participant or his Beneficiary (the "Claimant") may file a written claim for benefits under the Plan with the Committee. Within sixty (60) days of the filing of the claim, the Committee shall notify the Claimant of the Committee's decision whether to approve the claim. Such notice shall include specific reasons for any denial of the claim. Within sixty (60) days of the date the Claimant was notified of the denial of a claim, the Claimant may appeal the Committee's decision by making a written submission containing any pertinent information. Any decision not appealed within such sixty (60)-day period shall be final, binding and conclusive. The Committee shall review information submitted with an appeal and render a decision within sixty (60) days of the submission of the appeal. If it is not feasible for the Committee to render a decision on an appeal within the prescribed sixty (60)-day period, the period may be extended to a one hundred twenty (120)-day period.

7.6 Limitations of Actions on Claims. The delivery to the Participant of the final decision of the Committee with respect to a claim for benefits which has been reviewed and considered under the appeal procedures of Section 7.5 shall commence the period during which the Participant may bring legal action for judicial review of the Committee's decision. No civil action with respect to the claim for benefits or the subject matter thereof may be commenced by the Participant, whether such action is pursued through litigation, arbitration or otherwise, prior to the completion of the claims and claims review process set forth in Section 7.5, nor following the expiration of two (2) years from the date of delivery of the final decision of the Committee to the Participant under Section 7.5.

ARTICLE VIII
MISCELLANEOUS

8.1 Trust for Benefit Accounts. The Committee shall determine the amounts it deems necessary or appropriate to satisfy the Company's obligation to pay the Benefit Accounts at the appropriate time to Participants and Beneficiaries. Such amounts shall be held in a trust established by the Company for this purpose with by a trustee selected by the Committee. The trust shall be an asset of the Company and shall be earmarked to pay benefits under the terms of the Plan.

The trust shall provide that its assets may not be diverted to, or used for, any purpose except payments to Participants and Beneficiaries under the terms of the Plan or, if the Company is Insolvent, to pay the Company's creditors. Participants and Beneficiaries will have no right against the Company or the trust with respect to the payment of any portion of the Participant's Benefit Account, except as a general unsecured creditor of the Company.

8.2 Non-alienation. No benefit or interest of any Participant or Beneficiary under this Plan will be subject to any manner of assignment, alienation, anticipation, sale transfer, pledge or encumbrance, whether voluntary or involuntary. Notwithstanding the foregoing, the Committee will honor community property or other marital property rights, but only to the extent required by law or as specifically provided in this Plan. Prior to distribution to a Participant or Beneficiary, no Benefit Account balance will be in any manner subject to the debts, contracts, liabilities, engagements or torts of the Participant or Beneficiary. Assets held in trust to fund this Plan may, however, be diverted to pay the Company's creditors, if the Company is Insolvent.

8.3 Domestic Relations Order. In the event the Committee receives a Domestic Relations Order from a potential Alternate Payee, the Committee shall promptly notify the Participant, or Beneficiary whose benefit is the subject of such order and provide him/her with information concerning the Plan's procedures for administering QDROs. Unless and until the order is set aside, the following provisions shall apply:

(a) Committee Determination. The Committee shall within a reasonable time determine whether the order is a QDRO and shall notify the Participant or Beneficiary whose benefit is the subject of the order, of its determination. The Committee may designate a representative to carry out its duties under this provision.

(b) Compliance with Section 409A. Nothing in this Section 8.3(b) shall be would violate Section 409A of the Code and any regulations promulgated hereunder and no payment shall occur prior to the date that the Participant whose benefits are subject to the QDRO would have been entitled to receive payment in accordance with any Deferred Compensation Agreement in existence as of the date of the QDRO. In the event that the QDRO applies to deferrals which occur after the date of the QDRO, the Alternate Payee shall be entitled to a distribution on such future deferrals on the date that the Participant would have been entitled to receive payment

8.4 QDRO definitions. For purposes of Section 8.3 the following definitions and rules shall apply:

(a) "**Alternate Payee**" shall mean any spouse, former spouse, child or other dependent of a Participant who is recognized by a QDRO as having a right to receive all, or a portion of, the benefits payable under this Plan with respect to the Participant.

(b) "**Domestic Relations Order**" shall mean any judgment, decree, or order (including approval of a property settlement agreement) which:

(i) relates to the provision of child support, alimony payments, or marital property rights to a spouse, child, or other dependent of a Participant; and

(ii) is made pursuant to a state domestic relations law (including a community property law).

(c) "**Qualified Domestic Relations Order**" shall mean any Domestic Relations Order which satisfies the criteria set forth as a QDRO under policies established by the Committee.

8.5 Limitation of Rights. Nothing in this Plan will be construed to give a Participant the right to continue in the employ of the Company at any particular position or to interfere with the right of the Company to discharge, lay off or discipline a Participant at any time and for any reason, or to give the Company the right to require any Participant to remain in its employ or to interfere with the Participant's right to terminate his or her employment.

8.6 Section 409A. This Plan is intended to meet the requirements of Section 409A of the Code, and shall be administered in a manner that is intended to meet those requirements and shall be construed and interpreted in accordance with such intent. To the extent that a distribution, payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, except as the Committee otherwise determines in writing, the award shall be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, including regulations or other guidance issued with respect thereto, such that the grant, payment, settlement or deferral shall not be subject to the excise tax applicable under Section 409A of the Code. Any provision of this Agreement that would cause the award or the payment, settlement or deferral thereof to fail to satisfy Section 409A of the Code shall be amended to comply with Section 409A of the Code on a timely basis, which may be made on a retroactive basis, in accordance with regulations and other guidance issued under Section 409A of the Code.

8.7 Governing Law. To the extent that state law applies, the provisions of this Plan will be construed, enforced and administered in accordance with the laws of the state of Utah, except to the extent pre-empted by ERISA.

8.8 409A Grandfather Amounts. Sections 8.3. and 8.4 shall apply to 409A Grandfather Amounts.

EXHIBIT 10.18

SIXTH AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND ZIONS BANCORPORATION

THIS SIXTH AMENDMENT, dated and effective as of the seventeenth day of August, 2015, and effective on that date unless otherwise stated herein, by and between Fidelity Management Trust Company (the "Trustee") and Zions Bancorporation (the "Sponsor");

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Master Trust Agreement dated September 1, 2006, with regard to the Zions Bancorporation Restated Deferred Compensation Plan, Zions Bancorporation Restated Deferred Compensation Plan for Directors, and the Restated Amegy Bancorporation, Inc. Non-Employees Directors Deferred Fee Plan (collectively and individually, the "Plan"); and

WHEREAS, the parties have agreed that effective August 17, 2015, Portfolio Advisory Service will be provided to Zions Bancorporation Restated Deferred Compensation Plan (29149); and

WHEREAS, the Trustee's address has changed to 245 Summer Street, Boston, MA 02210, and the parties wish to amend the Agreement to reflect the same; and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 13 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Amending Section 5(a), Selection Investment Options, by restating as follows:

(a) Selection of Investment Options or Portfolio Advisory Service®.

The Trustee shall have no responsibility for the selection of investment options under the Trust or the decision to offer Portfolio Advisory Service®, and shall not render investment advice to any person in connection with the selection of such options or service. The parties acknowledge that the Sponsor is capable of evaluating investment risks independently. The Sponsor affirms that at all times all decisions concerning the plan's investment line-up or its investment strategies, including, but not limited to, evaluations of information provided by Trustee or its affiliates, shall be made by exercising independent judgment.

"Portfolio Advisory Service®" shall mean Fidelity Portfolio Advisory Service® at Work, a discretionary investment management service provided by Strategic Advisers in accordance with the investment management agreement as attached, to eligible Participants who elect the service. "Strategic Advisers" shall mean Strategic Advisers, Inc., an affiliate of the Trustee, and a registered investment adviser, or its successors or assigns.

(2) Amending Section 5(c), Investment Direction, by restating as follows:

(c) Investment Direction.

As authorized under the Plan, each Participant shall direct the Trustee in which investment option(s) to invest the assets in the Participant's individual accounts, or shall direct the Trustee to invest such Participant's individual accounts among the Plan's available investment options in accordance with investment directions provided by Strategic Advisers under Portfolio Advisory Service®. In the event the Participant elects to participate in Portfolio Advisory Service®, he or she may not exercise investment direction over his or her Plan account (except for assets held in Sponsor Stock) until his or her participation in such Portfolio Advisory Service® has terminated. Investment directions may be made by Participants by use of the telephone exchange system, the internet, or in such other manner as may be agreed upon from time to time by the Sponsor and the Trustee. Participant direction to participate in Portfolio Advisory Service® (or to cease such participation) shall be made by use of the telephone exchange system, or in such other manner as may be agreed upon from time to time by the Sponsor and the Trustee. Any direction from Participants contemplated by this paragraph shall be made in accordance with the fund exchange provisions set forth in the Plan Administration Manual. The Trustee shall not be liable for any loss or expense that arises from a Participant's exercise or non-exercise of rights under this Section 5 over the assets in the Participant's accounts. In the event that the Trustee fails to receive a proper direction from the Participant, the assets shall be invested in the investment option set forth for such purpose on Schedule "C", until the Trustee receives a proper direction.

(3) Amending Section 5(e)(i), Execution of Purchases and Sales, by restating as follows:

(i) Execution of Purchases and Sales of Mutual Funds

Purchases and sales of Mutual Funds (other than for exchanges) shall be made on the date on which the Trustee receives from the Administrator In Good Order all information, documentation and wire transfer of funds (if applicable), necessary to accurately effect such transactions. Exchanges of Mutual Funds pursuant to Participant request shall be processed in accordance with the fund exchange provisions set forth in the Plan Administration Manual.

(4) Amending Section 5, Investment of Trust, to add a new subsection (j), as follows:

(j) Portfolio Advisory Service® (for Zions Bancorporation Restated Deferred Compensation Plan only).

(i) This section is intended to authorize appointment of an investment manager as contemplated in Section 402(c)(3) of ERISA. The Sponsor may appoint an investment manager, and, pursuant to the

agreement in the Schedule titled "Investment Management Agreement", the Sponsor has so appointed Strategic Advisers with respect to assets held in the individual Plan accounts of participants enrolled in Portfolio Advisory Service®. That appointment extends only to Managed Assets, as defined below. Trustee will implement the addition of Portfolio Advisory Service® on August 17, 2015. In the event the implementation date above is no longer reasonably practicable, the parties will establish another date for implementation.

(ii) Managed Assets shall be comprised of those assets held in or contributed to the individual plan accounts of eligible Participants (other than Sponsor Stock) from whom the Trustee or its agent has received In Good Order an election to participate in the Portfolio Advisory Service®, and whose participation has not been terminated in accordance with subparagraph (iv). All Participants are eligible for Portfolio Advisory Service®. In order to be eligible for the service, a Participant must have a Plan account balance equal to or greater than an amount as the Trustee and Strategic Advisers may determine in their sole discretion. Participants who hold non-traditional investment options in their Plan account, such as self-directed brokerage assets, are ineligible for the service until such holdings are liquidated.

(iii) Purchases and sales of investment options initiated by Portfolio Advisory Service® shall be governed by the operating guidelines set out in the Schedule titled "Operating Guidelines for Investment Options Exchanges -Portfolio Advisory Service®".

(iv) For so long as Portfolio Advisory Service® is offered, Strategic Advisers' authority with respect to Managed Assets shall begin when Fidelity has confirmed receipt of an election In Good Order from an eligible Participant who has elected to participate in the service (and in the case of plans or portions thereof transferring to Fidelity recordkeeping services, at the conclusion of the Participant Recordkeeping Reconciliation Period). Strategic Advisers' authority with respect to Managed Assets shall end with respect to a Participant when (A) the Participant terminates his or her election to participate in Portfolio Advisory Service®; (B) Managed Assets are withdrawn (through loan, withdrawal or distribution) or otherwise transferred out of the Participant's account for any reason (but only to the extent of such withdrawal or transfer); (C) the Participant's account is transferred to another plan; (D) Strategic Advisers receives notice from the Trustee or its agent of a Participant's death, after the Trustee or its agent has been so notified; (E) Strategic Advisers notifies a Participant that the Participant is no longer eligible for the service, or that it will no longer provide the service to such Participant for any reason; (F) when the Plan's Sponsor directs

Strategic Advisers to discontinue its service to any Participant (whether through termination of Strategic Advisers as investment manager with respect to Portfolio Advisory Service®, or otherwise); or (G) when an affiliate of the Trustee ceases to provide recordkeeping services for the Plan. A Participant's termination of his or her election to participate in Portfolio Advisory Service® shall be effective immediately after the Trustee confirms receipt of such election, provided that if confirmation is received after market close and one or more exchange transactions initiated by Strategic Advisers are pending for processing in the nightly cycle for such date, such exchanges shall be processed as of the market close on such date.

(v) The Managed Assets shall be identified on the books and records of the Trust separately from all other assets held by the Trustee under this Agreement. Strategic Advisers shall have the duty and power to direct the Trustee and its affiliates as to the investment of Managed Assets among available investment options, in accordance with governing investment guidelines, but shall have no authority with respect to the exercise of shareholder rights such as voting, or other rights that arise out of the Trust's ownership of certain securities, such as the right to participate in bankruptcy or other litigation. The Trustee shall follow the direction of Strategic Advisers or its agent regarding the investment and reinvestment of the Managed Assets. The Trustee shall have no authority or responsibility to review, question or countermand any instruction provided by Strategic Advisers to it, unless it has knowledge that by its action or failure to act, it will be participating in or undertaking to conceal a breach of fiduciary duty by Strategic Advisers.

6. The Trustee may execute such documents and powers of attorney as may be necessary to authorize Strategic Advisers or its agents, to exercise the investment management duties of Strategic Advisers.

7. It is acknowledged that the Strategic Advisers may appoint as its agent any entity, including FIIOC that is also used by the Trustee in performing its duties hereunder.

8. Neither the Trustee nor its affiliates performing recordkeeping and administrative services for the Plan shall have any obligation to provide any information concerning an enrolled Participant to Strategic Advisers (including, without limitation, any holdings of such Participant outside of the assets allocated to Portfolio Advisory Service®), provided, however, that the Trustee and such affiliates shall be obligated to notify Strategic Advisers of an event terminating some or all of its management responsibilities for enrolled Participants.

(ix) A Participant may elect to participate in Portfolio Advisory Service® by enrolling via the internet, by completing a paper enrollment form, via telephone, or by other means as agreed to by the Sponsor and the Trustee. After the conclusion of any Participant Recordkeeping Reconciliation Period, exchanges shall be made at the NAV next calculated after a Participant has provided In Good Order all information necessary for the service to determine an appropriate target asset mix and model portfolio, and the receipt of his or her election to participate in Portfolio Advisory Service® has been confirmed. A Participant may elect to terminate participation in Portfolio Advisory Service® via telephone, the internet, or such other means agreed to by the Sponsor and the Trustee and such termination shall be effective immediately when the Trustee confirms receipt of such instruction, provided that if any exchange transactions are pending at the time the Participant elects to terminate the service, the pending transactions shall be processed at the market close on such date unless the Participant requests cancellation of such transactions. In the absence of such pending transactions, upon completion of unenrollment process of his or her participation in the Portfolio Advisory Service®, a Participant may request exchanges immediately, and such transactions shall be implemented in accordance with the guidelines set forth in the Plan Administration Manual for such investment option. For so long as a Participant participates in Portfolio Advisory Service®, he or she may not make exchanges in his or her account (except for exchanges related to Sponsor Stock).

(x) The Sponsor may direct the Trustee in writing to automatically enroll some or all of the Participants into Portfolio Advisory Service®. If the Sponsor directs the Trustee to automatically enroll any or all of the Participants into Portfolio Advisory Service®, the Trustee shall re-direct contributions to the Plan accounts of such Participants, and shall re-allocate existing account balances of such Participants, among the Plan’s available investment options in accordance with the investment directions provided by Strategic Advisers unless or until the Participant opts out of Portfolio Advisory Service®. Assets held in or contributed to the accounts of a Participant who has been automatically enrolled in the Service pursuant to the Sponor’s direction shall be Managed Assets as described in (ii) above, subject to investment direction by Strategic Advisers until such time as the Participant opts out of participation in Portfolio Advisory Service® and so notifies the Trustee. Participant direction to opt out of Portfolio Advisory Service® may be made via the telephone, the internet or in such other manner as may be agreed to from time to time between the Sponsor and the Trustee. Upon receipt and processing of a Participant’s election to opt out of Portfolio Advisory Service®, the Trustee shall thereafter invest the Participant’s accounts among the investment options under the Plan in accordance with the Participant’s investment instructions. A Participant’s election to opt out of enrollment in Portfolio Advisory Service® shall be effective immediately after the Trustee confirms receipt of such election, provided that if confirmation is received after market close on a Business Day and one or more exchange transactions initiated by Strategic Advisers are processing in the nightly cycle for such date, such exchanges shall be processed as of the market close of the next Business Day.

(5) Restating Section 11, Resignation, Removal, and Termination Notices, in its entirety, to read as follows:

Section 11. Resignation, Removal, and Termination Notices.

All notices of resignation, removal, or termination under this Agreement must be in writing and mailed to the party to which the notice is being given by certified or registered mail, return receipt requested, to the Sponsor c/o Senior Vice President Corporate Benefits Director, Zions Bancorporation, One South Main Street, Suite 600, Salt Lake City, Utah 84111, and to the Trustee c/o Fidelity Workplace Services LLC, PWI Risk & Compliance, 245 Summer Street, V7B, Boston, Massachusetts 02210, or to such other addresses as the parties have notified each other of in the foregoing manner.

(6) Adding a new Section 22, Investment Management Communications, as follows:

Section 22. Investment Management Communications.

Notwithstanding any provision of the Agreement to the contrary, Sponsor hereby authorizes the Trustee and affiliates of the Trustee, throughout the term of this Agreement and any extensions thereto, to provide Participants with communications related to workplace and/or personal investment management products or services. The Trustee and affiliates of the Trustee may use for such purpose any information received hereunder or otherwise related to the Plan or Sponsor; all such information collected or used shall be treated in accordance with Fidelity Investments' privacy policy.

(7) Amending Schedule "B", Fee Schedule, to add the following:

Portfolio Advisory Service®

The fees for Portfolio Advisory Service® are set forth in the Investment Management Agreement Schedule.

Unless paid by the Sponsor or deducted from the Plan pursuant to alternative, valid direction from the Plan's Sponsor, the quarterly fees for Portfolio Advisory Service® applicable to each Participant will be calculated, based on a Participant's daily balances for all days not previously billed, generally on the 25th day (or next available Business Day) of the final month of the Participant statement cycle quarter. The Trustee shall redeem investments in the amount of such fee pro rata from the investment options in the electing Participant's Plan account on the Business Day following the fee calculation. This amount will be noted on the Participant's statement. In the event a Participant's participation in the service is terminated before the end of a quarter, the fee will be prorated based on the number of days the account was managed during the quarter. Failure to deduct fees shall not constitute a fee waiver.

(8) Adding the Schedule titled "Operating Guidelines for Investment Options Exchanges -Portfolio Advisory Service®", as attached hereto.

(9) Adding the Schedule titled "Investment Management Agreement", as attached hereto.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Sixth Amendment to be executed by their duly authorized officers effective as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this document on behalf of the respective parties. Notwithstanding any contradictory provision of the agreement that this document amends, each party may rely without duty of inquiry on the foregoing representation.

ZIONS BANCORPORATION FIDELITY MANAGEMENT TRUST company

By: /s/ Dianne James By: /s/ Mary Beth Davies 7/1/15

Authorized Signatory Date FMTC Authorized Signatory Date

SCHEDULE - OPERATING GUIDELINES FOR INVESTMENT OPTIONS EXCHANGES - PORTFOLIO ADVISORY SERVICE®

The following operating guidelines shall govern exchanges of investment options for Participants enrolled in Portfolio Advisory Service®. These guidelines are subject to change upon written notice to the Sponsor.

(a) Rebalancing Participant Accounts:

Assets in the Participant's Plan account are rebalanced on an ongoing basis to ensure alignment with the assigned asset allocation strategy and the current model portfolio. There are two primary types of rebalancing activities:

- Portfolios are rebalanced periodically (generally 3-4 times per year) to account for changes in market valuations, to ensure Participant accounts are properly aligned to their model portfolio allocations.
- Portfolios are also monitored each Business Day to ensure that any P*articipant directed activities* (such as withdrawals or loans) have not caused the Participant account to vary from the assigned market-adjusted model portfolio by more than a drift allowance specified under the Portfolio Advisory Service® .

Rebalance transactions shall be created in the nightly cycle for processing on the following Business Day, and will be reflected in Participant accounts on the day following the rebalance transaction date.

(b) Reallocation of Model Portfolios:

If there is a reallocation of the model portfolio (resulting from review of the Plan's investment options or a change in the Plan investment option menu), those Participant accounts that vary from the revised model portfolio by more than a drift allowance specified under the Portfolio Advisory Service® shall be flagged for reallocation. Reallocation transactions shall be processed using the same rules as for rebalance transactions.

(c) Changes to Investor Profile:

If a change in model portfolios is required as a result of an annual or ad hoc review of the Participant's investor profile completed before the close of the New York Stock Exchange ("Market Close") on a Business Day, the required exchanges shall be processed in that night's nightly cycle, and reflected in the Participant's account within the two to three Business Days.

(d) Termination of Service:

If receipt of a Participant's election to terminate the Portfolio Advisory Service® is confirmed before Market Close, the account will not be flagged for rebalancing or reallocation. If receipt of a Participant's election to terminate Portfolio Advisory Service® is received while transactions are pending, the pending transactions will proceed as outlined above unless the Participant requests cancellation of such transaction. After the transactions are settled, the termination will be processed pursuant to the language above.

SCHEDULE

INVESTMENT MANAGEMENT AGREEMENT

AGREEMENT, dated as of the date signed by Strategic Advisers, Inc., by and between Strategic Advisers, Inc., an investment adviser registered under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), with its principal offices at 245 Summer Street, Boston, Massachusetts ("Strategic Advisers") and Zions Bancorporation, the entity with authority to appoint an investment manager provided in Section 1(c) below (the "Authorizing Party"), with principal offices at One South Main Street, Salt Lake City, Utah 84111, and Zions Bancorporation (the "Sponsor"), with its principal offices at One South Main Street, Salt Lake City, Utah 84111. To the extent that the Authorizing Party and the Sponsor are the same, the Authorizing Party's execution of this Agreement shall also bind the Sponsor.

W I T N E S S E T H

WHEREAS, the Sponsor has established one or more trusts or accounts in connection with Plans listed in Exhibit C pursuant to agreements which permit certain assets of retirement plans (collectively and individually, the "Plan") held in such trust or account to be managed by a duly-appointed investment manager; and

WHEREAS, pursuant to the instrument governing each of the Plans and associated trusts or accounts, the Authorizing Party has the authority to appoint investment managers with respect to the assets held in such trust or account; and

WHEREAS, the Authorizing Party desires to appoint Strategic Advisers as investment manager to provide discretionary investment management services (the "Managed Account Service") with respect to trust or account assets allocated to eligible participants in the Plan, and the Sponsor or the Authorizing Party has entered into or amended service, trust or custody agreements for the Plan in contemplation thereof; and

WHEREAS, the Authorizing Party and Strategic Advisers wish to enter into this Investment Management Agreement (the "Agreement") for the purpose of effecting such appointment and setting forth the obligations of Strategic Advisers in connection with the Managed Account Service;

NOW THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Authorizing Party, the Sponsor, and Strategic Advisers hereby agree as follows:

SECTION 1. Definitions

i. The term "Service Agreement" shall mean the trust, custodial or recordkeeping agreement governing servicing of the Plan by affiliates of Strategic Advisers.

ii. The term "Plan" shall mean, collectively and individually, the Plans listed in Exhibit C.

iii. The term "Authorizing Party" with respect to a Plan shall mean the entity with authority to retain an investment manager for the trust or account under the governing documents, and in the case of a Plan governed by ERISA, shall be the named fiduciary. Authorizing Parties for each Plan shall be listed in Exhibit C.

iv. to the extent the Plan is intended to be a nonqualified plan that is not funded for tax purposes, the term “investment option” offered to or available to Participants shall mean those hypothetical investment options in which a Participant is allowed to direct his or her hypothetical account for purposes of measuring his or her benefit entitlement under the Plan.

v. To the extent the Plan is intended to be a nonqualified plan that is not funded for tax purposes, the term “individual account” “individual Plan account” or “Participant account” shall mean the notional amount that measures the Participant’s entitlement to benefits under the terms of the Plan.

vi. unless otherwise defined herein, the terms used in this Agreement shall have the same meaning as in the trust, custodial or service agreements governing servicing of the Plan by affiliates of Strategic Advisers.

SECTION 2. Appointment of Strategic Advisers.

With respect to each Plan described in Exhibit C, the Authorizing Party hereby appoints Strategic Advisers to manage, pursuant to the guidelines set out in Exhibit B hereof (the “Investment Guidelines”), such of the assets of each trust of account associated with the Plan as may constitute Managed Assets from time to time. “Managed Assets” shall be comprised of all assets of the trust or account associated with each Plan in individual accounts of eligible Participants enrolled in the Managed Account Service, subject to the limitations discussed in Investment Guidelines (excluding securities that are or were formerly employer securities within the meaning of ERISA (“Sponsor Stock”) and assets over which the Participant has no authority to provide investment directions under the terms of the Plan). The conditions for eligibility, enrollment and termination of participation in the Managed Account Service are set forth in the Service Agreement governing the Plan, as it may be amended from time to time.

The Authorizing Party acknowledges receipt of Strategic Advisers’ Part II of Form ADV, or a written disclosure statement containing the information required by such form at least 48 hours prior to entering into this Agreement.

SECTION 3. Acceptance of Appointment as Adviser.

Strategic Advisers accepts the appointment to manage the Managed Assets pursuant to the Investment Guidelines in accordance with the terms and conditions set forth in this Agreement. Strategic Advisers represents that it is an investment adviser registered under the Advisers Act, and that it has full power and authority to enter into this Agreement. Strategic Advisers acknowledges that it is a fiduciary with respect to each of the trusts or accounts to the extent of its discretionary authority and responsibility for investment management of Managed Assets. To the extent the Plan is governed by ERISA, Strategic Advisers acknowledges that it is a fiduciary to the Plan within the meaning of Section 3(21) of ERISA to the extent of its discretionary authority and responsibility for investment management of Managed Assets, and that upon execution of this agreement, it shall function as an investment manager with respect to the Plan within the meaning of Section 3(38) of ERISA.

SECTION 4. Powers, Rights and Duties of Strategic Advisers.

(a) Subject to the provisions hereof pertaining to the responsibilities of fiduciaries, Strategic Advisers shall use its best efforts to provide an opportunity for enhanced returns, consistent with appropriate risk diversification, by causing the Managed Assets to be invested and reinvested from time to time only in investment options offered to Participants under the Plan.

(b) Strategic Advisers shall manage the Managed Assets in accordance with the Investment Guidelines, and make investment decisions consistent therewith, but otherwise shall have sole and exclusive authority and discretion to manage and control the investment of the Managed Assets consistent with the provisions of this Agreement. The Investment Guidelines may be changed upon sixty (60) days written notice to the Authorizing Party from Strategic Advisers.

(c) In order to perform its duties hereunder, Strategic Advisers shall have full power and authority to:

(1) direct the trustee, custodian or either of their agents to make purchases and sales of securities or other property for the individual Plan accounts of Participants that are enrolled in the Managed Account Service;

(2) instruct or direct the trustee, custodian or either of their agents to perform any or all of the powers, duties, and authority given to such trustee, custodian or agent in the relevant agreements which are therein subjected to direction by Strategic Advisers and to enforce performance by such trustee, custodian or agent of such powers, duties, and authority;

(3) execute any and all documents necessary to make investments within the scope of the Investment Guidelines, or to carry out other duties of Strategic Advisers hereunder.

(d) Limitations on Duties

a. Strategic Advisers shall have no responsibility or authority to exercise any shareholder rights that arise with respect to investments in which Managed Assets are invested, nor shall it have responsibility or authority to make decisions with respect to matters, such as litigation or bankruptcy, arising out of the trust's or account's ownership of any such investments.

b. Strategic Advisers shall have no duty or responsibility to manage assets other than Managed Assets ("Other Assets"), including in particular, Sponsor Stock or except as directed in the Investment Guidelines by the Sponsor with respect to Sponsor Stock, to make investment decisions with respect to Managed Assets that offset or counterbalance the specific investment characteristics or behavior of any investment of such Other Assets, even if (i) Strategic Advisers manages such Other Assets pursuant to a separate advisory agreement, or (ii) if those Other Assets are reflected as being owned by or attributable to the Participant on books and records maintained by Strategic Advisers or any of its affiliates. If Strategic Advisers manages Participant accounts in multiple Plans under this Agreement, it shall make investment decisions on each individual Plan account separately.

c. Notwithstanding any provision of this Agreement, Strategic Advisers shall have no duty to advise the Authorizing Party or any other person with respect to the investment options available under the Plan, or to exercise management authority to add or remove any such investment options to or from the Plan. Strategic Advisers shall have no duty or authority to advise or make recommendations to the Authorizing Party or the Sponsor with respect to any other matter, including without limitation, the impact of Plan rules on the management or diversification of Managed Assets.

SECTION 5. Strategic Advisers Standard of Care.

Strategic Advisers shall comply with all laws and regulations issued from time to time applicable to the discharge of its duties under this Agreement and shall discharge such duties:

(a) solely in the interest of the Participants and for the exclusive purpose of providing benefits to such Participants and their beneficiaries and defraying reasonable expense of administering the Plan, subject to the provisions in Section 9;

(b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) by diversifying the Managed Assets in the individual account of each Participant enrolled in the Managed Account Service so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, to the extent such diversification is appropriate and achievable with the investment options made available under the Plan, consistent with the Investment Guidelines attached as Exhibit B hereto; and

(d) in accordance with the documents and instruments governing the Plan provided to Strategic Advisers or its agents insofar as such documents and instruments are consistent with the provisions of ERISA if applicable; provided, however, that the duties of Strategic Advisers shall be governed exclusively by this Agreement to the extent that the provisions of any such Plan documents are inconsistent with this Agreement.

Regardless of whether the Plan is subject to ERISA, Strategic Advisers will perform all of its duties hereunder as if the Plan were subject to ERISA, provided, however, that governing Plan documents need not be consistent with ERISA.

SECTION 6. Duties of the Authorizing Party.

The Authorizing Party shall:

(a) direct, or cause to be directed, the trustee, custodian, recordkeeper or their agent to invest the Managed Assets at the direction of Strategic Advisers;

(b) authorize the trustee, custodian or recordkeeper to provide, Strategic Advisers with such information pertaining to the Managed Assets and the Plan as Strategic Advisers may reasonably request, which information Strategic Advisers shall keep as confidential and shall not disclose, except as required by law, to any party other than its subsidiaries or affiliates, without the prior consent of the Authorizing Party;

(c) to the extent not paid by the Sponsor, compensate Strategic Advisers, or cause the trustee, custodian to compensate Strategic Advisers from the trust or account, by deduction from the accounts of Participants enrolled in the Managed Account Service, for Strategic Adviser services under this Agreement in the amounts set forth on Exhibit A as it may be amended by Strategic Advisers in its sole discretion from time to time in accordance with the notice provisions of this Agreement;

(d) provide, or cause to be provided, such information to Participants as is delivered for that purpose by Strategic Advisers, and

(e) maintain a menu of investment options for the Plan that meets the minimum requirements for implementation of the Managed Account Service, as determined in the sole discretion of Strategic Advisers, and provide at least thirty (30) days' prior written notice to Strategic Advisers with respect to any change in the menu of investment options available under the Plan. To the extent that the Authorizing Party provides less than thirty (30) days' notice with respect to changes in the investment options available under the Plan, Strategic Advisers shall be under no obligation to manage the Managed Assets until thirty (30) days from such line-up change has elapsed. If at any time the Authorizing Party fails to maintain a menu of investment options for the Plan that meets the minimum requirements for implementation of the Managed Account Service, as determined by Strategic Advisers in its sole discretion, Strategic Advisers shall be under no obligation to manage the Managed Assets until such time as the Authorizing Party modifies the investment options available under the plan to meet such minimum requirements.

(f) fulfill or comply with such other obligations or restrictions as are outlined in Exhibit B.

SECTION 7. Liability and Indemnification

(a) Strategic Advisers shall indemnify the Authorizing Party and the Sponsor against, and hold the Authorizing Party and the Sponsor harmless from, any and all penalties, damages, losses, liabilities or other expenses (including reasonable attorneys' fees) ("Losses") that may be incurred by, imposed upon, or asserted against the Authorizing Party and the Sponsor by reason of any claim, regulatory proceeding, or litigation arising from Strategic Advisers' breach of this agreement, negligence, breach of fiduciary duty, willful misconduct or bad faith in the provision of the Managed Account Service.

Except for liability under ERISA § 405 that may be imposed with respect to Strategic Advisers' conduct related to ERISA-governed Plans, Strategic Advisers shall have no responsibility for the acts or omissions of the Authorizing Party, the Sponsor, the trustee, custodian or any of its agents. Strategic Advisers shall have no responsibility for any loss resulting from (i) any breach of fiduciary duty of the Authorizing Party in selecting and monitoring Strategic Advisers, the selection of investment alternatives or the administration of the Plan, (ii) anything done or omitted to be done in good faith reliance on any written, electronic or telephonic directions from the Authorizing Party or any authorized representative thereof or any information provided by a Participant who is enrolled in the Managed Account Service, (iii) anything done or omitted to be done in good faith reliance on any inaccurate, outdated or incomplete employee, Participant or Plan data provided by the

Sponsors, the Authorizing Party or Participant as the case may be, or (iv) the Authorizing Party's failure to perform its obligations hereunder.

(b) the Authorizing Party and the Sponsor shall indemnify Strategic Advisers against and hold it harmless from any and all Losses arising out of a) the failure of either the Authorizing Party or the Sponsor to fulfill its obligations; or b) Strategic Advisers' action or inaction based on good faith reliance on instructions or information from the Authorizing Party or any authorized representative thereof.

(c) federal and state securities laws impose liability, under certain circumstances, on persons who act in good faith. Nothing in this Agreement shall waive or limit any rights that the Authorizing Party and Sponsor may have under those laws.

SECTION 8. Compensation

Fees associated with the Managed Account Service are attached hereto as Exhibit A. To the extent that the Trust contains more than one Plan, a separate Exhibit A shall be attached hereto for each such Plan. Strategic Advisers may change the fees associated with the service as described on Exhibit A once per year upon sixty (60) days prior written notice to the Sponsor; provided, however, that should the Authorizing Party change or modify the investment options available through the Plan, Strategic Advisers shall have the right to modify this pricing schedule at any time upon sixty (60) days written notice to the Authorizing Party. Any other changes to the fee schedule shall require written consent of the parties to this Agreement.

SECTION 9. Confidential Information; Other Clients and Services.

Any information or recommendations supplied by or through Strategic Advisers in connection with the Managed Account Service, which are not otherwise in the public domain or previously known to the Authorizing Party or the Sponsor, are to be regarded as proprietary and confidential to Strategic Advisers and its affiliates, and for use only in connection with Managed Assets by Participants, the Authorizing Party, the Sponsor or such persons as any of them may designate in connection with the Managed Assets.

The parties acknowledge that Strategic Advisers may provide similar services to other trusts, accounts and plans, and that nothing in this Agreement shall require Strategic Advisers to disclose to the Authorizing Party or the Sponsor, the Plan or its Participants the existence of such other engagements, or prohibit Strategic Advisers from rendering services to such other clients. The Authorizing Party and the Sponsor acknowledge that Strategic Advisers may use identical, similar or different investment methodologies in providing education or other investment services to the Plan(s) or its (their) Participants, or to other plans, participants or clients. With respect to the allocation of trades among clients, Strategic Advisers will treat each of its client accounts in a fair and equitable manner when allocating orders for the purchase and sale of securities, including mutual fund shares. All allocations among client accounts will be made in a manner consistent with Strategic Advisers' fiduciary duties, taking into account all relevant factors.

SECTION 10. ERISA, Tax and Other Considerations.

The Authorizing Party and the Sponsor acknowledge that Strategic Advisers is affiliated with other entities that may receive asset-based compensation in connection with the investment options offered under the Plan, including, but not limited to, Fidelity Mutual Funds.

To the extent that the Plans are governed by ERISA, the parties acknowledge that the Managed Account Service, to the extent it would otherwise constitute a prohibited transaction, is intended to comply with Prohibited Transaction Class Exemption 77-4, as it may be amended from time to time (PTCE 77-4), with respect to Fidelity Mutual Funds. To that end, the Authorizing Party acknowledges that it is the named fiduciary of the Plans that are ERISA-governed, it is independent of Strategic Advisers within the meaning of PTCE 77-4, that it has received prospectuses for the Fidelity Mutual Funds available under the Plan, and a full and detailed disclosure of the investment advisory and other fees charged to or paid by the Plan with respect to the Managed Account Service and the investment company(ies). The Authorizing Party further acknowledges that it has received an explanation of the reasons why Strategic Advisers may consider purchases or sales of Fidelity Mutual Funds for accounts of Plan participants electing the Managed Account Service. On the basis of such disclosures, the Authorizing Party hereby authorizes the purchase and sale of Fidelity Mutual Funds for accounts of Participants electing the Managed Account Service.

To the extent any of the Plans identified in Exhibit C are intended to be nonqualified deferred compensation plans that are unfunded for tax purposes, no provision herein shall be deemed to cause the Plan to be funded for tax purposes, nor shall any provision herein be deemed to grant Participants in such Plan any rights to assets of the trust or custodial account associated with such Plan.

SECTION 11. Inspection

During and for a reasonable time after the term of this Agreement, Strategic Advisers or its agents shall permit the Authorizing Party or the Sponsor, or either of their agents (including independent public accountants selected by the Authorizing Party or the Sponsor) during business hours to inspect, at the expense of the Sponsor, Strategic Advisers' records of investment direction provided pursuant to this Agreement.

SECTION 12. Assignment of Agreement or Duties.

No party may assign this Agreement, in whole or in part, nor delegate except as contemplated herein, all or part of the performance of duties required of it by this Agreement without the consent of the other party, except as permitted by applicable law or regulation, provided, however, that Strategic Advisers may assign this Agreement to any affiliate using a negative consent process whereby the Authorizing Party has no less than sixty (60) days to respond to a notice of intended assignment, and failure to respond to any such notice of such intended assignment shall constitute assent to such proposed assignment.

SECTION 13. Applicable Law.

This Agreement shall be administered and construed according to the laws of the Commonwealth of Massachusetts, except as superseded and preempted by ERISA.

SECTION 14. Construction; Validity.

Wherever possible, this Agreement shall be construed in a manner that is consistent with the Managed Account provisions in the Service Agreement. An adjudication or other determination that a provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of any remaining provision of this Agreement.

SECTION 15. Termination.

(a) This Agreement shall continue in effect until 1) the termination of recordkeeping services to the Plan by an affiliate of Strategic Advisers; or 2) a specified date at least sixty (60) days after notice of termination has been provided from any party to the other party.

(b) Notwithstanding the foregoing, the Authorizing Party may at any time without prior notice order Strategic Advisers to cease activity, subject to completion of the execution of investment directions already in process with respect to the Managed Assets. Such order to cease activity may be communicated orally subject to immediate written confirmation to Strategic Advisers.

(c) Notwithstanding the foregoing, Strategic Advisers may cease to provide models for the Managed Account Service pursuant to the terms of Section 6(e) of this Agreement.

(d) Nothing herein shall prohibit Strategic Advisers from terminating management of any individual Participant's Plan account in accordance with the provisions governing termination of the Managed Account Service to a Participant set forth in the Service Agreement.

(e) If this Agreement is terminated during any period of time for which Strategic Advisers has not been compensated, the fee due to Strategic Advisers for such period shall be prorated to the date of termination.

(f) The indemnification obligations hereunder shall survive termination.

SECTION 16. Notices.

Any notice, instruction, request, consent, demand or other communication required or contemplated by this Agreement to be in writing, shall be given or made if communicated by United States first class mail (or by FAX followed immediately by United States first class mail), addressed as follows:

If to the Authorizing Party
or to the Sponsor: Sponsor c/o Vice President, Corporate Benefits
One South Main Street, Suite 600
Salt Lake City, Utah, 84111

If to Strategic Advisers: Strategic Advisers, Inc.
c/o B2B Risk Management - Contracts
245 Summer Street, V7B
Boston, Massachusetts 02210

provided (i) that each party shall, by written notice, promptly inform the other party of any change of address and provided further that any written communication from the Authorizing Party or the Sponsor contemplated hereunder shall be signed by a person authorized to act on behalf of the Authorizing Party or Sponsor under governing documents, and (ii) notwithstanding anything in this Agreement to the contrary and subject to the provisions of the Service Agreement, any communication provided by another party required to be in writing may be provided through any medium that is permitted under applicable law or regulation in lieu of writing.

SECTION 17. Due Authorization.

The Authorizing Party represents and warrants to Strategic Advisers that the Authorizing Party has full power and authority under governing documents to appoint an investment manager for the trust or account associated with the Plan for which it serves as Authorizing Party, and to enter into this Agreement with respect to and on behalf of the Plan. To the extent the Plan is associated with a trust for which the trustee is not an affiliate of Strategic Advisers, the Authorizing Party represents that the provisions of the trust authorize the appointment of an investment manager. To the extent that the Plan is governed by ERISA, the Authorizing Party represents that it is the Plan's named fiduciary acting in accordance with its duties and obligations under ERISA and the Plan.

All parties to this Agreement hereby represent to the others that it is duly authorized by all applicable laws and regulations to enter into this Agreement, and to be bound thereby, including the indemnification provision set forth in Section 7.

SECTION 18. Entire Agreement; Amendment.

This Agreement and any exhibits hereto, as well as any provisions of any Service Agreement governing the Managed Account Service, constitute the entire agreement and understanding among the parties hereto, and may not be modified or amended except by a writing executed by the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this Agreement on behalf of the respective parties. Each party may rely without duty of inquiry on the foregoing representation.

AUTHORIZING PARTY

Signature:	/s/ Dianne James
Print Name:	Diane James
Title:	EVP, Chief HR Officer
Date:	6/3/15

STRATEGIC ADVISERS, INC.

Signature:	/s/ Janet McCormick
Print Name:	Janet McCormick
Title:	Portfolio Manager
Date:	June 23, 2015

EXHIBIT A
FEES FOR MANAGED ACCOUNT SERVICE
PLAN NAME: Zions Bancorporation Restated Deferred Compensation Plan
PLAN NUMBER: 29149

Beginning upon the Plan's enrollment in the Managed Account Service, the annual advisory fee for the Managed Account Service will be assessed based on a percentage of the average daily balance of Managed Assets of enrolled Participants. The advisory fee will be charged to cover ongoing management of the Managed Assets, and related servicing and Participant communication. The fee is payable quarterly in arrears, and will be calculated on the basis of daily Participant balances, generally on the 25th day of the last month of the Participant statement cycle quarter (or the next Business Day if the 25^{th} is not a Business Day).

Unless paid by the Sponsor, the Trustee or its agent will redeem investments in the amount of the net advisory fee directly from enrolled Participants' Plan accounts on the Business Day following the fee calculation. The amount of the fee deducted from a Participant's account will be noted on the Participant's statement.

The annual net advisory fee for the Managed Account Service will be calculated by deducting a Plan Credit Amount (as defined below) from the Plan's annual gross advisory fee set forth in the table below:

ANNUAL GROSS ADVISORY FEE SCHEDULE

Average daily account balance	Less than 20% eligible participant enrollment	Greater than 20% eligible participant enrollment*
For the first $100,000 or portion thereof	0.61%	0.56%
For the next $100,000 to $250,000, or portion thereof	0.56%	0.46%
All additional assets over $250,000	0.41%	0.31%

*The Gross Advisory fees applicable to plans that exceed 20% enrollment will take effect beginning with the first day of the quarter in which the 20% threshold was exceeded.

Plan Credit Amount and Net Advisory Fee. The purpose of the Plan Credit Amount is to reduce the annual gross advisory fee payable by the Plan by the amount of asset-based fees, if any, Strategic Advisers or its affiliates receive for management of Fidelity Mutual Funds in which Managed Assets are invested, and for other services related to any other investment option offered under the Plan in which Managed Assets are invested.

This Plan Credit Amount will be calculated daily in the following manner: For each investment option in which Managed Assets are invested, an amount will be calculated equal to the sum of (a) the actual underlying investment management fees paid to Strategic Advisers or its affiliates from such investment if it is a Fidelity Mutual Fund (but not other fund expenses such as transfer agency fees); and (b) the servicing or other fees paid to and retained by Strategic Advisers and its affiliates based on assets or Participants in any investment option other than Fidelity Mutual Funds. The resulting amounts for all investments of Managed Assets will be added together to arrive at the Plan Credit Amount. The Plan Credit Amount will be applied (as a percentage) equally across all Participant accounts to arrive at the annual net advisory fee for that Participant. It is expected that the Plan Credit Amount will vary over time, based upon the funds selected for investment of Managed Assets.

In the event a Participant's participation in the Managed Account Service is terminated before the end of a quarter but such Participant remains enrolled in the Plan, the gross advisory fee applicable to that quarter will be prorated based on the number of days the account was managed during the quarter, and such Participant's net advisory fees for the pro-rated quarter will be calculated using the Plan Credit Amount applicable to the prior quarter.

If, prior to the end of a billing quarter, either, (a) a Participant's participation in the Managed Account Service is terminated simultaneously with that Participant's enrollment in the Plan, or (b) the Plan terminates the Managed Account Service in its entirety, then the gross advisory fee applicable to that quarter will be prorated based on the number of days the account was managed during the quarter. In such cases, a Participant's gross advisory fees for the pro-rated quarter will be reduced by a credit amount equal to (a) the actual underlying investment management fees paid to Strategic Advisers or its affiliates from investments in such Participant's account for Fidelity Mutual Funds (but not other fund expenses such as transfer agency fees); and (b) the servicing or other fees paid to and retained by Strategic Advisers and its affiliates based on assets from such Participant's account invested in any investment option other than Fidelity Mutual Funds.

As noted above, the Plan's annual gross advisory fee has been determined based on the composition of the Plan's available investment options. The Plan's annual gross advisory fee has been set at a level that, when reduced by the Plan Credit Amount, should result in Participants paying approximately the annual target net fee shown below. Note that, because the Plan Credit Amount will vary over time, the actual amount of net advisory fee paid by any Participant will vary based upon, among other things, the funds selected for investment by the Service and the number and asset allocations of Participants enrolled in the Plan. As a result, a Participant's net advisory fee may be higher or lower than the target net advisory shown in the table below:

TARGET ANNUAL NET ADVISORY FEE SCHEDULE

Average daily account balance	**Less than 20% eligible participant enrollment**	**Greater than 20% eligible participant enrollment**
For the first $100,000 or portion thereof	0.50%	0.45%
For the next $100,000 to $250,000, or portion thereof	0.45%	0.35%
All additional assets over $250,000	0.30%	0.20%

As noted above, the Plan Credit Amount and annual net advisory fee will vary over time. However, given the investment options available in the Plan as of the date of this Agreement and expected rates of enrollment in the Service, Strategic Advisers anticipates that the annual net advisory fees paid by any Participant in the Plan will fall within the ranges shown below.

TARGET RANGE OF ANNUAL NET ADVISORY FEES

Average daily account balance	**Less than 20% eligible participant enrollment**	**Greater than 20% eligible participant enrollment**
For the first $100,000 or portion thereof	0.61% -0.35%	0.56% -0.30%
For the next $100,000 to $250,000, or portion thereof	0.56% -0.30%	0.46% -0.20%
All additional assets over $250,000	0.41% -0.15%	0.31% -0.05%

In rare circumstances, due to the variable nature of the Plan Credit Amount, the net advisory fee payable by Participants may fall outside of the ranges shown above.

The annual net advisory fee shall be charged in addition to any applicable management fees, purchase fee, short-term trading fee, or similar fee payable to the applicable mutual fund, or any fee paid to Strategic Advisers or its affiliates for services rendered to the Plan (including trustee or recordkeeping services) or to the investment options offered under the Plan.

Note: Should the Sponsor or Authorizing Party modify the investment options available through the Plan, Strategic Advisers shall have the right to modify this pricing schedule upon sixty (60) days' notice.
From time to time, Strategic Advisers may provide a pricing incentive to encourage enrollment in the service. Unless otherwise specified, the pricing incentives will either allow eligible Plan participants who are not enrolled in the service to have the Service free of Advisory Fees for a stated period of time, or will

allow eligible participants who are not enrolled in the service a stated discount from the plan's Gross Advisory fee during a specified period. The Authorizing Party will receive prior notice of any pricing incentive. In the unlikely event that the Plan Credit Amount exceeds the Gross Advisory Fees for any quarter in which a pricing incentive is in effect, the excess shall be added to the Plan Credit Amount for the following quarter. In such event, no new pricing incentives will be initiated until any previously unused Plan Credit Amount has been used to offset Gross Advisory Fees. In the event that there is unused Plan Credit Amounts for three successive quarters, the amount shall be converted to a Service Credit, which may be applied exclusively for any Plan-related service obtained by the Plan from Strategic Advisers or any Strategic Advisers affiliate that would otherwise be payable under the terms of existing agreements (other than non-SAI investment management fees, expenses already deducted from Participant accounts, or expenses incorporated into a mil rate). The Service Credit will be credited to a non-interest bearing hypothetical account in respect of the Plan, and will expire twelve months after the end of the quarter in which it was credited.

EXHIBIT B
INVESTMENT GUIDELINES FOR MANAGED ACCOUNT SERVICE

Strategic Advisers shall manage Managed Assets in an enrolled Participant’s Plan account by selecting from among the investment options available to enrolled Participants in order to provide diversification appropriate for the enrolled Participant.

Strategic Advisers will allocate the Participant’s portfolio across various asset classes to try to achieve the long-term goal of seeking an appropriate level of returns for a given level of risk. Strategic Advisers shall assign the Participant to an appropriate asset mix based on the appropriate risk/reward trade-offs for the Participant. To determine the appropriate mix, Strategic Advisers will consider the Participant’s date of birth, assumed retirement age, plan account balance, and other personal information provided by the record keeper or by the Participant directly through a series of questions or through the incorporation of available online information. This profile information may include the Participant’s risk preferences, investment experience, current and future income, and potential withdrawal needs depending on availability of such information and the willingness of the participant to provide such information. It may also include information about assets held by the participant in other accounts (including amounts held in other plans or accounts serviced by its affiliates) and the asset allocation of these accounts. Strategic Advisers will base its proposed asset mix based on the amount of information provided by the Participant, but shall not require information from the Participant beyond (i) correct date of birth information for each plan Participant, (ii) designating the expected retirement age for each Participant.

Strategic Advisers shall design model portfolios for the plan by selecting a combination of available investment options that track the risk and diversification attributes of the targeted asset allocation within an appropriate range. Based on the information outlined above, Strategic Advisers will assign the Participant to one of the model portfolios.

Participant asset allocation assignments will be reviewed annually, and Participants may be reassigned to an asset allocation that matches his or her updated profile. In addition, a Participant may be reassigned to an appropriate asset allocation and portfolio any time the Participant informs Strategic Advisers of a change to his or her profile. Unless provided by the Participant, Authorizing Party shall be responsible for providing (i) correct date of birth information for each plan Participant, (ii) designating the expected retirement age for each Participant

Authorizing Party shall be responsible for providing correct date of birth information for each Participant. In addition, if the Participant does not provide information designating their expected retirement date, the Authorizing Party will either (i) provide a default retirement date to be used in scoring Participants or (ii) direct Strategic Advisers to use the default retirement date designated by the Social Security Administration for such Participant.

Strategic Advisers shall invest eligible amounts held in, or contributed to, the accounts of enrolled Participants in accordance with the model portfolio, as it may be adjusted from time to time for market fluctuation, provided that Strategic Advisers shall not manage amounts held in Company Stock (if applicable), or contributions required to be invested in Company Stock, except to counterbalance against such Company Stock as described below. Enrolled Participant accounts may be rebalanced periodically to align their accounts to their assigned model portfolio, or if their accounts drift materially from the market-adjusted model portfolio designated by Strategic Advisers.

Strategic Advisers may change the model portfolios as appropriate for changes in the Plan's investment options, market performance or economic conditions.

Strategic Advisers shall have no independent obligation under this Agreement to value assets under its management, but shall instead rely upon valuations provided by the Trustee or its agent, or an external money manager, if applicable.

Special Guidelines for Company Stock Holdings (if applicable): Strategic Advisers **will not** invest Managed Assets in Company Stock. An enrolled Participant whose Plan account is invested in Company Stock will be offered the choice whether to (i) have Strategic Advisers ignore such holdings in assigning an asset allocation to the Participant or (ii) assign an asset allocation that attempts to offset the risk characteristics associated with an investment in a security. If a Participant elects to offset the Company Stock holdings, Strategic Advisers will assign the Participant to a portfolio that attempts to account for their holdings in Company Stock, based on the Participant's level of Company Stock holdings in his or her Plan account. If a Participant fails to direct Strategic Advisers as to whether to offset or ignore his or her Company Stock positions, the Authorizing Party hereby directs Strategic Advisers to assign the Participant into a portfolio that attempts to offset the risk characteristics of the Participant's Company Stock position.

Strategic Advisers shall not make decisions with respect to the exercise of any rights accruing to investment options, including without limitation, shareholder rights to vote proxies or tender or exchange shares, or rights arising out of bankruptcy or litigation. Decisions with respect to the exercise of any such rights shall be made in accordance with the provisions of the Trust Agreement, and Strategic Advisers shall not be required to take such matters into account in making its investment decisions.

Universe: Managed Assets of enrolled Participants may be invested in any investment options available for new investment by enrolled Participants other than assets held in or investment options available in self-directed brokerage accounts (and Company Stock, if applicable) subject to the restrictions described below.

Use of Participant Data: To the extent a Participant is enrolled in more than one account within the Managed Account Service, Strategic Advisers will share such Participant data across accounts and Plans. Strategic Advisers will use such Participant's data provided in connection with one account for updating or management purposes in other accounts of such Participant that are also managed by the Managed Account Service.

Restrictions: Managed Assets of enrolled Participants will not be invested in any investment option that is closed to new investment by eligible Participants. Certain investments – such as "investment strategy options" – may be excluded from the model portfolio construction process. The Authorizing Party shall have the right to impose reasonable restrictions upon Strategic Advisers with respect to investment management, other than those set out here, provided that it shall first propose such restrictions in writing to Strategic Advisers, and provided that Strategic Advisers shall have thirty (30) Business Days to determine whether such restriction is reasonable.

With respect to any stable value option or custom fund option within a plan line-up, Strategic Advisers will use such stable value option in constructing its portfolios if information regarding the composition of such stable value option is made available to Strategic Advisers by the Authorizing Party on an annual basis. If such information regarding the composition of the stable value option is not made available to Strategic Advisers, Strategic Advisers will look for other cash equivalent funds within the plan line-up. If none are available, Strategic Advisers will be unable to create appropriate models for the Plan. The plan Fiduciary shall be responsible for obtaining the approval of the stable value option or custom fund provider prior to the implementation of the Service.

The Managed Account Service only considers Fidelity Mutual Funds that have been included in the investment menu chosen by the plan sponsor (or other responsible plan fiduciary) to be offered to plan participants and beneficiaries. To the extent that the Managed Account Service includes one or more Fidelity Mutual Funds in model portfolios utilized by Plan participants, Strategic Advisers believes such fund or funds are appropriate for the Plan because each such fund is an investment option available in the Plan that, in combination with other available investment options in the model portfolio, provide a resulting portfolio that tracks the risk and diversification attributes of the targeted asset allocation. Strategic Advisers constructs and manages each model portfolio by applying a quantitative investment methodology. In constructing model portfolios, Strategic Advisers employs a process that is independent with respect to fund family or investment manager.

EXHIBIT C

PLAN NAMES AND AUTHORIZING PARTY

Plan Name: Zions Bancorporation Restated Deferred Compensation Plan

Authorizing Party: Zions Bancorporation

SEVENTH AMENDMENT TO THE
ZIONS BANCORPORATION, N.A. PAYSHELTER 401(k)
AND EMPLOYEE STOCK OWNERSHIP PLAN
(As amended and restated effective January 1, 2007)

This Seventh Amendment to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan ("Plan"), as restated and amended effective January 1, 2007, is made and entered into this __23___ day of December, 2020, by Zions Bancorporation, N.A., hereinafter referred to as the "Plan Sponsor."

W I T N E S S E T H:

WHEREAS, the Plan Sponsor has previously entered into the Plan, which Plan has been most recently restated and amended in its entirety effective for the plan year commencing on January 1, 2007, and for all plan years thereafter; and

WHEREAS, the Plan Sponsor has reserved the right to amend the Plan at any time, in whole or in part, and

WHEREAS, pursuant to Section 7.3.4 of the Zions Bancorporation Employee Health, Benefits and Pension Committee ("Committee") Charter, the Committee has been authorized and empowered by the Board of Directors of the Employer to adopt amendments or changes to the Plan which are designed to clarify a provision or provisions of the Plan or which are intended to maintain or bring the Plan into compliance with applicable Federal or state law; and

WHEREAS, pursuant to Section 7.3.4 of the Committee Charter, the Committee has also been authorized and empowered to adopt discretionary amendments or changes to the Plan provided that such amendments do not result in or create an increase to the Plan Sponsor in the cost of operating or contributing to the Plan; and

WHEREAS, final regulations have now been issued by the Department of the Treasury which alter the previous Plan rules governing withdrawals from participant accounts in the Plan for the purpose of permitting in-service distributions on account of hardship; and

WHEREAS, the Committee, for and on behalf of the Employer and consistent with the power and authority granted to it, now desires to amend the Plan to conform it to the applicable provisions of the final regulations governing hardship distributions; and

WHEREAS, after review and analysis of the investments in the Plan by the Committee, it has determined that the mandatory investment in Employer Securities provisions currently applicable respect to Employer Matching Contributions be removed from the Plan; and

WHEREAS, the Committee has determined that such actions and amendments are in the best interests of the Plan and its participants and beneficiaries; and

WHEREAS, the amendments have been reviewed and approved by the Committee;

NOW THEREFORE, in consideration of the foregoing premises, the Plan Sponsor adopts the following amendments to the Plan (amended language is marked in bold italics), to be effective as provided herein:

1. The last paragraph in Section 5.6 is amended by adding the following language at the end thereof:

Effective as of January 1, 2021, all provisions in this Section that require contribution of Employer Securities when making an in kind Employer Matching Contribution or require the acquisition of Employer Securities whenever the Employer Matching Contribution is made in cash shall be null and void and shall no longer apply. All Employer Matching Contributions made to the Plan on or after that date shall be in cash only.

2. 8.1(d) is amended by adding the following at the end thereof:

Effective for any withdrawal on account of Financial Hardship that is first made after December 31, 2019, the maximum amount that may be distributed is the aggregate total amount in the Participant Elective Deferral, Employer Matching Contribution and the Employer Non-Elective Contribution Accounts (but excepting therefrom all amounts in the Employer Securities Account), determined as of the date the request for distribution due to Financial Hardship is submitted to the Plan Administrator.

3. Section 8.2 is amended to read as follows:

8.2 Financial Hardship Distribution Rules: The Plan adopts the deemed hardship distribution standards set forth ***in Reg. §1.401(k)-1(d)(3)***. As a consequence, the Plan Administrator shall not approve any distribution on account of Financial Hardship unless the distribution is determined by the Administrator to be necessary to meet an immediate and heavy financial need of the Participant. The distribution will be deemed necessary ***only*** if:

(a) The distribution is not in excess of the amount of the immediate and heavy financial need of the Participant, including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution; and

(b) Each of the following requirements is satisfied —

1. The Participant has obtained all other currently available distributions (including distributions from the Dividend Account of ESOP dividends under Code §404(k), but not hardship

distributions) under the Plan and all other plans of deferred compensation, whether qualified or nonqualified, maintained by the Employer;

2. The Participant has provided to the Plan Administrator a representation in writing (which may include by use of electronic means) that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need; and

3. The Plan Administrator does not have actual knowledge that is contrary to the representation.

Notwithstanding any contrary prior provision in the Plan, effective January I, 2020, a Participant who receives a distribution on account of Financial Hardship shall not be prohibited or otherwise restricted from making Elective Deferrals under this or any other cash or deferred plans of the Employer, including any cafeteria plan arrangement under Code §125. A Participant who has received a distribution prior to January 1, 2020, on account of Financial Hardship and who is still subject to any prior Plan provision limiting or prohibiting the Participant from making Elective Deferrals to this Plan or to any other plan of the Employer shall no longer be subject to the restriction as of that date.

4. Section 8.3 is amended to read as follows:

8.3 Determination of Immediate and Heavy Financial Need: For purposes of Section 8.2, a distribution ***made by the Plan after December 31, 2019,*** shall be deemed to be on account of an immediate and heavy financial need if the distribution is for:

(a) expenses for ***(or necessary to obtain)*** medical care described in Code §213(d) ***received*** by the Participant, the Participant's spouse, any dependent of the Participant, or ***if none of the foregoing, a Primary Beneficiary under the Plan;***

(b) payment of tuition, related educational fees***, and room and board expenses*** for ***up to*** the next twelve (12) months of post-secondary education for the Participant, the Participant's spouse, or any dependent of the Participant, or ***if none of the foregoing, a Primary Beneficiary under the Plan;***

(c) costs directly related to ***the*** purchase ***of*** a principal residence for the Participant ***(but excluding mortgage payments)***;

(d) payments necessary to prevent the eviction of the Participant from ***the Participant's*** principal residence or foreclosure of the mortgage on that residence;

(e) ***payments for burial or funeral expenses for the Participant's deceased parent, spouse, child or dependent, or for a deceased Primary Beneficiary under the Plan;***

(f) ***expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Code §165 (determined without regard to Code §165(h)(5) and whether the loss exceeds 10% of the Participant's adjusted gross income); or***

(g) ***expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Pub. L. 100-707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.***

For purposes of subsections (a), ***(b) and (e)*** above a dependent of a Participant shall mean a dependent as defined in Code §152 without regard ***to Code §152(d)(1)(8), and "Primary Beneficiary under the Plan" shall mean an individual who, on or before the date the request for distribution due to hardship is submitted to the Plan, is named as a beneficiary of the Participant on the records of the Plan and who, if the Participant were to decease on that date, would have an unconditional right to all or any portion of the balance in the Participant's Account under the plan.***

5. Section 18.2(c) is amended by adding the following at the end thereof:

Effective as of January 1, 2021, all contributions to the Employer Matching Contribution Account made on or after that date shall be made in cash only and shall be invested exclusively in the General Investments Account.

Except as otherwise provided herein, this Seventh Amendment shall be effective as of the Plan Year commencing January 1, 2020, and shall apply for all Plan Years commencing on and after that date. In all other respects, the Plan is ratified and approved.

IN WITNESS THEREOF, the Zions Bancorporation, N.A. Benefits Committee by its authorized representative has caused this Seventh Amendment to the Plan to be duly executed as of the date first above written

ZIONS BANCORPORATION, N.A. BENEFITS COMMITTEE

By: ___/s/ Paul Burdiss______________________________

Name: _____Paul Burdiss_____________________________

Title: ___Chief Financial Officer__ _____________________

EXHIBIT 10.37

FOURTH AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND ZIONS BANCORPORATION

THIS fourth AMENDMENT, dated and effective as of the first day of October, 2014, by and between Fidelity Management Trust Company (the "Trustee") and Zions Bancorporation (the "Sponsor");

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Trust Agreement dated July 3, 2006, with regard to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan (the "Plan"); and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 13 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Restating Section 6(c), Inspection and Audit, in its entirety, as follows:

(c) Inspection and Audit

The Trustee will provide to auditors (including third-party auditors and Sponsor's internal audit staff) as Sponsor may designate in writing, access to any Trustee owned or managed facility at which the services are being performed, to appropriate Trustee management personnel, and to the data and records (and other documentation reasonably requested by the Sponsor) maintained by the Trustee with respect to the services solely for the purpose of examining (i) transactional books and records maintained by the Trustee in order to provide the services, (ii) documentation of service level performance, and (iii) invoices to the Sponsor. Any such audits will be conducted at the Sponsor's expense. The Sponsor and its auditors will first look to the most recent Service Organization Control I Report Type II ("Type II SOC"), formerly referred to as a Service Auditor's Report or SAS 70 Report, before conducting further audits. Type II SOC reports will be issued by the Trustee or its affiliate's independent public accounting firm in accordance with Statement on Standards for Attestation Engagements No. 16 ("SSAE 16"), Reporting on Controls at a Service Organization, or superseding standards set forth by the American Institute of Certified Public Accountants. Excepting audit requests from governmental or regulatory agencies, if a matter is not covered in such Type II SOC, then the Sponsor will provide the Trustee not less than ninety (90) days prior written notice of an audit and will provide a proposed detailed scope and timeframe of the audit requested by the Sponsor to the Trustee in writing at least sixty (60) days prior to date of the audit. The Sponsor and its auditors will conduct such audits in a manner that will result in a minimum of inconvenience and disruption to the Trustee's operations. Audits may be conducted only during normal business hours and no more frequently than annually unless otherwise required as a matter of law or for compliance with regulatory or contractual requirements. Any audit assistance provided by the Trustee in excess of thirty-five audit hours per annum shall be provided on a fee-for-service basis. The Sponsor will reimburse the Trustee for any out of pocket expenses incurred by the Trustee in connection with an audit conducted pursuant to this section. The Sponsor and its auditors will not be entitled to review or audit (i) data or information of other customers or clients of the Trustee, (ii) any of Trustee's proprietary data, or (iii) any other Confidential Information of the Trustee that is not relevant for the purposes of the audit. The Sponsor and its auditors will not be entitled to logical access to the Trustee's networks and systems, nor unrestricted physical access to Trustee's facilities and personnel. Reviews of processes, controls, and support documentation will be facilitated with appropriate Trustee's personnel. The Trustee will use commercially reasonable efforts to cooperate in the audit, will make available on a timely basis the information reasonably required to conduct the audit and will assist the designated employees of the Sponsor or its auditors as reasonably necessary. To the maximum extent possible, audits will be designed and conducted (in such manner and with such frequency) so as not to interfere with the provision of the services. The Sponsor will not use any competitors of the Trustee (or any significant subcontractor of Trustee under this Agreement) to conduct such audits. The auditors and other representatives of the Sponsor will execute and deliver such confidentiality and non-disclosure agreements and comply with such security and confidentiality requirements as the Trustee may reasonably request in connection with such audits.

(2) Amending Section 7, Compensation and Expenses, by replacing the first paragraph in its entirety with the following:

Sponsor shall cause the Plan to pay or shall itself pay to Trustee, within thirty (30) days of receipt of the Trustee's bill, the fees for services in accordance with Schedule B. Fees for services are specifically outlined in Schedule B and are based on all of the assumptions identified therein. The Trustee shall maintain its fees for five years; provided, however, in the event the Plan characteristics referenced in the assumptions outlined in Schedule B change significantly by either falling below or exceeding current or projected levels, such fees may be subject to revision, upon mutual renegotiation. To reflect increased operating costs, Trustee may once each calendar year, but not prior to October 1, 2019, amend Schedule B without the Sponsor's consent upon one hundred eighty (180) days prior notice to the Sponsor.
Any overcharge by the Trustee, or underpayment of fees or expenses by the Sponsor that is the result of a good-faith fee dispute, shall bear interest until paid by the appropriate party with such interest determined by calculating the average of the prime rates reported in the Wall Street Journal from the date of overpayment or underpayment until such corrective payment is made by the appropriate party. Any underpayment of fees or expenses by the Sponsor that is not the subject of a good-faith fee dispute shall bear interest until paid at the rate of the lesser of (i) 1½% per month, or (ii) the maximum amount permitted by law.

(3) Amending to add a new Section 22, Use of Omnibus Accounts, as follows:

Section 23. Use of Omnibus Accounts.

Notwithstanding any other provisions of this Agreement, Sponsor understands, acknowledges and agrees that, (i) the Trustee utilizes omnibus accounts at unaffiliated banks to facilitate transactions for the defined contribution plans it services and commingles funds in transit to or from the Plan, including other funds similarly in transit to or from other plans and (ii) if markets permit, omnibus account balances may be invested in short-term investments with the aim of earning a rate approximating the Target Federal Funds Rate and/or money market rates (such earnings are referred to as “float earnings”); and (iii) the Trustee will use these earnings to pay bank fees associated with the above-referenced defined contribution plan transactions and make other required adjustments and will retain any float earnings that exceed such fees and adjustments as compensation for its services. The Trustee shall pay bank fees to the extent they exceed float earnings.

The amount of float earnings generated depends on market conditions, as well as on the length of time that funds are held in the omnibus accounts. The following time frames apply with respect to funds held in these accounts:

- If contributions and instructions to purchase investment options are received by the Trustee In Good Order before the close of trading, the Trustee executes transactions in the investment options as of that day’s closing price (the “transaction date” or “T”). Contributions are held in the omnibus account until the following business day (“T+1”) for the vast majority of investment options. For share accounted company stock transactions, contributions may be held in the omnibus account until T+3.

- Instructions to exchange investment options received by the Trustee In Good Order before the close of trading are processed in that day's nightly cycle. For the vast majority of investment options, exchanges generate no overnight balances, as money is received from one investment option and conveyed to another investment option on the same business day. The limited exceptions to this would occur if investment options have different settlement rules and Fidelity Management Trust Company serves as trustee of the Plan, in which case balances attributable to the exchange may remain in an omnibus account for a few days.

- Instructions to make disbursements received In Good Order before the close of trading are processed in that day's nightly cycle and reflected as debits from participant accounts as of that date ("T"). Proceeds attributable to the disbursement are received into the omnibus account based on the settlement period for the investment options, which in the substantial majority of investment options is T+1. After the deduction of tax withholding, if applicable, disbursements are typically made on T+2 or T+3 either through electronic funds transfers or by mailing a check. Disbursement proceeds distributed by check, net of any tax withholdings, remain in the omnibus account until the check is presented for payment.

Neither the Sponsor nor the Plan shall be liable for any diminution in the value of such overnight investments. Provided that the Sponsor has provided timely funding, neither the Sponsor nor the Plan shall be responsible for any failure to settle or clear from such omnibus accounts any proper or timely trade or disbursement if such failure results from a decrease in the value, or temporary inaccessibility of funds attributable to either the use of a specific bank or the overnight investment of balances from such accounts.

(3) Restating Schedule B, Fee Schedule, in its entirety, as attached herein.

(4) Amending to add Schedule B-1 as attached hereto.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Fourth Amendment to be executed by their duly authorized officers effective as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this document on behalf of the respective parties. Notwithstanding any contradictory provision of the agreement that this document amends, each party may rely without duty of inquiry on the foregoing representation.

ZIONS BANCORPORATION FIDELITY MANAGEMENT TRUST COMPANY

By: /s/ Diana Andersen 12/5/2014 By: /s/ Greg Gardiner 12/5/2014
Authorized Signatory Date FMTC Authorized Signatory Date

Schedule B – Fee Schedule

Core Fees	Annual Administration
This annual fee is prorated and billed quarterly. The annual fee applies to any record with a balance greater than zero ($0) in the plan at any time during the calendar year. This includes the remainder of the year in which a final distribution is made.	**$55 per participant**

Transaction Fees	Fee	Per
Loan Initiation	$100	Loan Initiated
Loan Maintenance Fee	$0	Per Quarter
In-Service Non Hardship Withdrawals	$20	Check/EFT
Return of Excess Contributions/Deferrals	$25	Check/EFT
Mailing Documents/Checks via Overnight Service	$25	Item
Minimum Required Distributions	$25	Check/EFT

Ongoing Communication and Education	Fixed Dollar Model
Fidelity's personalized, comprehensive employee experience program delivered directly to your participants via their preferred channel including print, e-mail, web, and phone: 1. Multi-Touch Enrollment 2. Onboarding Program 3. Needs-Based Workplace Campaigns 4. Needs-Based Life Stage Messaging Campaigns 5. Educational campaigns for retirees and job changers Associated postage is included.	Included
Custom materials development (including graphic design, typesetting, writing, layout, video production and language translation)	Fee for Service
Print, Fulfillment and Distribution for custom communications	Fee for Service
Postage for Custom Communications	Pass Through

Fidelity Participant Disclosure Service - 404a-5 Disclosure Program • *Develop and Distribute initial and annual notices at client direction to assist with compliance of 404a-5 upon effective date. Notice available via print or eDelivery (in accordance with DoL eDelivery rules)* • *Develop and distribute custom notices related to changes in participant and/or transaction fees at client direction to assist with compliance of 404a-5 upon effective date. Notice available via print or e-delivery (in accordance with DOL e-delivery rules).*	Development: Included Distribution: Included Development: Fee-for-Service Distribution: Pass Through
Employee Meetings Days On Site (up to 4 meetings per day) Note: Subject to the cancellation and minimum attendance policy.	3 days included with additional days available for $1,800 per day
Live Plan Specific Web Workshop Sessions Note: Subject to the minimum attendance policy.	3 sessions included with additional sessions available for $400 per session
Online, On Demand, Plan Specific pre-recorded webcasts	2 recordings included with additional recordings available for $900 per recording with unlimited viewings
Standard Universal Live and Recorded Web Workshops	Included
Educational content on-line including e-learning, Fidelity Viewpoints® - Workplace Edition Magazine online, educational articles and calculators, and plan level information	Included
One-on-one, On-site Meetings, including scheduled appointments on the same day as the on-site employee group meetings and scheduled appointments on separate days that are targeted to pre-retirees	Included
Retirement Transition Services helps employees age 50+ make the health and wealth decisions that are right for them so they can successfully transition into the next phase of life. Delivered through live guidance, online planning tools, and targeted education.	Included
Communications Effectiveness Scorecard	Included

Fidelity Management Trust Company (FMTC) Services	
Core Trustee Services *Assets Subject to Review and Approval*	Included

Company Stock Administration	
Real Time Stock Trading Administration	Waived
Company Stock Dividend Pass Through	\$3 per EFT \$6 per Check Reinvest is Included
Full Proxy Services Administration, Mailing, and Tabulation	Pass Through
Full File on Shareholders for External Proxy Services	Included

Company Stock Trading Commission	**Fee**	**Per**
Real Time Trading	\$0.029	Per Buy/Sell Share

Stock Administration Services are not available to clients using a third party Trustee.

Fee quotes assume that all trades to be executed by Fidelity Capital Markets (“Capital Markets”), a division of National Financial Services LLC. The Real Time and Share Accounted products require the use of Capital Markets.

Please note: The SEC requires all firms to charge an SEC fee of \$22.10 per \$1,000,000 on all executed sell orders. This fee may change and the last change to the fee became effective 3/18/2014.

Recordkeeping of Externally Managed Investment Options Assumes Fidelity receives a daily NAV net of management fees, in accordance with Fidelity's operational requirements. If Fidelity is required to calculate the NAV, please refer to FMTC Services Section.	Included
Special Projects	
Fulfilling a client-specific request that is not included in the services as documented in the assumptions herein, and any scope and/or service documents which Fidelity has provided or provided a response. Examples include: • Plan and program changes • Change in scope of existing services as documented in directions documents describing the services • Client-specific processing requested as an alternative to Fidelity's standard solution, including any additional resources to support said non-standard solution (e.g. change to data feeds, special offering windows, and procedural changes) • Support of Corporate Actions. Examples include reorganization, layoff, mergers, acquisitions and divestitures • Custom communications development	$175/hour
Travel and related expenses for Special Projects	Pass Through

OPTIONAL SERVICES

QDRO Qualifications	
Web review of one defined contribution order generated on the Fidelity QDRO website and not materially altered.	$300 each
Manual review of one defined contribution plan mentioned in an order that was not generated on the QDRO website or was generated on the website, but materially altered	$1,200 each
Manual review of a combination of any two or more defined contribution plans mentioned in an Order.	$1,800 each

Regulatory	Fixed Dollar Model
Form 5500 Reporting and Preparation Services	Included
SAR preparation	Included
SAR production, distribution and postage	Pass Through

Nondiscrimination Testing: Safe Harbor Package included

Package Election	<1,000 parts	1,001 – 10,000 parts	10,001 – 25,000 parts	25,001 – 50,000 parts	>50,001 parts
Safe Harbor	Included	Included	Included	Included	Included

Fees are applied based upon the number of employees who are eligible to participate (regardless of whether they are actively contributing) in the Plan being tested at the time the plan signs up for service. It is a flat, recurring fee. If testing is required for more than one plan of an employer, a fee will be charged for each plan based on the number of employees eligible to participate in each additional plan.

Please note that if a plan is sponsored by unrelated Employers (Multiple Employer Plan) for whom separate testing is required, additional testing fees will apply based on the number of separate tests required.

In addition to the fees stated above, a fee of $100 per hour will be billed for the review of incorrect or incomplete data supplied by the Employer and to the correction or manipulation of plan data by Fidelity personnel. If the Plan Sponsor submits multiple data files, a $100 fee will be applied for each additional data file.

* Safe-harbor plan fees quoted above apply to plans that are exempt from all ADP and ACP testing. The Comprehensive or Basic Packages will apply to plans that are required to perform any ADP or ACP testing (example: ACP testing on employee after-tax contributions).

Note: If ADP and ACP testing is not required for your plan and you wish to only have 402(g) testing performed, the Safe Harbor Plan fees will apply.

The table below includes a description of each package type and the services provided with each.

Please note that 414(s) Compensation Testing, 401(a)(4) Benefits, Rights and Features Testing, 401(a)(4) General Testing, and 410(b) Average Benefits Testing may not be required for your plan. Please consult with your legal counsel to determine if such testing is necessary for your plan.

Type of Tests Included With Each Package												
Package Type	ADP	ACP	*402(g)	415	Minimum Coverage	Top Heavy	Proj Test	QNEC Calc	* Gen Test	* BRF Test	Comp Test	* ABT Test
Safe Harbor Package			P	P	P	P						

* Restrictions apply to the election(s) of these additional testing services.

- 402(g) Testing – Testing & Reporting Services (TRS) will not complete a 402(g) test for off calendar plans.
- General Testing and Average Benefits Testing – all plans involved in the testing must be at Fidelity for TRS to perform.
- Benefits, Rights and Features Testing – TRS will only complete this test as it pertains to each rate of matching contribution contained within the terms of the plan(s) and the plan must also be signed up for Minimum Coverage Ratio Percentage Testing.
- Top Heavy Testing – TRS will not perform Top Heavy Testing for each unrelated employer.
- Safe Harbor plans – this service can only be elected if the plan does not have an After-Tax feature in the plan and does not have special eligibility provisions for the matching contribution. If they do, the plan will have to elect either the Comprehensive or Basic package.

QNEC Calculations will only be done at the Plan Sponsor's request.

Plan Type and Name

	Plan Name	Plan Type
Defined Contribution	Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan	Qualified

Plan Information

	Total
Total Participants	13,762
Plan Assets as of 06/30/2014	$854 m

General Proposal Assumptions

General	The following is not included in the per-participant or per-employee fees quoted, unless specifically stated. Fees for such work will be based on scope and complexity. • Fidelity’s agreement to modify standard Fidelity manual or automated processes, as well as systems development to accommodate specific client administrative needs • Systems development effort necessary to accommodate specific client administrative or plan needs unless specifically noted. • Integrating new policies, plan rules, or employee groups resulting from mergers, acquisitions, terminating plans or divestitures.
Ongoing Assumptions	• Sponsor will provide an annual schedule for payroll file transmissions. • Files to be received weekly or bi-weekly • Sponsor will provide all required information for transfers coming into the plan in the Fidelity format.
Service Model Assumptions	• Fidelity's standard services to be delivered, unless specifically stated otherwise • Sponsor is a single entity with respect to all products and services offered by Fidelity

Investment Assumptions

- Previous Year Net Cash Flow (year ending 12/31/2013) = $13.5M
- The availability of any non-Fidelity investment options depends upon completion of a contractual operational arrangement between Fidelity and such non-Fidelity fund vendor.
- Custom strategy or non-40 act funds will require a fund description provided to Fidelity by either Sponsors consultant or non-Fidelity vendor 90 days prior to the fund live date.
- Some funds carry a short-term trading fee on shares held less than the period specified in the prospectus. Please note that any short-term trading fee is paid to the fund for the benefit of the shareholders, not Fidelity. Please refer to the prospectus.

This Schedule of Fees is based upon Sponsors current defined contribution, the current services as performed by Fidelity, unless specified otherwise, and the assumptions contained within this document.

Fidelity shall maintain its fees for Defined Contribution for a period of five years beginning with effective date of this amendment. However, in the event Fidelity demonstrates that any or all of the assumptions outlined in this document have changed by more than ten percent (10%) or are materially inaccurate, such fees are subject to renegotiation.

Legal and Regulatory

The fees contained herein are based on the regulatory and legal environment in effect at the time of this proposal. Changes to the legislative and/or regulatory environment, occurring after such date, which would impact the services to be provided, may result in additional fees to support Sponsors defined contribution services.

Definitions

Defined Contribution

Participant Record

All records with a balance greater than zero ($0) in the plan at any time during the calendar year. This includes the remainder of the year in which a final distribution is made.

OFFSETS FROM NET FLOAT.

The Annual Administration Fee, billed and payable quarterly, will be subject to offsets attributable to float. Net float earnings attributable to the Plan for each quarter beginning after the last date on which a party hereto executes this amendment.

Any remaining balance after the application of the net float offsets to the Annual Administration Fee shall be due and payable to the Trustee.

PARTICIPANT REVENUE CREDIT

A. Calculation. The Trustee shall fund a Participant Revenue Credit each quarter, beginning with the quarter beginning after the last date on which a party hereto executes this amendment, calculated as the sum of the following:

1. Credits attributable to Fidelity investment products:
   Average quarterly balances held in the Plan of Fidelity investment products multiplied by one-quarter (1/4) of the following rates respectively:

   (a) Actively managed (non Class K) Fidelity equity Mutual Funds: 35 basis points per annum;
   (b) Actively managed (non Class K) Fidelity Freedom® Funds: 35 basis points per annum;
   (c) Actively managed (Class K) Fidelity equity Mutual Funds: 20 basis points per annum;
   (d) Fidelity Freedom® K Funds: 20 basis points per annum;
   (e) Fidelity Enhanced Equity Index Funds: 10 basis points per annum;
   (f) Actively managed Fidelity fixed income and money market Mutual Funds, except for certain Fidelity institutional money market Mutual Funds (e.g. FIMM Funds): 20 basis points per annum;
   (g) Actively managed Fidelity and Pyramis commingled pools (excluding all stable value commingled pools): 10 basis points per annum;
   (h) Managed Income Portfolio I: 20 basis points per annum.

2. Credits attributable to BrokerageLink®:
   No credits are available for assets held in BrokerageLink®.

B. Allocation. The Participant Revenue Credit shall be allocated to Eligible Participants (defined below) as follows:

1. Crediting Date: Participant Revenue Credits shall be allocated to the accounts of Eligible Participants as soon as administratively feasible (generally within 15 business days) after a quarterly recordkeeping invoice has been prepared and sent.

2. Allocation Method: Allocations shall be made to Eligible Participants pro rata based on the ratio of each Participant's balance in the fund to the total average daily balances for all Eligible Participants in such fund. The Allocations will be used to purchase whole and fractional shares of the investments in the Eligible Participant

Accounts. In the event a residual amount is insufficient to purchase a fractional share it will not be funded.

3. **Eligible Participants: An Eligible Participant for any quarter's allocation shall be any Participant or Beneficiary with a Fidelity Account balance greater than zero.**

4. **Directions: In allocating to Eligible Participants, the Trustee shall follow directions attached as Schedule B-1.**

12b-1 PROVISIONS

A. 12b-1 Provisions. To the extent any Participant Revenue Credits or Revenue Credits described above are deemed to be attributable to investments in Fidelity Mutual Funds that have adopted a plan pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("1940 Act") at the time such Participant Revenue Credits or Revenue Credits are made, such Participant Revenue Credits or Revenue Credits shall be made available pursuant to such plan ("12b-1 Payments"), and the following conditions shall apply:

1. The obligation to make 12b-1 Payments shall continue in effect for one year from the Effective Date of this amendment, and shall continue for successive annual periods only upon at least annual approval by a vote of the majority of the Trustees for each of those Fidelity Mutual Funds that have adopted such plans, including a majority of those Trustees that are not "interested persons" (as defined in the 1940 Act) of such Mutual Funds and who have no direct or indirect financial interest in the operation of the plan or any agreement related thereto ("Qualified Trustees").

2. Notwithstanding any provision hereof to the contrary, the obligation to make these 12b-1 Payments with respect to any plan may be terminated without penalty at any time, upon either a vote of a majority of the Qualified Trustees, or upon a vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the applicable Fidelity Mutual Fund to terminate or not continue the plan for the applicable Fidelity Mutual Fund.

3. Upon assignment of this Agreement, the obligation to make 12b-1 Payments shall automatically terminate.

Schedule B-1

DIRECTIONS GOVERNING PARTICIPANT REVENUE CREDIT FUND LEVEL ALLOCATIONS

The Named Fiduciary or Administrator hereby directs as follows:

1. Upon allocation to Participant accounts, Participant Revenue Credits shall be invested in the fund to which the Participant Revenue Credit relates, and allocated proportionally to the sources associated within such fund for each Participant.

2. To the extent that Fidelity performs testing, it shall not include Participant Revenue Credits as a contribution for any testing or reporting purpose.

The Trustee shall be responsible for implementing the Directions provided above, but has no responsibility for the legality or appropriateness of such Directions. The Sponsor may alter these Directions at any time with reasonable advance notice and after consultation concerning the administrative feasibility of alternative Directions.

Named Fiduciary

By: /s/ Diana Andersen

Name: Diana Andersen

Title: EVP & Corporate HR Benefits Director

Date: 12/5/2014

EXHIBIT 10.38

**FIFTH AMENDMENT TO TRUST AGREEMENT BETWEEN
FIDELITY MANAGEMENT TRUST COMPANY AND
ZIONS BANCORPORATION**

THIS fifth AMENDMENT, effective as of the first day of October, 2014, by and between Fidelity Management Trust Company (the "Trustee") and Zions Bancorporation (the "Sponsor");

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Trust Agreement dated July 3, 2006, with regard to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan (the "Plan"); and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 13 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Amending the "Participant Revenue Credit" section of Schedule "B", Fee Schedule, to restate subsection A. Calculation, in its entirety, to read as follows:

A. Calculation. The Trustee shall fund a Participant Revenue Credit each quarter, beginning with the quarter beginning after the last date on which a party hereto executes this amendment, calculated as the sum of the following:

1. Credits attributable to Fidelity investment products:

Average quarterly balances held in the Plan of Fidelity investment products multiplied by one-quarter (1/4) of the following rates respectively:

(a) Actively managed (non Class K) Fidelity equity Mutual Funds: 35 basis points per annum;
(b) Actively managed (non Class K) Fidelity Freedom® Funds: 35 basis points per annum;
(c) Actively managed (Class K) Fidelity equity Mutual Funds: 20 basis points per annum;
(d) Fidelity Freedom® K Funds: 20 basis points per annum;
(e) Fidelity Enhanced Equity Index Funds: 10 basis points per annum;
(f) Actively managed Fidelity fixed income and money market Mutual Funds, except for certain Fidelity institutional money market Mutual Funds (e.g. FIMM Funds): 20 basis points per annum;
(g) Actively managed Fidelity and Pyramis commingled pools (excluding all stable value commingled pools): 10 basis points per annum;

(h) Managed Income Portfolio I: 20 basis points per annum.

2. **Credits attributable to Non-Fidelity investment products:**
Average quarterly balances held in the Plan of non-Fidelity investment products multiplied by the quarterly rate that the non-Fidelity vendor has agreed to use to determine payments to FIIOC.

3. Credits attributable to BrokerageLink®:
No credits are available for assets held in BrokerageLink®.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Fifth Amendment to be executed by their duly authorized officers effective as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this document on behalf of the respective parties. Notwithstanding any contradictory provision of the agreement that this document amends, each party may rely without duty of inquiry on the foregoing representation.

ZIONS BANCORPORATION   FIDELITY MANAGEMENT TRUST COMPANY

By: /s/ Diana Andersen 12/19/2014   By: /s/ Greg Gardiner 12/19/2014
Authorized Signatory Date   FMTC Authorized Signatory Date

EXHIBIT 10.39

SIXTH AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND ZIONS BANCORPORATION

THIS SIXth AMENDMENT, dated and effective as of the seventeenth day of August, 2015, by and between Fidelity Management Trust Company (the "Trustee") and Zions Bancorporation (the "Sponsor");

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Trust Agreement dated July 3, 2006, with regard to the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan (the "Plan"); and

WHEREAS, the Trustee's address has changed to 245 Summer Street, Boston, MA 02210, and the parties wish to amend the Agreement to reflect the same; and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 13 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Amending Section 5(a), Selection of Investments or Investment Options, by restating as follows:

(a) Selection of Investment Options or Portfolio Advisory Service®.

The Trustee shall have no responsibility for the selection of investment options under the Trust or the decision to offer Portfolio Advisory Service®, and shall not render investment advice to any person in connection with the selection of such options or service. The parties acknowledge that the Sponsor is capable of evaluating investment risks independently. The Sponsor affirms that at all times all decisions concerning the plan's investment line-up or its investment strategies, including, but not limited to, evaluations of information provided by Trustee or its affiliates, shall be made by exercising independent judgment.

"Portfolio Advisory Service®" shall mean Fidelity Portfolio Advisory Service® at Work, a discretionary investment management service provided by Strategic Advisers in accordance with the investment management agreement as attached, to eligible Participants who elect the service. "Strategic Advisers" shall mean Strategic Advisers, Inc., an affiliate of the Trustee, and a registered investment adviser, or its successors or assigns.

(2) Amending Section 5(c), Participant Direction, by restating as follows:

(c) Participant Direction.

As authorized under the Plan, each Participant shall direct the Trustee in which investment option(s) to invest the assets in the Participant's individual accounts, or shall direct the Trustee to invest such Participant's individual accounts among the Plan's available investment options in accordance with investment directions provided by Strategic Advisers under Portfolio Advisory Service®. In the event the Participant elects to participate in Portfolio Advisory Service®, he or she may not exercise investment direction over his or her Plan account (except for assets held in Sponsor Stock) until his or her participation in such Portfolio Advisory Service® has terminated. Investment directions may be made by Participants by use of the telephone exchange system, the internet, or in such other manner as may be agreed upon from time to time by the Sponsor and the Trustee. Participant direction to participate in Portfolio Advisory Service® (or to cease such participation) shall be made by use of the telephone exchange system, or in such other manner as may be agreed upon from time to time by the Sponsor and the Trustee. Any direction from Participants contemplated by this paragraph shall be made in accordance with the fund exchange provisions set forth in the Plan Administration Manual. The Trustee shall not be liable for any loss or expense that arises from a Participant's exercise or non-exercise of rights under this Section 5 over the assets in the Participant's accounts. In the event that the Trustee fails to receive a proper direction from the Participant, the assets shall be invested in the investment option set forth for such purpose on Schedule "C", until the Trustee receives a proper direction.

(3) Amending Section 5(d)(i), Execution of Purchases and Sales, by restating as follows:

(i) Execution of Purchases and Sales of Mutual Funds

Purchases and sales of Mutual Funds (other than for exchanges) shall be made on the date on which the Trustee receives from the Administrator In Good Order all information, documentation and wire transfer of funds (if applicable), necessary to accurately effect such transactions. Exchanges of Mutual Funds pursuant to Participant request shall be processed in accordance with the fund exchange provisions set forth in the Plan Administration Manual.

(4) Amending Section 5, Investment of Trust, to add a new subsection (i), as follows:

(i) Portfolio Advisory Service®.

(i) This section is intended to authorize appointment of an investment manager as contemplated in Section 402(c)(3) of ERISA. The Sponsor may appoint an investment manager, and, pursuant to the agreement in the Schedule titled "Investment Management Agreement", the Sponsor has so appointed Strategic Advisers with respect to assets held in the individual Plan accounts of participants enrolled in Portfolio Advisory Service®. That appointment extends only to Managed Assets, as defined below. Trustee will implement the addition of Portfolio Advisory Service® on August 17, 2015. In the event the implementation date above is no longer reasonably

practicable, the parties will establish another date for implementation.

(ii) Managed Assets shall be comprised of those assets held in or contributed to the individual plan accounts of eligible Participants (other than Sponsor Stock) from whom the Trustee or its agent has received In Good Order an election to participate in the Portfolio Advisory Service®, and whose participation has not been terminated in accordance with subparagraph (iv). All Participants are eligible for Portfolio Advisory Service®. In order to be eligible for the service, a Participant must have a Plan account balance equal to or greater than an amount as the Trustee and Strategic Advisers may determine in their sole discretion. Participants who hold non-traditional investment options in their Plan account, such as self-directed brokerage assets, are ineligible for the service until such holdings are liquidated.

(iii) Purchases and sales of investment options initiated by Portfolio Advisory Service® shall be governed by the operating guidelines set out in the Schedule titled "Operating Guidelines for Investment Options Exchanges -Portfolio Advisory Service®".

(iv) For so long as Portfolio Advisory Service® is offered, Strategic Advisers' authority with respect to Managed Assets shall begin when Fidelity has confirmed receipt of an election In Good Order from an eligible Participant who has elected to participate in the service (and in the case of plans or portions thereof transferring to Fidelity recordkeeping services, at the conclusion of the Participant Recordkeeping Reconciliation Period). Strategic Advisers' authority with respect to Managed Assets shall end with respect to a Participant when (A) the Participant terminates his or her election to participate in Portfolio Advisory Service®; (B) Managed Assets are withdrawn (through loan, withdrawal or distribution) or otherwise transferred out of the Participant's account for any reason (but only to the extent of such withdrawal or transfer); (C) the Participant's account is transferred to another plan; (D) Strategic Advisers receives notice from the Trustee or its agent of a Participant's death, after the Trustee or its agent has been so notified; (E) Strategic Advisers notifies a Participant that the Participant is no longer eligible for the service, or that it will no longer provide the service to such Participant for any reason; (F) when the Plan's Named Fiduciary directs Strategic Advisers to discontinue its service to any Participant (whether through termination of Strategic Advisers as investment manager with respect to Portfolio Advisory Service®, or otherwise); or (G) when an affiliate of the Trustee ceases to provide recordkeeping services for the Plan. A Participant's termination of his or her election to participate in Portfolio Advisory Service® shall be effective immediately after the Trustee confirms receipt of such

election, provided that if confirmation is received after market close and one or more exchange transactions initiated by Strategic Advisers are pending for processing in the nightly cycle for such date, such exchanges shall be processed as of the market close on such date.

(v) The Managed Assets shall be identified on the books and records of the Trust separately from all other assets held by the Trustee under this Agreement. Strategic Advisers shall have the duty and power to direct the Trustee and its affiliates as to the investment of Managed Assets among available investment options, in accordance with governing investment guidelines, but shall have no authority with respect to the exercise of shareholder rights such as voting, or other rights that arise out of the Trust's ownership of certain securities, such as the right to participate in bankruptcy or other litigation. The Trustee shall follow the direction of Strategic Advisers or its agent regarding the investment and reinvestment of the Managed Assets. The Trustee shall have no authority or responsibility to review, question or countermand any instruction provided by Strategic Advisers to it, unless it has knowledge that by its action or failure to act, it will be participating in or undertaking to conceal a breach of fiduciary duty by Strategic Advisers.

6. The Trustee may execute such documents and powers of attorney as may be necessary to authorize Strategic Advisers or its agents, to exercise the investment management duties of Strategic Advisers.

7. It is acknowledged that the Strategic Advisers may appoint as its agent any entity, including FIIOC that is also used by the Trustee in performing its duties hereunder.

8. Neither the Trustee nor its affiliates performing recordkeeping and administrative services for the Plan shall have any obligation to provide any information concerning an enrolled Participant to Strategic Advisers (including, without limitation, any holdings of such Participant outside of the assets allocated to Portfolio Advisory Service®), provided, however, that the Trustee and such affiliates shall be obligated to notify Strategic Advisers of an event terminating some or all of its management responsibilities for enrolled Participants.

(ix) A Participant may elect to participate in Portfolio Advisory Service® by enrolling via the internet, by completing a paper enrollment form, via telephone, or by other means as agreed to by the Sponsor and the Trustee. After the conclusion of any Participant Recordkeeping Reconciliation Period, exchanges shall be made at the NAV next calculated after a Participant has provided In Good Order all information necessary for the service to determine an appropriate target asset mix and model portfolio, and the receipt of his or her election to participate in

Portfolio Advisory Service® has been confirmed. A Participant may elect to terminate participation in Portfolio Advisory Service® via telephone, the internet, or such other means agreed to by the Sponsor and the Trustee and such termination shall be effective immediately when the Trustee confirms receipt of such instruction, provided that if any exchange transactions are pending at the time the Participant elects to terminate the service, the pending transactions shall be processed at the market close on such date unless the Participant requests cancellation of such transactions. In the absence of such pending transactions, upon completion of unenrollment process of his or her participation in the Portfolio Advisory Service®, a Participant may request exchanges immediately, and such transactions shall be implemented in accordance with the guidelines set forth in the Plan Administration Manual for such investment option. For so long as a Participant participates in Portfolio Advisory Service®, he or she may not make exchanges in his or her account (except for exchanges related to Sponsor Stock).

(x) The Named Fiduciary may direct the Trustee in writing to automatically enroll some or all of the Participants into Portfolio Advisory Service®. If the Named Fiduciary directs the Trustee to automatically enroll any or all of the Participants into Portfolio Advisory Service®, the Trustee shall re-direct contributions to the Plan accounts of such Participants, and shall re-allocate existing account balances of such Participants, among the Plan's available investment options in accordance with the investment directions provided by Strategic Advisers unless or until the Participant opts out of Portfolio Advisory Service®. Assets held in or contributed to the accounts of a Participant who has been automatically enrolled in the Service pursuant to the Named Fiduciary's direction shall be Managed Assets as described in (ii) above, subject to investment direction by Strategic Advisers until such time as the Participant opts out of participation in Portfolio Advisory Service® and so notifies the Trustee. Participant direction to opt out of Portfolio Advisory Service® may be made via the telephone, the internet or in such other manner as may be agreed to from time to time between the Named Fiduciary and the Trustee. Upon receipt and processing of a Participant's election to opt out of Portfolio Advisory Service®, the Trustee shall thereafter invest the Participant's accounts among the investment options under the Plan in accordance with the Participant's investment instructions. A Participant's election to opt out of enrollment in Portfolio Advisory Service® shall be effective immediately after the Trustee confirms receipt of such election, provided that if confirmation is received after market close on a Business Day and one or more exchange transactions initiated by Strategic Advisers are processing in the nightly cycle for such date, such exchanges shall be processed as of the market close of the next Business Day.

(5) Restating Section 11, Resignation, Removal, and Termination Notices, in its entirety, to read as follows:

Section 11. Resignation, Removal, and Termination Notices.

All notices of resignation, removal, or termination under this Agreement must be in writing and mailed to the party to which the notice is being given by certified or registered mail, return receipt requested, to the Sponsor c/o Corporate Benefits Director, One South Main Street, Suite 600, Salt Lake City, Utah, 84111, and to the Trustee c/o Fidelity Workplace Services LLC, PWI Risk & Compliance, 245 Summer Street, V7B, Boston, Massachusetts 02210, or to such other addresses as the parties have notified each other of in the foregoing manner.

(6) Adding a new Section 23, Investment Management Communications, as follows:

Section 23. Investment Management Communications.

Notwithstanding any provision of the Agreement to the contrary, Sponsor hereby authorizes the Trustee and affiliates of the Trustee, throughout the term of this Agreement and any extensions thereto, to provide Participants with communications related to workplace and/or personal investment management products or services. The Trustee and affiliates of the Trustee may use for such purpose any information received hereunder or otherwise related to the Plan or Sponsor; all such information collected or used shall be treated in accordance with Fidelity Investments' privacy policy.

(7) Amending Schedule "B", Fee Schedule, to add the following:

Portfolio Advisory Service®

The fees for Portfolio Advisory Service® are set forth in the Investment Management Agreement Schedule.

Unless paid by the Sponsor or deducted from the Plan pursuant to alternative, valid direction from the Plan's Named Fiduciary, the quarterly fees for Portfolio Advisory Service® applicable to each Participant will be calculated, based on a Participant's daily balances for all days not previously billed, generally on the 25th day (or next available Business Day) of the final month of the Participant statement cycle quarter. The Trustee shall redeem investments in the amount of such fee pro rata from the investment options in the electing Participant's Plan account on the Business Day following the fee calculation. This amount will be noted on the Participant's statement. In the event a Participant's participation in the service is terminated before the end of a quarter, the fee will be prorated based on the number of days the account was managed during the quarter. Failure to deduct fees shall not constitute a fee waiver.

(8) Adding the Schedule titled "Operating Guidelines for Investment Options Exchanges -Portfolio Advisory Service®", as attached hereto.

(9) Adding the Schedule titled "Operating Management Agreement", as attached hereto.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Sixth Amendment to be executed by their duly authorized officers effective as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this document on behalf of the respective parties. Notwithstanding any contradictory provision of the agreement that this document amends, each party may rely without duty of inquiry on the foregoing representation.

ZIONS BANCORPORATION FIDELITY MANAGEMENT TRUST COMPANY

By: Dianne James 6/3/15 By: Mary Beth Davies 7/1/15 ___________________________________

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Authorized Signatory Date FMTC Authorized Signatory Date

SCHEDULE - OPERATING GUIDELINES FOR INVESTMENT OPTIONS EXCHANGES - PORTFOLIO ADVISORY SERVICE®

The following operating guidelines shall govern exchanges of investment options for Participants enrolled in Portfolio Advisory Service®. These guidelines are subject to change upon written notice to the Sponsor.

(a) Rebalancing Participant Accounts:

Assets in the Participant's Plan account are rebalanced on an ongoing basis to ensure alignment with the assigned asset allocation strategy and the current model portfolio. There are two primary types of rebalancing activities:

- Portfolios are rebalanced periodically (generally 3-4 times per year) to account for changes in market valuations, to ensure Participant accounts are properly aligned to their model portfolio allocations.
- Portfolios are also monitored each Business Day to ensure that any P*articipant directed activities* (such as withdrawals or loans) have not caused the Participant account to vary from the assigned market-adjusted model portfolio by more than a drift allowance specified under the Portfolio Advisory Service® .

Rebalance transactions shall be created in the nightly cycle for processing on the following Business Day, and will be reflected in Participant accounts on the day following the rebalance transaction date.

(b) Reallocation of Model Portfolios:

If there is a reallocation of the model portfolio (resulting from review of the Plan's investment options or a change in the Plan investment option menu), those Participant accounts that vary from the revised model portfolio by more than a drift allowance specified under the Portfolio Advisory Service® shall be flagged for reallocation. Reallocation transactions shall be processed using the same rules as for rebalance transactions.

(c) Changes to Investor Profile:

If a change in model portfolios is required as a result of an annual or ad hoc review of the Participant's investor profile completed before the close of the New York Stock Exchange ("Market Close") on a Business Day, the required exchanges shall be processed in that night's nightly cycle, and reflected in the Participant's account within the two to three Business Days.

(d) Termination of Service:

If receipt of a Participant's election to terminate the Portfolio Advisory Service® is confirmed before Market Close, the account will not be flagged for rebalancing or reallocation. If receipt of a Participant's election to terminate Portfolio Advisory Service® is received while transactions are pending, the pending transactions will proceed as outlined above unless the Participant requests cancellation of such transaction. After the transactions are settled, the termination will be processed pursuant to the language above.

SCHEDULE

INVESTMENT MANAGEMENT AGREEMENT

AGREEMENT, dated as of the date signed by Strategic Advisers, Inc., by and between Strategic Advisers, Inc., an investment adviser registered under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), with its principal offices at 245 Summer Street, Boston, Massachusetts ("Strategic Advisers") and Zions Bancorporation, the entity with authority to appoint an investment manager provided in Section 1(c) below (the "Authorizing Party"), with principal offices at One South Main Street, Salt Lake City, Utah 84111, and Zions Bancorporation (the "Sponsor"), with its principal offices at One South Main Street, Salt Lake City, Utah 84111. To the extent that the Authorizing Party and the Sponsor are the same, the Authorizing Party's execution of this Agreement shall also bind the Sponsor.

W I T N E S S E T H

WHEREAS, the Sponsor has established one or more trusts or accounts in connection with Plans listed in Exhibit C pursuant to agreements which permit certain assets of retirement plans (collectively and individually, the "Plan") held in such trust or account to be managed by a duly-appointed investment manager; and

WHEREAS, pursuant to the instrument governing each of the Plans and associated trusts or accounts, the Authorizing Party has the authority to appoint investment managers with respect to the assets held in such trust or account; and

WHEREAS, the Authorizing Party desires to appoint Strategic Advisers as investment manager to provide discretionary investment management services (the "Managed Account Service") with respect to trust or account assets allocated to eligible participants in the Plan, and the Sponsor or the Authorizing Party has entered into or amended service, trust or custody agreements for the Plan in contemplation thereof; and

WHEREAS, the Authorizing Party and Strategic Advisers wish to enter into this Investment Management Agreement (the "Agreement") for the purpose of effecting such appointment and setting forth the obligations of Strategic Advisers in connection with the Managed Account Service;

NOW THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Authorizing Party, the Sponsor, and Strategic Advisers hereby agree as follows:

SECTION 1. Definitions

i. The term "Service Agreement" shall mean the trust, custodial or recordkeeping agreement governing servicing of the Plan by affiliates of Strategic Advisers.

ii. The term "Plan" shall mean, collectively and individually, the Plans listed in Exhibit C.

iii. The term "Authorizing Party" with respect to a Plan shall mean the entity with authority to retain an investment manager for the trust or account under the governing documents, and in the case of a Plan governed by ERISA, shall be the named fiduciary. Authorizing Parties for each Plan shall be listed in Exhibit C.

iv. to the extent the Plan is intended to be a nonqualified plan that is not funded for tax purposes, the term "investment option" offered to or available to Participants shall mean those hypothetical investment options in which a Participant is allowed to direct his or her hypothetical account for purposes of measuring his or her benefit entitlement under the Plan.

v. To the extent the Plan is intended to be a nonqualified plan that is not funded for tax purposes, the term "individual account" "individual Plan account" or "Participant account" shall mean the notional amount that measures the Participant's entitlement to benefits under the terms of the Plan.

vi. unless otherwise defined herein, the terms used in this Agreement shall have the same meaning as in the trust, custodial or service agreements governing servicing of the Plan by affiliates of Strategic Advisers.

SECTION 2. Appointment of Strategic Advisers.

With respect to each Plan described in Exhibit C, the Authorizing Party hereby appoints Strategic Advisers to manage, pursuant to the guidelines set out in Exhibit B hereof (the "Investment Guidelines"), such of the assets of each trust of account associated with the Plan as may constitute Managed Assets from time to time. "Managed Assets" shall be comprised of all assets of the trust or account associated with each Plan in individual accounts of eligible Participants enrolled in the Managed Account Service, subject to the limitations discussed in Investment Guidelines (excluding securities that are or were formerly employer securities within the meaning of ERISA ("Sponsor Stock") and assets over which the Participant has no authority to provide investment directions under the terms of the Plan). The conditions for eligibility, enrollment and termination of participation in the Managed Account Service are set forth in the Service Agreement governing the Plan, as it may be amended from time to time.

The Authorizing Party acknowledges receipt of Strategic Advisers' Part II of Form ADV, or a written disclosure statement containing the information required by such form at least 48 hours prior to entering into this Agreement.

SECTION 3. Acceptance of Appointment as Adviser.

Strategic Advisers accepts the appointment to manage the Managed Assets pursuant to the Investment Guidelines in accordance with the terms and conditions set forth in this Agreement. Strategic Advisers represents that it is an investment adviser registered under the Advisers Act, and that it has full power and authority to enter into this Agreement. Strategic Advisers acknowledges that it is a fiduciary with respect to each of the trusts or accounts to the extent of its discretionary authority and responsibility for investment management of Managed Assets. To the extent the Plan is governed by ERISA, Strategic Advisers acknowledges that it is a fiduciary to the Plan within the meaning of Section 3(21) of ERISA to the extent of its discretionary authority and responsibility for investment management of Managed Assets, and that upon execution of this agreement, it shall function as an investment manager with respect to the Plan within the meaning of Section 3(38) of ERISA.

SECTION 4. Powers, Rights and Duties of Strategic Advisers.

(a) Subject to the provisions hereof pertaining to the responsibilities of fiduciaries, Strategic Advisers shall use its best efforts to provide an opportunity for enhanced returns, consistent with appropriate risk diversification, by causing the Managed Assets to be invested and reinvested from time to time only in investment options offered to Participants under the Plan.

(b) Strategic Advisers shall manage the Managed Assets in accordance with the Investment Guidelines, and make investment decisions consistent therewith, but otherwise shall have sole and exclusive authority and discretion to manage and control the investment of the Managed Assets consistent with the provisions of this Agreement. The Investment Guidelines may be changed upon sixty (60) days written notice to the Authorizing Party from Strategic Advisers.

(c) In order to perform its duties hereunder, Strategic Advisers shall have full power and authority to:

(1) direct the trustee, custodian or either of their agents to make purchases and sales of securities or other property for the individual Plan accounts of Participants that are enrolled in the Managed Account Service;

(2) instruct or direct the trustee, custodian or either of their agents to perform any or all of the powers, duties, and authority given to such trustee, custodian or agent in the relevant agreements which are therein subjected to direction by Strategic Advisers and to enforce performance by such trustee, custodian or agent of such powers, duties, and authority;

(3) execute any and all documents necessary to make investments within the scope of the Investment Guidelines, or to carry out other duties of Strategic Advisers hereunder.

(d) Limitations on Duties

a. Strategic Advisers shall have no responsibility or authority to exercise any shareholder rights that arise with respect to investments in which Managed Assets are invested, nor shall it have responsibility or authority to make decisions with respect to matters, such as litigation or bankruptcy, arising out of the trust's or account's ownership of any such investments.

b. Strategic Advisers shall have no duty or responsibility to manage assets other than Managed Assets ("Other Assets"), including in particular, Sponsor Stock or except as directed in the Investment Guidelines by the Sponsor with respect to Sponsor Stock, to make investment decisions with respect to Managed Assets that offset or counterbalance the specific investment characteristics or behavior of any investment of such Other Assets, even if (i) Strategic Advisers manages such Other Assets pursuant to a separate advisory agreement, or (ii) if those Other Assets are reflected as being owned by or attributable to the Participant on books and records maintained by Strategic Advisers or any of its affiliates. If Strategic Advisers manages Participant accounts in multiple Plans under this Agreement, it shall make investment decisions on each individual Plan account separately.

c. Notwithstanding any provision of this Agreement, Strategic Advisers shall have no duty to advise the Authorizing Party or any other person with respect to the investment options available under the Plan, or to exercise management authority to add or remove any such investment options to or from the Plan. Strategic Advisers shall have no duty or authority to advise or make recommendations to the Authorizing Party or the Sponsor with respect to any other matter, including without limitation, the impact of Plan rules on the management or diversification of Managed Assets.

SECTION 5. Strategic Advisers Standard of Care.

Strategic Advisers shall comply with all laws and regulations issued from time to time applicable to the discharge of its duties under this Agreement and shall discharge such duties:

(a) solely in the interest of the Participants and for the exclusive purpose of providing benefits to such Participants and their beneficiaries and defraying reasonable expense of administering the Plan, subject to the provisions in Section 9;

(b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) by diversifying the Managed Assets in the individual account of each Participant enrolled in the Managed Account Service so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, to the extent such diversification is appropriate and achievable with the investment options made available under the Plan, consistent with the Investment Guidelines attached as Exhibit B hereto; and

(d) in accordance with the documents and instruments governing the Plan provided to Strategic Advisers or its agents insofar as such documents and instruments are consistent with the provisions of ERISA if applicable; provided, however, that the duties of Strategic Advisers shall be governed exclusively by this Agreement to the extent that the provisions of any such Plan documents are inconsistent with this Agreement.

Regardless of whether the Plan is subject to ERISA, Strategic Advisers will perform all of its duties hereunder as if the Plan were subject to ERISA, provided, however, that governing Plan documents need not be consistent with ERISA.

SECTION 6. Duties of the Authorizing Party.

The Authorizing Party shall:

(a) direct, or cause to be directed, the trustee, custodian, recordkeeper or their agent to invest the Managed Assets at the direction of Strategic Advisers;

(b) authorize the trustee, custodian or recordkeeper to provide, Strategic Advisers with such information pertaining to the Managed Assets and the Plan as Strategic Advisers may reasonably request, which information Strategic Advisers shall keep as confidential and shall not disclose, except as required by law, to any party other than its subsidiaries or affiliates, without the prior consent of the Authorizing Party;

(c) to the extent not paid by the Sponsor, compensate Strategic Advisers, or cause the trustee, custodian to compensate Strategic Advisers from the trust or account, by deduction from the accounts of Participants enrolled in the Managed Account Service, for Strategic Adviser services under this Agreement in the amounts set forth on Exhibit A as it may be amended by Strategic Advisers in its sole discretion from time to time in accordance with the notice provisions of this Agreement;

(d) provide, or cause to be provided, such information to Participants as is delivered for that purpose by Strategic Advisers, and

(e) maintain a menu of investment options for the Plan that meets the minimum requirements for implementation of the Managed Account Service, as determined in the sole discretion of Strategic Advisers, and provide at least thirty (30) days' prior written notice to Strategic Advisers with respect to any change in the menu of investment options available under the Plan. To the extent that the Authorizing Party provides less than thirty (30) days' notice with respect to changes in the investment options available under the Plan, Strategic Advisers shall be under no obligation to manage the Managed Assets until thirty (30) days from such line-up change has elapsed. If at any time the Authorizing Party fails to maintain a menu of investment options for the Plan that meets the minimum requirements for implementation of the Managed Account Service, as determined by Strategic Advisers in its sole discretion, Strategic Advisers shall be under no obligation to manage the Managed Assets until such time as the Authorizing Party modifies the investment options available under the plan to meet such minimum requirements.

(f) fulfill or comply with such other obligations or restrictions as are outlined in Exhibit B.

SECTION 7. Liability and Indemnification

(a) Strategic Advisers shall indemnify the Authorizing Party and the Sponsor against, and hold the Authorizing Party and the Sponsor harmless from, any and all penalties, damages, losses, liabilities or other expenses (including reasonable attorneys' fees) ("Losses") that may be incurred by, imposed upon, or asserted against the Authorizing Party and the Sponsor by reason of any claim, regulatory proceeding, or litigation arising from Strategic Advisers' breach of this agreement, negligence, breach of fiduciary duty, willful misconduct or bad faith in the provision of the Managed Account Service.

Except for liability under ERISA § 405 that may be imposed with respect to Strategic Advisers' conduct related to ERISA-governed Plans, Strategic Advisers shall have no responsibility for the acts or omissions of the Authorizing Party, the Sponsor, the trustee, custodian or any of its agents. Strategic Advisers shall have no responsibility for any loss resulting from (i) any breach of fiduciary duty of the Authorizing Party in selecting and monitoring Strategic Advisers, the selection of investment alternatives or the administration of the Plan, (ii) anything done or omitted to be done in good faith reliance on any written, electronic or telephonic directions from the Authorizing Party or any authorized representative thereof or any information provided by a Participant who is enrolled in the Managed Account Service, (iii) anything done or omitted to be done in good faith reliance on any inaccurate, outdated or incomplete employee, Participant or Plan data provided by the

Sponsors, the Authorizing Party or Participant as the case may be, or (iv) the Authorizing Party's failure to perform its obligations hereunder.

(b) the Authorizing Party and the Sponsor shall indemnify Strategic Advisers against and hold it harmless from any and all Losses arising out of a) the failure of either the Authorizing Party or the Sponsor to fulfill its obligations; or b) Strategic Advisers' action or inaction based on good faith reliance on instructions or information from the Authorizing Party or any authorized representative thereof.

(c) federal and state securities laws impose liability, under certain circumstances, on persons who act in good faith. Nothing in this Agreement shall waive or limit any rights that the Authorizing Party and Sponsor may have under those laws.

SECTION 8. Compensation

Fees associated with the Managed Account Service are attached hereto as Exhibit A. To the extent that the Trust contains more than one Plan, a separate Exhibit A shall be attached hereto for each such Plan. Strategic Advisers may change the fees associated with the service as described on Exhibit A once per year upon sixty (60) days prior written notice to the Sponsor; provided, however, that should the Authorizing Party change or modify the investment options available through the Plan, Strategic Advisers shall have the right to modify this pricing schedule at any time upon sixty (60) days written notice to the Authorizing Party. Any other changes to the fee schedule shall require written consent of the parties to this Agreement.

SECTION 9. Confidential Information; Other Clients and Services.

Any information or recommendations supplied by or through Strategic Advisers in connection with the Managed Account Service, which are not otherwise in the public domain or previously known to the Authorizing Party or the Sponsor, are to be regarded as proprietary and confidential to Strategic Advisers and its affiliates, and for use only in connection with Managed Assets by Participants, the Authorizing Party, the Sponsor or such persons as any of them may designate in connection with the Managed Assets.

The parties acknowledge that Strategic Advisers may provide similar services to other trusts, accounts and plans, and that nothing in this Agreement shall require Strategic Advisers to disclose to the Authorizing Party or the Sponsor, the Plan or its Participants the existence of such other engagements, or prohibit Strategic Advisers from rendering services to such other clients. The Authorizing Party and the Sponsor acknowledge that Strategic Advisers may use identical, similar or different investment methodologies in providing education or other investment services to the Plan(s) or its (their) Participants, or to other plans, participants or clients. With respect to the allocation of trades among clients, Strategic Advisers will treat each of its client accounts in a fair and equitable manner when allocating orders for the purchase and sale of securities, including mutual fund shares. All allocations among client accounts will be made in a manner consistent with Strategic Advisers' fiduciary duties, taking into account all relevant factors.

SECTION 10. ERISA, Tax and Other Considerations.

The Authorizing Party and the Sponsor acknowledge that Strategic Advisers is affiliated with other entities that may receive asset-based compensation in connection with the investment options offered under the Plan, including, but not limited to, Fidelity Mutual Funds.

To the extent that the Plans are governed by ERISA, the parties acknowledge that the Managed Account Service, to the extent it would otherwise constitute a prohibited transaction, is intended to comply with Prohibited Transaction Class Exemption 77-4, as it may be amended from time to time (PTCE 77-4), with respect to Fidelity Mutual Funds. To that end, the Authorizing Party acknowledges that it is the named fiduciary of the Plans that are ERISA-governed, it is independent of Strategic Advisers within the meaning of PTCE 77-4, that it has received prospectuses for the Fidelity Mutual Funds available under the Plan, and a full and detailed disclosure of the investment advisory and other fees charged to or paid by the Plan with respect to the Managed Account Service and the investment company(ies). The Authorizing Party further acknowledges that it has received an explanation of the reasons why Strategic Advisers may consider purchases or sales of Fidelity Mutual Funds for accounts of Plan participants electing the Managed Account Service. On the basis of such disclosures, the Authorizing Party hereby authorizes the purchase and sale of Fidelity Mutual Funds for accounts of Participants electing the Managed Account Service.

To the extent any of the Plans identified in Exhibit C are intended to be nonqualified deferred compensation plans that are unfunded for tax purposes, no provision herein shall be deemed to cause the Plan to be funded for tax purposes, nor shall any provision herein be deemed to grant Participants in such Plan any rights to assets of the trust or custodial account associated with such Plan.

SECTION 11. Inspection

During and for a reasonable time after the term of this Agreement, Strategic Advisers or its agents shall permit the Authorizing Party or the Sponsor, or either of their agents (including independent public accountants selected by the Authorizing Party or the Sponsor) during business hours to inspect, at the expense of the Sponsor, Strategic Advisers' records of investment direction provided pursuant to this Agreement.

SECTION 12. Assignment of Agreement or Duties.

No party may assign this Agreement, in whole or in part, nor delegate except as contemplated herein, all or part of the performance of duties required of it by this Agreement without the consent of the other party, except as permitted by applicable law or regulation, provided, however, that Strategic Advisers may assign this Agreement to any affiliate using a negative consent process whereby the Authorizing Party has no less than sixty (60) days to respond to a notice of intended assignment, and failure to respond to any such notice of such intended assignment shall constitute assent to such proposed assignment.

SECTION 13. Applicable Law.

This Agreement shall be administered and construed according to the laws of the Commonwealth of Massachusetts, except as superseded and preempted by ERISA.

SECTION 14. Construction; Validity.

Wherever possible, this Agreement shall be construed in a manner that is consistent with the Managed Account provisions in the Service Agreement. An adjudication or other determination that a provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of any remaining provision of this Agreement.

SECTION 15. Termination.

(a) This Agreement shall continue in effect until 1) the termination of recordkeeping services to the Plan by an affiliate of Strategic Advisers; or 2) a specified date at least sixty (60) days after notice of termination has been provided from any party to the other party.

(b) Notwithstanding the foregoing, the Authorizing Party may at any time without prior notice order Strategic Advisers to cease activity, subject to completion of the execution of investment directions already in process with respect to the Managed Assets. Such order to cease activity may be communicated orally subject to immediate written confirmation to Strategic Advisers.

(c) Notwithstanding the foregoing, Strategic Advisers may cease to provide models for the Managed Account Service pursuant to the terms of Section 6(e) of this Agreement.

(d) Nothing herein shall prohibit Strategic Advisers from terminating management of any individual Participant's Plan account in accordance with the provisions governing termination of the Managed Account Service to a Participant set forth in the Service Agreement.

(e) If this Agreement is terminated during any period of time for which Strategic Advisers has not been compensated, the fee due to Strategic Advisers for such period shall be prorated to the date of termination.

(f) The indemnification obligations hereunder shall survive termination.

SECTION 16. Notices.

Any notice, instruction, request, consent, demand or other communication required or contemplated by this Agreement to be in writing, shall be given or made if communicated by United States first class mail (or by FAX followed immediately by United States first class mail), addressed as follows:

If to the Authorizing Party
or to the Sponsor: Sponsor c/o Corporate Benefits Director
One South Main Street, Suite 600
Salt Lake City, Utah, 84111

If to Strategic Advisers: Strategic Advisers, Inc.
c/o B2B Risk Management - Contracts
245 Summer Street, V7B
Boston, Massachusetts 02210

provided (i) that each party shall, by written notice, promptly inform the other party of any change of address and provided further that any written communication from the Authorizing Party or the Sponsor contemplated hereunder shall be signed by a person authorized to act on behalf of the Authorizing Party or Sponsor under governing documents, and (ii) notwithstanding anything in this Agreement to the contrary and subject to the provisions of the Service Agreement, any communication provided by another party required to be in writing may be provided through any medium that is permitted under applicable law or regulation in lieu of writing.

SECTION 17. Due Authorization.

The Authorizing Party represents and warrants to Strategic Advisers that the Authorizing Party has full power and authority under governing documents to appoint an investment manager for the trust or account associated with the Plan for which it serves as Authorizing Party, and to enter into this Agreement with respect to and on behalf of the Plan. To the extent the Plan is associated with a trust for which the trustee is not an affiliate of Strategic Advisers, the Authorizing Party represents that the provisions of the trust authorize the appointment of an investment manager. To the extent that the Plan is governed by ERISA, the Authorizing Party represents that it is the Plan's named fiduciary acting in accordance with its duties and obligations under ERISA and the Plan.

All parties to this Agreement hereby represent to the others that it is duly authorized by all applicable laws and regulations to enter into this Agreement, and to be bound thereby, including the indemnification provision set forth in Section 7.

SECTION 18. Entire Agreement; Amendment.

This Agreement and any exhibits hereto, as well as any provisions of any Service Agreement governing the Managed Account Service, constitute the entire agreement and understanding among the parties hereto, and may not be modified or amended except by a writing executed by the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written. By signing below, the undersigned represent that they are authorized to execute this Agreement on behalf of the respective parties. Each party may rely without duty of inquiry on the foregoing representation.

AUTHORIZING PARTY

Signature:	/s/ Dianne James
Print Name:	Diane James
Title:	EVP, Chief HR Officer
Date:	6/3/15

STRATEGIC ADVISERS, INC.

Signature:	/s/ Janet McCormick
Print Name:	Janet McCormick
Title:	Portfolio Manager
Date:	June 23, 2015

EXHIBIT A

FEES FOR MANAGED ACCOUNT SERVICE
PLAN NAME: Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan
PLAN NUMBER: 29148

Beginning upon the Plan's enrollment in the Managed Account Service, the annual advisory fee for the Managed Account Service will be assessed based on a percentage of the average daily balance of Managed Assets of enrolled Participants. The advisory fee will be charged to cover ongoing management of the Managed Assets, and related servicing and Participant communication. The fee is payable quarterly in arrears, and will be calculated on the basis of daily Participant balances, generally on the 25th day of the last month of the Participant statement cycle quarter (or the next Business Day if the 25^{th} is not a Business Day).

Unless paid by the Sponsor, the Trustee or its agent will redeem investments in the amount of the net advisory fee directly from enrolled Participants' Plan accounts on the Business Day following the fee calculation. The amount of the fee deducted from a Participant's account will be noted on the Participant's statement.

The annual net advisory fee for the Managed Account Service will be calculated by deducting a Plan Credit Amount (as defined below) from the Plan's annual gross advisory fee set forth in the table below:

ANNUAL GROSS ADVISORY FEE SCHEDULE

Average daily account balance	**Less than 20% eligible participant enrollment**	**Greater than 20% eligible participant enrollment***
For the first $100,000 or portion thereof	0.59%	0.54%
For the next $100,000 to $250,000, or portion thereof	0.54%	0.44%
All additional assets over $250,000	0.39%	0.29%

*The Gross Advisory fees applicable to plans that exceed 20% enrollment will take effect beginning with the first day of the quarter in which the 20% threshold was exceeded.

Plan Credit Amount and Net Advisory Fee. The purpose of the Plan Credit Amount is to reduce the annual gross advisory fee payable by the Plan by the amount of asset-based fees, if any, Strategic Advisers or its affiliates receive for management of Fidelity Mutual Funds in which Managed Assets are invested, and for other services related to any other investment option offered under the Plan in which Managed Assets are invested.

This Plan Credit Amount will be calculated daily in the following manner: For each investment option in which Managed Assets are invested, an amount will be calculated equal to the sum of (a) the actual underlying investment management fees paid to Strategic Advisers or its affiliates from such investment if it is a Fidelity Mutual Fund (but not other fund expenses such as transfer agency fees); and (b) the servicing or other fees paid to and retained by Strategic Advisers and its affiliates based on assets or Participants in any investment option other than Fidelity Mutual Funds. The resulting amounts for all investments of Managed Assets will be added together to arrive at the Plan Credit Amount. The Plan Credit Amount will be applied (as a percentage) equally across all Participant accounts to arrive at the annual net advisory fee for that Participant. It is expected that the Plan Credit Amount will vary over time, based upon the funds selected for investment of Managed Assets.

In the event a Participant's participation in the Managed Account Service is terminated before the end of a quarter but such Participant remains enrolled in the Plan, the gross advisory fee applicable to that quarter will be prorated based on the number of days the account was managed during the quarter, and such Participant's net advisory fees for the pro-rated quarter will be calculated using the Plan Credit Amount applicable to the prior quarter.

If, prior to the end of a billing quarter, either, (a) a Participant's participation in the Managed Account Service is terminated simultaneously with that Participant's enrollment in the Plan, or (b) the Plan terminates the Managed Account Service in its entirety, then the gross advisory fee applicable to that quarter will be prorated based on the number of days the account was managed during the quarter. In such cases, a Participant's gross advisory fees for the pro-rated quarter will be reduced by a credit amount equal to (a) the actual underlying investment management fees paid to Strategic Advisers or its affiliates from investments in such Participant's account for Fidelity Mutual Funds (but not other fund expenses such as transfer agency fees); and (b) the servicing or other fees paid to and retained by Strategic Advisers and its affiliates based on assets from such Participant's account invested in any investment option other than Fidelity Mutual Funds.

As noted above, the Plan's annual gross advisory fee has been determined based on the composition of the Plan's available investment options. The Plan's annual gross advisory fee has been set at a level that, when reduced by the Plan Credit Amount, should result in Participants paying approximately the annual target net fee shown below. Note that, because the Plan Credit Amount will vary over time, the actual amount of net advisory fee paid by any Participant will vary based upon, among other things, the funds selected for investment by the Service and the number and asset allocations of Participants enrolled in the Plan. As a result, a Participant's net advisory fee may be higher or lower than the target net advisory shown in the table below:

TARGET ANNUAL NET ADVISORY FEE SCHEDULE

Average daily account balance	Less than 20% eligible participant enrollment	Greater than 20% eligible participant enrollment
For the first $100,000 or portion thereof	0.50%	0.45%
For the next $100,000 to $250,000, or portion thereof	0.45%	0.35%
All additional assets over $250,000	0.30%	0.20%

As noted above, the Plan Credit Amount and annual net advisory fee will vary over time. However, given the investment options available in the Plan as of the date of this Agreement and expected rates of enrollment in the Service, Strategic Advisers anticipates that the annual net advisory fees paid by any Participant in the Plan will fall within the ranges shown below.

TARGET RANGE OF ANNUAL NET ADVISORY FEES

Average daily account balance	Less than 20% eligible participant enrollment	Greater than 20% eligible participant enrollment
For the first $100,000 or portion thereof	0.59% -0.35%	0.54% -0.30%
For the next $100,000 to $250,000, or portion thereof	0.54% -0.30%	0.44% -0.20%
All additional assets over $250,000	0.39% -0.15%	0.29% -0.05%

In rare circumstances, due to the variable nature of the Plan Credit Amount, the net advisory fee payable by Participants may fall outside of the ranges shown above.

The annual net advisory fee shall be charged in addition to any applicable management fees, purchase fee, short-term trading fee, or similar fee payable to the applicable mutual fund, or any fee paid to Strategic Advisers or its affiliates for services rendered to the Plan (including trustee or recordkeeping services) or to the investment options offered under the Plan.

Note: Should the Sponsor or Authorizing Party modify the investment options available through the Plan, Strategic Advisers shall have the right to modify this pricing schedule upon sixty (60) days' notice.
From time to time, Strategic Advisers may provide a pricing incentive to encourage enrollment in the service. Unless otherwise specified, the pricing incentives will either allow eligible Plan participants who are not enrolled in the service to have the Service free of Advisory Fees for a stated period of time, or will allow eligible participants who are not enrolled in the service a stated discount from the plan's Gross

Advisory fee during a specified period. The Authorizing Party will receive prior notice of any pricing incentive. In the unlikely event that the Plan Credit Amount exceeds the Gross Advisory Fees for any quarter in which a pricing incentive is in effect, the excess shall be added to the Plan Credit Amount for the following quarter. In such event, no new pricing incentives will be initiated until any previously unused Plan Credit Amount has been used to offset Gross Advisory Fees. In the event that there is unused Plan Credit Amounts for three successive quarters, the amount shall be converted to a Service Credit, which may be applied exclusively for any Plan-related service obtained by the Plan from Strategic Advisers or any Strategic Advisers affiliate that would otherwise be payable under the terms of existing agreements (other than non-SAI investment management fees, expenses already deducted from Participant accounts, or expenses incorporated into a mil rate). The Service Credit will be credited to a non-interest bearing hypothetical account in respect of the Plan, and will expire twelve months after the end of the quarter in which it was credited.

EXHIBIT B

INVESTMENT GUIDELINES FOR MANAGED ACCOUNT SERVICE

Strategic Advisers shall manage Managed Assets in an enrolled Participant's Plan account by selecting from among the investment options available to enrolled Participants in order to provide diversification appropriate for the enrolled Participant.

Strategic Advisers will allocate the Participant's portfolio across various asset classes to try to achieve the long-term goal of seeking an appropriate level of returns for a given level of risk. Strategic Advisers shall assign the Participant to an appropriate asset mix based on the appropriate risk/reward trade-offs for the Participant. To determine the appropriate mix, Strategic Advisers will consider the Participant's date of birth, assumed retirement age, plan account balance, and other personal information provided by the record keeper or by the Participant directly through a series of questions or through the incorporation of available online information. This profile information may include the Participant's risk preferences, investment experience, current and future income, and potential withdrawal needs depending on availability of such information and the willingness of the participant to provide such information. It may also include information about assets held by the participant in other accounts (including amounts held in other plans or accounts serviced by its affiliates) and the asset allocation of these accounts. Strategic Advisers will base its proposed asset mix based on the amount of information provided by the Participant, but shall not require information from the Participant beyond (i) correct date of birth information for each plan Participant, (ii) designating the expected retirement age for each Participant.

Strategic Advisers shall design model portfolios for the plan by selecting a combination of available investment options that track the risk and diversification attributes of the targeted asset allocation within an appropriate range. Based on the information outlined above, Strategic Advisers will assign the Participant to one of the model portfolios.

Participant asset allocation assignments will be reviewed annually, and Participants may be reassigned to an asset allocation that matches his or her updated profile. In addition, a Participant may be reassigned to an appropriate asset allocation and portfolio any time the Participant informs Strategic Advisers of a change to his or her profile. Unless provided by the Participant, Authorizing Party shall be responsible for providing (i) correct date of birth information for each plan Participant, (ii) designating the expected retirement age for each Participant

Authorizing Party shall be responsible for providing correct date of birth information for each Participant. In addition, if the Participant does not provide information designating their expected retirement date, the Authorizing Party will either (i) provide a default retirement date to be used in scoring Participants or (ii) direct Strategic Advisers to use the default retirement date designated by the Social Security Administration for such Participant.

Strategic Advisers shall invest eligible amounts held in, or contributed to, the accounts of enrolled Participants in accordance with the model portfolio, as it may be adjusted from time to time for market fluctuation, provided that Strategic Advisers shall not manage amounts held in Company Stock (if applicable), or contributions required to be invested in Company Stock, except to counterbalance against such Company Stock as described below. Enrolled Participant accounts may be rebalanced periodically to align their accounts to their assigned model portfolio, or if their accounts drift materially from the market-adjusted model portfolio designated by Strategic Advisers. Strategic Advisers may change the model portfolios as appropriate for changes in the Plan's investment options, market performance or economic conditions.

Strategic Advisers shall have no independent obligation under this Agreement to value assets under its management, but shall instead rely upon valuations provided by the Trustee or its agent, or an external money manager, if applicable.

Special Guidelines for Company Stock Holdings (if applicable): Strategic Advisers **will not** invest Managed Assets in Company Stock. An enrolled Participant whose Plan account is invested in Company Stock will be offered the choice whether to (i) have Strategic Advisers ignore such holdings in assigning an asset allocation to the Participant or (ii) assign an asset allocation that attempts to offset the risk characteristics associated with an investment in a security. If a Participant elects to offset the Company Stock holdings, Strategic Advisers will assign the Participant to a portfolio that attempts to account for their holdings in Company Stock, based on the Participant's level of Company Stock holdings in his or her Plan account. If a Participant fails to direct Strategic Advisers as to whether to offset or ignore his or her Company Stock positions, the Authorizing Party hereby directs Strategic Advisers to assign the Participant into a portfolio that attempts to offset the risk characteristics of the Participant's Company Stock position.

Strategic Advisers shall not make decisions with respect to the exercise of any rights accruing to investment options, including without limitation, shareholder rights to vote proxies or tender or exchange shares, or rights arising out of bankruptcy or litigation. Decisions with respect to the exercise of any such rights shall be made in accordance with the provisions of the Trust Agreement, and Strategic Advisers shall not be required to take such matters into account in making its investment decisions.

Universe: Managed Assets of enrolled Participants may be invested in any investment options available for new investment by enrolled Participants other than assets held in or investment options available in self-directed brokerage accounts (and Company Stock, if applicable) subject to the restrictions described below.

Use of Participant Data: To the extent a Participant is enrolled in more than one account within the Managed Account Service, Strategic Advisers will share such Participant data across accounts and Plans. Strategic Advisers will use such Participant's data provided in connection with one account for updating or management purposes in other accounts of such Participant that are also managed by the Managed Account Service.

Restrictions: Managed Assets of enrolled Participants will not be invested in any investment option that is closed to new investment by eligible Participants. Certain investments – such as "investment strategy options" – may be excluded from the model portfolio construction process. The Authorizing Party shall have the right to impose reasonable restrictions upon Strategic Advisers with respect to investment management, other than those set out here, provided that it shall first propose such restrictions in writing to Strategic Advisers, and provided that Strategic Advisers shall have thirty (30) Business Days to determine whether such restriction is reasonable.

With respect to any stable value option or custom fund option within a plan line-up, Strategic Advisers will use such stable value option in constructing its portfolios if information regarding the composition of such stable value option is made available to Strategic Advisers by the Authorizing

Party on an annual basis. If such information regarding the composition of the stable value option is not made available to Strategic Advisers, Strategic Advisers will look for other cash equivalent funds within the plan line-up. If none are available, Strategic Advisers will be unable to create appropriate models for the Plan. The plan Fiduciary shall be responsible for obtaining the approval of the stable value option or custom fund provider prior to the implementation of the Service.

The Managed Account Service only considers Fidelity Mutual Funds that have been included in the investment menu chosen by the plan sponsor (or other responsible plan fiduciary) to be offered to plan participants and beneficiaries. To the extent that the Managed Account Service includes one or more Fidelity Mutual Funds in model portfolios utilized by Plan participants, Strategic Advisers believes such fund or funds are appropriate for the Plan because each such fund is an investment option available in the Plan that, in combination with other available investment options in the model portfolio, provide a resulting portfolio that tracks the risk and diversification attributes of the targeted asset allocation. Strategic Advisers constructs and manages each model portfolio by applying a quantitative investment methodology. In constructing model portfolios, Strategic Advisers employs a process that is independent with respect to fund family or investment manager.

EXHIBIT C

PLAN NAMES AND AUTHORIZING PARTY

Plan Name: Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan

Authorizing Party: Zions Bancorporation

Exhibit 10.42

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

ARTICLE I
GENERAL

1.1 Purpose

The purpose of the Zions Bancorporation 2015 Omnibus Incentive Plan (the "Plan") is to promote the long-term success of Zions Bancorporation (the "Company") by providing an incentive for officers, employees and directors of, and consultants and advisors to, the Company and its Related Entities to acquire a proprietary interest in the success of the Company, to remain in the service of the Company and/or Related Entities, and to render superior performance during such service. If approved by shareholders of the Company, the Plan will replace the Amended and Restated Zions Bancorporation 2005 Stock Option and Incentive Plan ("Prior Plan") for Awards granted after the Effective Date. Beginning on the Effective Date, no further awards will be made under the Prior Plan, but this Plan will not affect the terms or conditions of any awards made under the Prior Plan before the Effective Date.

1.2 Definitions of Certain Terms

(a) "Award" means an award under the Plan as described in Section 1.5 and Article II.

(b) "Award Agreement" means a written agreement entered into between the Company and a Grantee in connection with an Award.

(c) "Board" means the Board of Directors of the Company.

(d) "Cause" Termination of Employment by the Company for "Cause" means, with respect to a Grantee and an Award, (i) except as provided otherwise in the applicable Award Agreement or as provided in clause (ii) below, Termination of Employment of the Grantee by the Company (A) upon Grantee's failure to substantially perform Grantee's duties with the Company or a Related Entity (other than any such failure resulting from death or Disability), (B) upon Grantee's failure to substantially follow and comply with the specific and lawful directives of the Board or any officer of the Company or a Related Entity to whom Grantee directly or indirectly reports, (C) upon Grantee's commission of an act of fraud or dishonesty resulting in actual or potential economic, financial or reputational injury to the Company or a Related Entity, (D) upon Grantee's engagement in illegal conduct, gross misconduct or an act of moral turpitude, (E) upon Grantee's violation of any written policy, guideline, code, handbook or similar document governing the conduct of directors, officers or employees of the Company or its Related Entities, or (F) upon Grantee's engagement in any other similar conduct or act determined by the Committee in its discretion to constitute "cause"; or (ii) in the case of directors, officers or employees who at the time of the Termination of Employment are entitled to the benefits of a change in control, employment or similar agreement entered into by the Company or a Related Entity that defines or addresses termination for cause, termination for cause as defined and/or determined pursuant to such agreement. In the event that there is more than one such agreement, the Committee shall determine which agreement shall govern.

(e) "Code" means the Internal Revenue Code of 1986, as amended.

(f) "Committee" means the Compensation Committee (including any successor thereto) of the Board and shall consist of not less than two directors. However, if (i) a member of the Compensation Committee is not an "outside director" within the meaning of Section 162(m) of the Code, is not a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act, or is not an "independent director" within the meaning of Nasdaq Market Rule 4350 (c), or (ii) the Compensation Committee otherwise in its discretion determines, then the Compensation Committee may from time to time delegate some or all of its functions under the Plan to a subcommittee composed of members of the Compensation Committee that, if relevant, meet the necessary requirements. The term "Committee" includes the Compensation Committee or any such subcommittee, to the extent of the Compensation Committee's delegation.

(g) "Common Stock" means the common stock of the Company.

(h) "Disability" means, with respect to a Grantee and an Award, (i) except as provided in the applicable Award Agreement or as provided in clause (ii) below, "disability" as defined in the Company's long-term disability plan in which Grantee is participating; or (ii) in the case of directors, officers or employees who at the time of the Termination of Employment are entitled to the benefits of a change in control, employment or similar agreement entered into by the Company or a Related Entity that defines or addresses termination because of disability, "disability" as defined in such agreement. In the event that there is more than one such agreement, the Committee shall determine which agreement shall govern. Notwithstanding the foregoing, (A) in the case of an Incentive Stock Option, the term "Disability" for purposes of the preceding sentence shall have the meaning given to it by Section 422 (c)(6) of the Code and (B) to the extent an Award is subject to the provisions of Section 409A of the Code and in order for compensation provided under any Award to avoid the imposition of taxes under Section 409A of the Code, then a Grantee shall be determined to have suffered a Disability only if such Grantee is "disabled" within the meaning of Section 409A of the Code.

(i) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(j) The "Fair Market Value" of a share of Common Stock on any date shall be (i) the closing sale price per share of Common Stock during normal trading hours on the national securities exchange, association or other market on which the Common Stock is principally traded for such date or the last preceding date on which there was a sale of such Common Stock on such exchange, association or market, or (ii) if the shares of Common Stock are then traded in an over-the-counter market, the average of the closing bid and asked prices for the shares of Common Stock during normal trading hours in such over-the-counter market for such date or the last preceding date on which there was a sale of such Common Stock in such market, or (iii) if the shares of Common Stock are not then listed on a national securities exchange, association or other market or traded in an over-the-counter market, such value as the Committee, in its discretion shall determine.

(k) "Good Reason" means the occurrence of one or more of the following after a Change in Control:

(i)a material reduction in the Grantee's base salary and annual bonus opportunity, in each case, as in effect immediately before the Change in Control; or

(ii)the Company requiring the Grantee to be based at any location that is more than 50 miles from his or her regular place of employment immediately before the Change in Control, except to the extent that such change in work location results in a commute from the Grantee's primary residence that is the same or reduced as compared to the Grantee's commute prior to such change.

Notwithstanding the foregoing, no termination of the Grantee's employment shall be for Good Reason unless (i) termination of the Grantee's employment (or notice of the Grantee's intent to terminate employment) occurs during the 24 month period following the Change in Control, and (ii) the Grantee gives the Company written notice within 90 days of the Grantee obtaining knowledge of circumstances giving rise to Good Reason (describing in reasonable detail the circumstances and the Good Reason event that has occurred) and the Company does not remedy these circumstances within 30 days of receipt of such notice. In addition, an event will not give rise to Good Reason if it is made with the Grantee's express written consent. Further, if a Grantee is a party to an employment agreement or change in control severance agreement or plan that includes a definition of "good reason", then Good Reason for purposes of Awards granted to such Grantee shall have the same meaning as set forth in such employment agreement or change in control severance agreement or plan. In the event that there is more than one such agreement, the Committee shall determine which agreement shall govern.

(l) "Grantee" means a person who receives an Award.

(m) "Incentive Stock Option" means, subject to Section 2.3 (f), a stock option that is intended to qualify for special federal income tax treatment pursuant to Sections 421 and 422 of the Code (or a successor provision thereof) and which is so designated in the applicable Award Agreement. Under no circumstances shall any stock option that is not specifically designated as an Incentive Stock Option be considered an Incentive Stock Option.

(n) "Key Persons" means then acting or prospective directors, officers and employees of the Company or of a Related Entity, and then acting or prospective consultants and advisors to the Company or a Related Entity.

(o) "Non-Employee Director" has the meaning given to it in Section 2.13(a).

(p) "Performance Goals" means the goal(s) (or combined goal(s)) determined by the Committee in its discretion to be applicable to a Grantee with respect to an Award. As determined by the Committee, the Performance Goals applicable to an Award may provide for a targeted or measured level or levels of achievement or change using one or more of the following measures: measures of efficiency (including operating efficiency, productivity ratios or other similar measures); measures of achievement of expense targets, costs reductions, working capital, cash levels or general expense ratios; asset growth; earnings per share; enterprise value, shareholder value added or value creation targets; combined net worth; debt to equity ratio; revenues, sales, net revenues or net sales measures; gross profit or operating profit measures (including before or after taxes or other similar measures); investment performance; income or operating income measures (with or without investment income or income taxes, before or after risk-adjustment, or other similar measures); cash flow; margin; net income, before or after taxes; earnings before interest, taxes, depreciation and/or amortization; return measures (including return on capital, total capital, tangible capital, expenses, tangible expenses, equity, revenue, assets, or net assets or total shareholder return or similar measures); market share measures; measures of balance sheet achievements (including debt reductions, leverage ratios or other similar measures), increase in Fair Market Value of Common Stock, regulatory rating, credit quality, and loan charge-offs. Such measures may be defined and calculated in such manner and detail as the Committee in its discretion may determine, including whether such measures shall be calculated before or after income taxes or other items, on an absolute or relative basis, as compared to one or more peer companies or a specified business index, the degree or manner in which various items shall be included or excluded from such measures, whether total assets or certain categories of assets shall be used, whether such measures shall be applied to the Company on a consolidated basis or to certain Related Parties of the Company or to certain divisions, operating units or business lines of the Company or a Related Entity, the weighting that shall be given to various measures if combined goals are used, and the periods and dates during or on which such measures shall be calculated. The Performance Goals may differ from Grantee to Grantee and from Award to Award.

(q)"Person", whether or not capitalized, means any natural person, any corporation, partnership, limited liability company, trust or legal or contractual entity or joint undertaking and any governmental authority.

(r)"Related Entity" means any corporation, partnership, limited liability company or other entity that is an "affiliate" of the Company within the meaning of Rule 12b-2 under the Exchange Act.

(s)"Retirement" means, with respect to a Grantee and an Award, (i) except as otherwise provided in the applicable Award Agreement or as provided in clause (ii) below, the Grantee's Termination of Employment with the Company or a Related Entity for a reason other than for Cause and that at the time of the Termination of Employment the Grantee has reached the following age with the corresponding number of years of service with the Company and/or Related Entities:

Age	Years of Service
55	10
56	9
57	8
58	7
59	6
60 and older	5;

or (ii) with respect to a Non-Employee Director, the Grantee's Termination of Employment with the Company at the end of his or her term of office for any reason other than Cause.

(t)"Rule 16b-3" means Rule 16b-3 under the Exchange Act.

(u)Unless otherwise determined by the Committee and subject to the following two sentences, a Grantee shall be deemed to have a "Termination of Employment" upon ceasing employment with the Company or any Related Entity (or, in the case of a Grantee who is not an employee, upon ceasing association with the Company or any Related Entity as a director, consultant, advisor or otherwise). In addition, any payment or benefit due upon a termination of Grantee's employment that represents a "deferral of compensation" within the meaning of Section 409A of the Code shall only be paid or provided to Grantee upon a "separation from service" (within the meaning of Treasury Regulation 1.409A-1(h)). Unless the Committee in its discretion determines otherwise, it shall not be considered a Termination of Employment of a Grantee if the Grantee ceases employment or association with the Company or a Related Entity but continues or immediately commences employment or association with a majority-owned Related Entity or the Company. The Committee in its discretion may determine (i) that a given termination of employment with the Company or any particular Related Entity does not constitute a Termination of Employment (including circumstances in which employment continues with another Related Entity or the Company), (ii) whether any leave of absence constitutes a Termination of Employment for purposes of the Plan, (iii) the impact, if any, of any such leave of absence on Awards theretofore made under the Plan, and (iv) when a change in a Grantee's association with the Company or any Related Entity constitutes a Termination of Employment for purposes of the Plan. The Committee may also determine in its discretion whether a Grantee's Termination of Employment is for Cause and the date of termination in such case. The Committee may make any such determination at anytime, whether before or after the Grantee's Termination of Employment.

1.3 Administration

(a)The Committee. The Plan shall be administered by the Committee, which shall consist of not less than two directors.

(b)Authority. The Committee shall have the authority (i) to exercise all of the powers granted to it under the Plan, (ii) to construe, interpret and implement the Plan and any Award Agreements, (iii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules governing its own operations, (iv) to make all determinations necessary or advisable in administering the Plan (including defining and calculating Performance Goals and certifying that such Performance Goals have been met), (v) to correct any defect, supply any omission and reconcile any inconsistency in the Plan, (vi) to amend the Plan to reflect changes in applicable law or regulations, (vii) to determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, shares of Common Stock, other securities, other Awards or other property, or canceled, forfeited or suspended and the method or methods by which Awards may be settled, canceled, forfeited or suspended (including, but not limited to, canceling an Award in exchange for a cash payment (or securities with an equivalent value) equal to the difference between the Fair Market Value of a share of Common Stock on the date of grant and the Fair Market Value of a share of Common Stock on the date of cancellation, and, if no such difference exists, canceling an Award without a payment in cash or securities), and (viii) to determine whether, to what extent and under what circumstances cash, shares of Common Stock, other securities, other Awards or other property and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the holder thereof or of the Committee.

(c)Voting. Actions of the Committee shall be taken by the vote of a majority of its members. Any action may be taken by a written instrument signed by a majority of the Committee members, and action so taken shall be fully as effective as if it had been taken by a vote at a meeting.

(d)Binding determinations. The determination of the Committee on all matters relating to the Plan or any Award Agreement shall be final, binding and conclusive.

(e)Exculpation. No member of the Board or the Committee or any officer, employee or agent of the Company or any of its Related Entities (each such person a "Covered Person") shall have any liability to any person (including, without limitation, any Grantee) for any action taken or omitted to be taken or any determination made in good faith with respect to the Plan or any Award. Each Covered Person shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense (including attorneys' fees) that may be imposed upon or incurred by such Covered Person in connection with or resulting from any action, suit or proceeding to which such Covered Person may be a party or in which such Covered Person may be involved by reason of any action taken or omitted to be taken under the Plan and against and from any and all amounts paid by such Covered Person, with the Company's approval, in settlement thereof, or paid by such Covered Person in satisfaction of any judgment in any such action, suit or proceeding against such Covered Person; *provided* that the Company shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and, once the Company gives notice of its intent to assume the defense, the Company shall have sole control over such defense with counsel of the Company's choice. The foregoing right of indemnification shall not be available to a Covered Person to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that the acts or omissions of such Covered Person giving rise to the indemnification claim resulted from such Covered Person's bad faith, fraud or willful criminal act or omission. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which Covered Persons may be entitled under the Company's Articles of Incorporation or Bylaws, in each case as amended from time to time, as a matter of law, or otherwise, or any other power that the Company may have to indemnify such persons or hold them harmless.

(f)Experts. In making any determination or in taking or not taking any action under this Plan, the Committee or the Board may obtain and may rely upon the advice of experts, including professional and financial advisors and consultants to the Committee or the Company. No director, officer, employee or agent of the Company shall be liable for any such action or determination taken or made or omitted in good faith reliance on such advice.

(g)Board. Notwithstanding anything to the contrary contained herein (i) until the Board shall appoint the members of the Committee, the Plan shall be administered by the Board, and (ii) the Board may, in its sole discretion, at any time and from time to time, grant Awards or resolve to administer the Plan. In either of the foregoing events, the Board shall have all of the authority and responsibility granted to the Committee herein.

1.4 Persons Eligible for Awards

Awards under the Plan may be made to such Key Persons as the Committee shall select in its discretion.

1.5 Types of Awards under the Plan

Awards may be made under the Plan in the form of stock options, including Incentive Stock Options and non-qualified stock options, stock appreciation rights, restricted stock, unrestricted stock, restricted stock units, performance shares, performance units, dividend equivalent units, deferred stock units and other stock-based Awards, as set forth in Article II.

1.6 Shares Available for or Subject to Awards

(a)Total Shares Available. The total number of shares of Common Stock that may be transferred pursuant to Awards granted under the Plan shall not exceed 9,000,000 shares. Effective as of the Effective Date, no new awards shall be granted under the Prior Plan and the remaining share authorization under the Prior Plan shall be cancelled, except for shares underlying outstanding awards granted under the Prior Plan. All of shares subject to the Plan shall be authorized for issuance pursuant to incentive stock options under Section 2.3 or for other Awards under Article II. Such shares may be authorized but unissued Common Stock or authorized and issued Common Stock held in the Company's treasury or acquired by the Company for the purposes of the Plan. The Committee may direct that any stock certificate evidencing shares issued pursuant to the Plan shall bear a legend setting forth such restrictions on transferability as may apply to such shares pursuant to the Plan. If any Award is forfeited or otherwise terminates or is canceled without the delivery of shares of Common Stock, then the shares covered by such forfeited, terminated or canceled Award shall again become available for transfer pursuant to Awards granted or to be granted under this Plan. However, for the avoidance of doubt, if any Award or shares of Common Stock issued or issuable under Awards are tendered or withheld as payment for the exercise price of an Award or for taxes due upon vesting, exercise or settlement of an Award, the shares of Common Stock may not be reused or reissued or otherwise be treated as being available for Awards or issuance pursuant to the Plan. With respect to a stock appreciation right~~s~~, both shares of Common Stock issued pursuant to the Award and shares of Common Stock representing the exercise price of the Award shall be treated as being unavailable for other Awards or other issuances pursuant to the Plan unless the stock appreciation right is forfeited, terminated or cancelled without the delivery of shares of Common Stock. Any shares of Common Stock delivered by the Company, any shares of Common Stock with respect to which Awards are made by the Company and any shares of Common Stock with respect to which the Company becomes obligated to make Awards, through the assumption of, or in substitution for, outstanding awards previously granted by an acquired entity, shall not be counted against the shares available for Awards under this Plan.

(b)Share Counting. Each share of Common Stock underlying an Award shall be counted against the numerical limits of this Section 1.6 as one share for every share subject thereto.

(c)Adjustments. The number of shares of Common Stock covered by each outstanding Award, the kind, number or amount of shares or units available for Awards under Section 1.6 (a) or otherwise, the kind, number or amount of shares or units that may be subject to Awards to any one Grantee under Section 1.7 (b) or otherwise, the exercise price or price per share of Common Stock or units covered by each such outstanding Award and any other calculation relating to shares of Common Stock available for Awards or under outstanding Awards (including Awards under Section 2.13) shall be proportionately adjusted by the Committee in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan (provided that no such adjustment shall be made if or to the extent that it would cause any outstanding Award to fail to comply with Section 409A of the Code), for (i) any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, recapitalization, merger, combination or reclassification of the Common Stock or similar transaction, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company or to reflect any distributions to holders of Common Stock (including rights offerings) other than regular cash dividends or (ii) any other unusual or nonrecurring event affecting the Company or its financial statements or any change in applicable law, regulation or accounting principles; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an Award. The Committee's determinations as to the manner of effecting this Section 1.6(c) shall be conclusive and binding.

(d)Grants exceeding allotted shares. If the shares of Common Stock covered by an Award exceeds, as of the date of grant, the number of shares of Common Stock which may be issued under the Plan without additional shareholder approval, such Award shall be void with respect to such excess shares of Common Stock unless shareholder approval of an amendment sufficiently increasing the number of shares of Common Stock subject to the Plan is timely obtained in accordance with the Plan.

1.7 Regulatory Considerations

(a)General. To the extent that the Committee determines it desirable for any Award to be given any particular tax, accounting, legal or regulatory treatment, the Award may be made by a Committee consisting of qualifying directors, subject to any necessary restrictions, conditions or other terms or otherwise in such manner as is necessary to obtain the desired treatment.

(b)Code Section 162(m) provisions. Unless and until the Committee determines that an Award to a Grantee shall not be designed to qualify as "performance-based compensation" under Section 162(m) of the Code, the following rules shall apply to Awards granted to Grantees:

(i)No Grantee shall be granted, in any fiscal year, stock options or stock appreciation rights to purchase (or obtain the benefits of the equivalent of) more than 500,000 shares of Common Stock, subject to adjustment as provided in Section 1.6(c),;

(ii)The total number of shares of Common Stock subject to Awards (other than stock options, stock appreciation rights and performance units) granted to any Grantee, in any fiscal year, may not, subject to adjustment as provided in Section 1.6(c), exceed 166,666 shares of Common Stock, provided that if any units are awarded with respect to multiple years of service, such limit shall be multiplied by such number of years (not to exceed five years);

(iii)No Grantee shall receive performance units, in any fiscal year, having a value greater than $5 million, provided that if any units are awarded with respect to multiple years of service, such limit shall be multiplied by such number of years (not to exceed five years).

(iv)No Grantee shall be granted, in any fiscal year, dividend equivalent rights with respect to more shares than the aggregate number of shares and units granted to such Grantee in such year; and

(v)For purposes of qualifying grants of Awards as "performance-based compensation" under Section 162(m) of the Code, the Committee in its discretion may set restrictions based upon the achievement of Performance Goals. The Performance Goals shall be set by the Committee on or before the latest date permissible to enable the Awards to qualify as "performance-based compensation" under Section 162(m) of the Code. In granting share Awards which are intended to qualify under Section 162(m) of the Code, the Committee shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Award under Section 162(m) of the Code (e.g., in determining the Performance Goals).

1.8 No Repricing

Without consent of the Company's shareholders, the exercise price (or equivalent) for an Award may not be reduced. This shall include, without limitation, a repricing of the Award as well as an Award exchange program whereby the Grantee agrees to cancel an existing Award in exchange for a new Award, cash or any other form of consideration.

ARTICLE II
AWARDS UNDER THE PLAN

2.1 Awards and Award Agreements

Each Award granted under the Plan shall be evidenced by an Award Agreement which shall contain such provisions as the Committee in its discretion deems necessary or desirable. Such provisions may include restrictions on the Grantee's right to transfer the shares of Common Stock issuable pursuant to the Award, a requirement that the Grantee become a party to an agreement restricting transfer or allowing repurchase of any shares of Common Stock acquired pursuant to the Award, a requirement that the Grantee acknowledge that such shares are acquired for investment purposes only, and a right of first refusal exercisable by the Company in the event that the Grantee wishes to transfer any such shares. The Committee may grant Awards in tandem or in connection with or independently of or in substitution for any other Award or Awards granted under this Plan or any award granted under any other plan of the Company. Payments or transfers to be made by the Company upon the grant, exercise or payment of an Award may be made in such form as the Committee shall determine, including cash, shares of Common Stock or other securities (or proceeds from the sale thereof), other Awards (by surrender or cancellation thereof or otherwise) or other property and may be made in a single payment or transfer, in installments or on a deferred basis. The Committee may determine that a Grantee shall have no rights with respect to an Award unless such Grantee accepts the Award within such period as the Committee shall specify by executing an Award Agreement in such form as the Committee shall determine and, if the Committee shall so require, makes payment to the Company in such amount as the Committee may determine. The Committee shall determine if loans (whether or not secured by shares of Common Stock) may be extended, guaranteed or arranged by the Company with respect to any Awards; *provided, however,* that loans to executive officers of the Company may not be extended, guaranteed or arranged by the Company in violation of Section 402 of the Sarbanes-Oxley Act of 2002, Regulation O of the Board of Governors of the Federal Reserve System or any other applicable law or regulation. Subject to the terms of the Plan, the Committee at any time, whether before or after the grant, expiration, exercise, vesting or maturity of an Award or the Termination of Employment of a Grantee, may determine in its discretion to waive or amend any term or condition of an Award, including transfer restrictions, vesting, maturity and expiration dates, and conditions for vesting, maturity or exercise.

2.2 No Rights as a Shareholder

No Grantee of an Award (or other person having rights pursuant to such Award) shall have any of the rights of a shareholder of the Company with respect to shares subject to such Award until the transfer of such shares to such person. Except as otherwise provided in Section 1.6(c), no adjustment shall be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, securities or other property) for which the record date is prior to the date such shares are issued.

2.3 Grant of Stock Options, Stock Appreciation Rights and Additional Options

(a)Grant of stock options. The Committee may grant stock options, including Incentive Stock Options and nonqualified stock options, to purchase shares of Common Stock from the Company, to such Key Persons, in such amounts and subject to such terms and conditions (including the attainment of Performance Goals), as the Committee shall determine in its discretion, subject to the provisions of the Plan.

(b)Grant of stock appreciation rights. The Committee may grant stock appreciation rights to such Key Persons, in such amounts and subject to such terms and conditions (including the attainment of Performance Goals), as the Committee shall determine in its discretion, subject to the provisions of the Plan. Stock appreciation rights may be granted in connection with all or any part of, or independently of, any stock option granted under the Plan. A stock appreciation right may be granted at or after the time of grant of such option.

(c)Stock appreciation rights. The Grantee of a stock appreciation right shall have the right, subject to the terms of the Plan and the applicable Award Agreement, to receive from the Company an amount equal to (i) the excess of the Fair Market Value of a share of Common Stock on the date of exercise of the stock appreciation right over (ii) the exercise price of such right as set forth in the Award Agreement (if the stock appreciation right is granted in connection with a stock option, then the exercise price of the option), multiplied by (iii) the number of shares with respect to which the stock appreciation right is exercised. Payment to the Grantee upon exercise of a stock appreciation right shall be made in cash or in shares of Common Stock (valued at their Fair Market Value on the date of exercise of the stock appreciation right) or both, as the Committee shall determine in its discretion. Upon the exercise of a stock appreciation right granted in connection with a stock option, the number of shares subject to the option shall be correspondingly reduced by the number of shares with respect to which the stock appreciation right is exercised. Upon the exercise of a stock option in connection with which a stock appreciation right has been granted, the number of shares subject to the stock appreciation right shall be reduced correspondingly by the number of shares with respect to which the option is exercised.

(d)Exercise price. Each Award Agreement with respect to a stock option or stock appreciation right shall set forth the exercise price, which shall be determined by the Committee in its discretion; *provided*, *however*, that the exercise price shall be at least 100% of the Fair Market Value of a share of Common Stock on the date the Award is granted (except as permitted in connection with the assumption or issuance of options or stock appreciation rights in a transaction to which Section 424 (a) of the Code applies).

(e)Exercise periods. Each Award Agreement with respect to a stock option or stock appreciation right shall set forth the periods during which the Award evidenced thereby shall be exercisable, and, if applicable, the conditions which must be satisfied (including the attainment of Performance Goals) in order for the Award evidenced thereby to be exercisable, whether in whole or in part. Such periods and conditions shall be determined by the Committee in its discretion; *provided*, *however*, that no stock option or stock appreciation right shall be exercisable more than ten (10) years after the date the Award is issued.

(f)Incentive stock options. Notwithstanding Section 2.3(d) and (e), with respect to any Incentive Stock Option or stock appreciation right granted in connection with an Incentive Stock Option (i) the exercise price shall be at least 100% of the Fair Market Value of a share of Common Stock on the date the option is granted (except as permitted in connection with the assumption or issuance of options in a transaction to which Section 424(a) of the Code applies) and (ii) the exercise period shall not be for longer than ten (10) years after the date of the grant. To the extent that the aggregate Fair Market Value (determined as of the time the option is granted) of the shares of Common Stock with respect to which Incentive Stock Options and stock appreciation rights granted in connection with Incentive Stock Options granted under this Plan and all other plans of the Company are first exercisable by any Grantee during any calendar year shall exceed the maximum limit (currently, $100,000), if any, imposed from time to time under Section 422 of the Code, such options and rights shall be treated as nonqualified stock options. For purposes of this Section 2.3(f), Incentive Stock Options shall be taken into account in the order in which they were granted.

(g)Ten percent owners. Notwithstanding the provisions of Sections 2.3(d), (e) and (f), to the extent required under Section 422 of the Code, an Incentive Stock Option may not be granted under the Plan to an individual who, at the time the option is granted, owns stock possessing more than 10% of the total combined voting power of all classes of stock of his or her employer corporation or of its parent or subsidiary corporations (as such ownership may be determined for purposes of Section 422(b)(6) of the Code) unless (i) at the time such Incentive Stock Option is granted the exercise price is at least 110% of the Fair Market Value of the shares subject thereto, and (ii) the Incentive Stock Option by its terms is not exercisable after the expiration of five (5) years from the date granted.

2.4 Exercise of Stock Options and Stock Appreciation Rights

Each stock option or stock appreciation right granted under the Plan shall be exercisable as follows:

(a) Exercise period. A stock option or stock appreciation right shall become and cease to be exercisable at such time or times as determined by the Committee.

(b) Manner of exercise. Unless the applicable Award Agreement otherwise provides, a stock option or stock appreciation right may be exercised from time to time as to all or part of the shares as to which such Award is then exercisable (but, in any event, only for whole shares). A stock appreciation right granted in connection with an option may be exercised at any time when, and to the same extent that, the related option may be exercised. A stock option or stock appreciation right shall be exercised by written notice to the Company, on such form and in such manner as the Committee shall prescribe.

(c) Payment of exercise price. Any written notice of exercise of a stock option shall be accompanied by payment of the exercise price for the shares being purchased. Such payment shall be made (i) in cash (by certified check or as otherwise permitted by the Committee), or (ii) to the extent specified in the Award Agreement or otherwise permitted by the Committee in its discretion (A) by delivery of shares of Common Stock (which, if acquired pursuant to the exercise of a stock option or under an Award made under this Plan or any other compensatory plan of the Company, were acquired at least six (6) months prior to the option exercise date) having a Fair Market Value (determined as of the exercise date) equal to all or part of the exercise price and cash for any remaining portion of the exercise price, (B) to the extent permitted by law, by such other method as the Committee may from time to time prescribe, including a cashless exercise procedure through a broker-dealer.

(d) Delivery of shares. Promptly after receiving payment of the full exercise price, or after receiving notice of the exercise of a stock appreciation right for which payment by the Company will be made partly or entirely in shares of Common Stock, the Company shall, subject to the provisions of Section 3.3 (relating to certain restrictions), transfer to the Grantee or to such other person as may then have the right to exercise the Award, the shares of Common Stock for which the Award has been exercised and to which the Grantee is entitled. If the method of payment employed upon option exercise so requires, and if applicable law permits, a Grantee may direct the Company to deliver the shares to the Grantee's broker-dealer.

2.5 Cancellation and Termination of Stock Options and Stock Appreciation Rights

The Committee may, at any time prior to the occurrence of a Change of Control and in its discretion, determine that any outstanding stock options and stock appreciation rights granted under the Plan, whether or not exercisable, will be canceled and terminated and that in connection with such cancellation and termination the holder of such options (and stock appreciation rights not granted in connection with an option) may receive for each share of Common Stock subject to such Award a cash payment (or the delivery of shares of stock, other securities or a combination of cash, stock and securities equivalent to such cash payment) equal to the difference, if any, between the amount determined by the Committee to be the Fair Market Value of the shares of Common Stock and the applicable exercise price per share multiplied by the number of shares of Common Stock subject to such Award; *provided* that, if such product is zero or less or to the extent that the Award is not then exercisable, the stock options and stock appreciation rights will be canceled and terminated without payment therefore.

2.6 Termination of Employment

(a)Termination of Employment by Grantee for any Reason or By the Company for Cause. Except to the extent otherwise provided in paragraphs (b), (c), (d) and (e) below or in the applicable Award Agreement, all stock options and stock appreciation rights whether or not vested and to the extent not theretofore exercised shall terminate immediately upon (i) the Grantee's Termination of Employment at Grantee's election for any reason or (ii) Grantee's Termination of Employment by the Company for Cause.

(b)At election of Company or a Related Entity. Except to the extent otherwise provided in the applicable Award Agreement, upon the Termination of Employment of a Grantee at the election of the Company or a Related Entity (other than in circumstances governed by paragraph (a) above or paragraphs (c), (d) or (e) below) the Grantee may exercise any outstanding stock option or stock appreciation right on the following terms and conditions: (i) exercise may be made only to the extent that the Grantee was entitled to exercise the Award on the date of the Termination of Employment; and (ii) exercise must occur within three (3) months after the Termination of Employment but in no event after the expiration date of the Award as set forth in the Award Agreement.

(c)Retirement. Except to the extent otherwise provided in the applicable Award Agreement, upon the Termination of Employment of a Grantee by reason of the Grantee's Retirement, the Grantee may exercise any outstanding stock option or stock appreciation right on the following terms and conditions: (i) exercise may be made only to the extent that the Grantee was entitled to exercise the Award on the date of Retirement; (ii) exercise must occur within three (3) years after Retirement but in no event after the expiration date of the Award as set forth in the Award Agreement; and (iii) notwithstanding clause (ii) above, the option or right shall terminate on the date Grantee begins or agrees to begin employment with another company that is in the financial services industry unless such employment is specifically approved by the Committee.

(d)Disability. Except to the extent otherwise provided in the applicable Award Agreement, upon the termination of Employment of a Grantee by reason of Disability the Grantee may exercise any outstanding stock option or stock appreciation right on the following terms and conditions: (i) exercise may be made only to the extent that the Grantee was entitled to exercise the Award on the date of Termination of Employment; and (ii) exercise must occur six (6) months after the Termination of Employment but in no event after the expiration date of the Award as set forth in the Award Agreement.

(e)Death. Except to the extent otherwise provided in the applicable Award Agreement, if a Grantee dies during the period in which the Grantee's stock options or stock appreciation rights are exercisable, whether pursuant to their terms or pursuant to paragraph (b), (c) or (d) above, any outstanding stock option or stock appreciation right shall be exercisable on the following terms and conditions: (i) exercise may be made only to the extent that the Grantee was entitled to exercise the Award on the date of death; and (ii) exercise must occur six (6) months after the date of the Grantee's death. Any such exercise of an Award following a Grantee's death shall be made only by the Grantee's executor or administrator, unless the Grantee's will specifically disposes of such Award, in which case such exercise shall be made only by the recipient of such specific disposition. If a Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will shall be entitled to exercise any Award pursuant to the preceding sentence, such executor (or administrator) or recipient shall be bound by all the terms and conditions of the Plan and the applicable Award Agreement which would have applied to the Grantee.

2.7 Grant of Restricted Stock and Unrestricted Stock

(a)Grant of restricted stock. The Committee may grant restricted shares of Common Stock to such Key Persons, in such amounts and subject to such terms and conditions (including the attainment of Performance Goals), as the Committee shall determine in its discretion, subject to the provisions of the Plan.

(b)Grant of unrestricted stock. The Committee may grant unrestricted shares of Common Stock to such Key Persons, in such amounts and subject to such terms and conditions as the Committee shall determine in its discretion, subject to the provisions of the Plan.

(c)Rights as shareholder. The Company may issue in the Grantee's name shares of Common Stock covered by an Award of restricted stock or unrestricted stock. Upon the issuance of such shares, the Grantee shall have the rights of a shareholder with respect to the restricted stock or unrestricted stock, subject to the transfer restrictions and the Company's repurchase rights described in paragraphs (d) and (e) below and to such other restrictions and conditions as the Committee in its discretion may include in the applicable Award Agreement.

(d)Company to hold certificates. Unless the Committee shall otherwise determine, any certificate issued evidencing shares of restricted stock shall remain in the possession of the Company until such shares are free of any restrictions specified in the Plan or the applicable Award Agreement.

(e)Nontransferable. Shares of restricted stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided in this Plan or the applicable Award Agreement. The Committee at the time of grant shall specify the date or dates (which may depend upon or be related to the attainment of Performance Goals) and other conditions on which the non-transferability of the restricted stock shall lapse. Unless the applicable Award Agreement provides otherwise, additional shares of Common Stock or other property distributed to the Grantee in respect of shares of restricted stock, as dividends or otherwise, shall be subject to the same restrictions applicable to such restricted stock. The Committee at any time may waive or amend the transfer restrictions or other condition of an Award of restricted stock.

(f)Termination of employment. Except to the extent otherwise provided in the applicable Award Agreement or unless otherwise determined by the Committee, in the event of the Grantee's Termination of Employment for any reason, shares of restricted stock that remain subject to transfer restrictions as of the date of such termination shall be forfeited and canceled.

2.8 Grant of Restricted Stock Units

(a)Grant of restricted stock units. The Committee may grant Awards of restricted stock units to such Key Persons, in such amounts and subject to such terms and conditions (including the attainment of Performance Goals), as the Committee shall determine in its discretion, subject to the provisions of the Plan.

(b)Vesting. The Committee, at the time of grant, shall specify the date or dates on which the restricted stock units shall become vested and other conditions to vesting (including the attainment of Performance Goals).

(c)Maturity dates. At the time of grant, the Committee shall specify the maturity date or dates applicable to each grant of restricted stock units, which may be determined at the election of the Grantee if the Committee so determines. Such date may be on or later than, but may not be earlier than, the vesting date or dates of the Award. On the relevant maturity date(s), the Company shall transfer to the Grantee one unrestricted, fully transferable share of Common Stock for each vested restricted stock unit scheduled to be paid out on such date and as to which all other conditions to the transfer have been fully satisfied. The Committee shall specify the purchase price, if any, to be paid by the Grantee to the Company for such shares of Common Stock.

(d)Termination of Employment. Except to the extent otherwise provided in the applicable Award Agreement or unless otherwise determined by the Committee, in the event of the Grantee's Termination of Employment for any reason, restricted stock units that have not vested or matured shall be forfeited and canceled.

2.9 Grant of Performance Shares and Performance Units

(a)Grant of performance shares and units. The Committee may grant performance shares in the form of actual shares of Common Stock or share units over an identical number of shares of Common Stock, to such Key Persons, in such amounts (which may depend on the extent to which

Performance Goals are attained), subject to the attainment of such Performance Goals and satisfaction of such other terms and conditions (which may include the occurrence of specified dates), as the Committee shall determine in its discretion, subject to the provisions of the Plan. The Performance Goals and the length of the performance period applicable to any Award of performance shares or performance units shall be determined by the Committee. The Committee shall determine in its discretion whether performance shares granted in the form of share units shall be paid in cash, Common Stock, or a combination of cash and Common Stock.

(b)Company to hold certificates. Unless the Committee shall otherwise determine, any certificate issued evidencing performance shares shall remain in the possession of the Company until such performance shares are earned and are free of any restrictions specified in the Plan or the applicable Award Agreement.

(c)Nontransferable. Performance shares may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided in this Plan or the applicable Award Agreement. The Committee at the time of grant shall specify the date or dates (which may depend upon or be related to the attainment of Performance Goals) and other conditions on which the non-transferability of the performance shares shall lapse. Unless the applicable Award Agreement provides otherwise, additional shares of Common Stock or other property distributed to the Grantee in respect of performance shares, as dividends or otherwise, shall be subject to the same restrictions applicable to such performance shares. The Committee at any time may waive or amend the transfer restrictions or other condition of an Award of performance shares.

(d)Termination of Employment. Except to the extent otherwise provided in the applicable Award Agreement or unless otherwise determined by the Committee, in the event of the Grantee's Termination of Employment for any reason, performance shares and performance share units that remain subject to transfer restrictions as of the date of such termination shall be forfeited and canceled.

2.10 Grant of Dividend Equivalent Rights

The Committee may in its discretion include in the Award Agreement with respect to any Award, other than a stock option or stock appreciation right, a dividend equivalent right entitling the Grantee to receive amounts equal to the ordinary dividends that would be paid, during the time such Award is outstanding and unexercised, on the shares of Common Stock covered by such Award if such shares were then outstanding. In the event such a provision is included in an Award Agreement, the Committee shall determine whether such payments shall be made in cash, in shares of Common Stock or in another form, whether they shall be conditioned upon the exercise or vesting of, or the attainment or satisfaction of terms and conditions applicable to, the Award to which they relate, the time or times at which they shall be made, and such other terms and conditions as the Committee shall deem appropriate; provided, however, that the recipient of an Award of performance shares or performance units shall only be paid any dividends or dividend equivalent rights upon vesting of the applicable performance share or performance unit.

2.11 Deferred Stock Units.

(a)Description. Deferred stock units shall consist of a restricted stock, restricted stock unit, performance share or performance unit Award that the Committee in its discretion permits to be paid out in installments or on a deferred basis, in accordance with rules and procedures established by the Committee. Deferred stock units shall remain subject to the claims of the Company's general creditors until distributed to the Grantee.

(b)162(m) limits. Deferred stock units shall be subject to the annual Section 162(m) limits applicable to the underlying restricted stock, restricted stock unit, performance share or performance unit Award as forth in Section 1.7(b).

2.12 Other Stock-Based Awards

The Committee may grant other types of stock-based Awards to such Key Persons, in such amounts and subject to such terms and conditions, as the Committee shall in its discretion determine, subject to the provisions of the Plan. Such Awards may entail the transfer of actual shares of Common Stock, or payment in cash or otherwise of amounts based on the value of shares of Common Stock.

2.13 Director Awards

(a)Eligibility. In order to retain and compensate voting directors of the Company who are not employees of the Company ("Non-Employee Directors") and to strengthen the alignment of their interests with those of the shareholders of the Company, Non-Employee Directors shall be eligible to receive Awards under this Plan as determined by the Board, subject to the limits set forth in this Section 2.13.

(b)Non-Employee Director Award Limits. The aggregate value of Awards that may be granted to any one Non-Employee Director during any calendar year, solely with respect to his or her service as a Non-Employee Director, may not exceed $200,000, based on the aggregate Fair Market Value of Awards, determined as of the date of grant.

ARTICLE III
MISCELLANEOUS

3.1 Amendment of the Plan; Modification of Awards

(a)Board authority to amend Plan. The Board in its discretion may at any time suspend, discontinue, revise or amend the Plan in any respect whatsoever, except that any such amendment (other than an amendment pursuant to paragraphs (d), (e) or (f) of this Section 3.1 or an amendment to effect an assumption or other action consistent with Section 3.7) that materially impairs the rights or materially increases the obligations of a Grantee under an outstanding Award shall be effective with respect to such Grantee and Award only with the consent of the Grantee (or, upon the Grantee's death, the Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will). For purposes of the Plan, any action of the Board that alters or affects the tax treatment of any Award shall not be considered to materially impair any rights of any Grantee.

(b)Shareholder approval. Shareholder approval of any amendment shall be obtained to the extent necessary to comply with Section 422 of the Code (relating to Incentive Stock Options) or any other applicable law, regulation or rule (including the rules of self-regulatory organizations).

(c)Committee authority to amend Awards. The Committee in its discretion may at any time, whether before or after the grant, expiration, exercise, vesting or maturity of or lapse of restriction on an Award or the Termination of Employment of a Grantee, amend any outstanding Award or Award Agreement, including an amendment which would accelerate or extend the time or times at which the Award becomes unrestricted or may be exercised, or waive or amend any goals, restrictions or conditions set forth in the Award Agreement. However, any such amendment (other than an amendment pursuant to paragraphs (d), (e) or (f) of this Section 3.1 or an amendment to effect an action consistent with Section 3.7) that materially impairs the rights or materially increases the obligations of a Grantee under an outstanding Award shall be made only with the consent of the Grantee (or, upon the Grantee's death, the Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will). For purposes of the Plan, any action of the Committee that alters or affects the tax treatment of any Award shall not be considered to materially impair any rights of any Grantee.

(d)Regulatory changes generally. Notwithstanding anything to the contrary in this Section 3.1 or the Plan, the Board or the Committee shall have full discretion to amend the Plan or an outstanding Award or Award Agreement to the extent necessary to preserve any tax, accounting, legal or regulatory treatment with respect to any Award and any outstanding Award Agreement shall be deemed to be so amended to the same extent, without obtaining the consent of any Grantee (or, after the Grantee's death, the Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will), without regard to whether such amendment adversely affects a Grantee's rights under the Plan or such Award and Award Agreement.

(e)Section 409A changes. Notwithstanding anything to the contrary in this Section 3.1 or the Plan, the Board or the Committee shall have full discretion to amend the Plan or any outstanding Award or Award Agreement to the extent necessary to avoid the imposition of any tax under Section 409A of the Code. Any such amendments to the Plan, an Award or an Award Agreement may be adopted without obtaining the consent of any Grantee (or, after the Grantee's death, the Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will), regardless of whether such amendment adversely affects a Grantee's rights under the Plan or such Award or Award Agreement.

(f)Other tax changes. In the event that changes are made to Section 83(b), 162(m), 422 or other applicable provision of the Code the Board or the Committee may, subject to Sections 3.1 (a), (b) and (c), make any adjustments it determines in its discretion to be appropriate with respect to the Plan or any Award or Award Agreement.

3.2 Tax Withholding

(a)Tax withholdings. As a condition to the receipt of any shares of Common Stock pursuant to any Award or the lifting of restrictions on any Award, or in connection with any other event that gives rise to a federal or other governmental tax withholding obligation on the part of the Company relating to an Award (including, without limitation, FICA tax), the Company shall be entitled to require that the Grantee remit to the Company an amount sufficient in the opinion of the Company to satisfy such withholding obligation.

(b)Withholding shares. If the event giving rise to the withholding obligation is a transfer of shares of Common Stock, then, unless otherwise provided in the applicable Award Agreement, the Grantee may satisfy only the minimum statutory withholding obligation imposed under paragraph (a) by electing to have the Company withhold shares of Common Stock having a Fair Market Value equal to the amount of tax to be withheld. For this purpose, Fair Market Value shall be determined as of the date on which the amount of tax to be withheld is determined (and any fractional share amount shall be settled in cash).

3.3 Restrictions

(a)Required consents. If the Committee shall at any time determine that any consent (as hereinafter defined) is necessary or desirable as a condition of, or in connection with, the granting of any Award, the issuance or purchase of shares of Common Stock or other rights thereunder, or the taking of any other action thereunder (a "Plan Action"), then no such Plan Action shall be taken, in whole or in part, unless and until such consent shall have been effected or obtained to the full satisfaction of the Committee.

(b)Definition. The term "consent" as used herein with respect to any action referred to in paragraph (a) means (i) any and all listings, registrations or qualifications in respect thereof upon any securities exchange or under any federal, state or local law, rule or regulation, (ii) any and all written agreements and representations by the Grantee with respect to the disposition of shares, or with respect to any other matter, which the Committee shall deem necessary or desirable to comply with the terms of any such listing, registration or qualification or to obtain an exemption from the requirement that any such listing, qualification or registration be made, (iii) any and all consents, clearances and approvals in respect of a Plan Action by any governmental or other regulatory bodies, and (iv) any and all consents or authorizations required to comply with, or required to be obtained under, applicable local law or otherwise required by the Committee. Nothing herein shall require the Company to list, register or qualify the shares of Common Stock on any securities exchange.

3.4 Nonassignability

(a)Nonassignability. No Award or right granted to any person under the Plan shall be assignable or transferable other than by will or by the laws of descent and distribution, and all such Awards and rights shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 3.4 shall be void. Notwithstanding the foregoing, the Committee may in its discretion permit the donative transfer of any Award under the Plan (other than an Incentive Stock Option) by the Grantee (including to a trust or similar instrument), subject to such terms and conditions as may be established by the Committee.

(b)Cashless exercises permitted. The restrictions on exercise and transfer in paragraph (a) above shall not be deemed to prohibit the authorization by the Committee of "cashless exercise" procedures with parties who provide financing for the purpose of (or who otherwise facilitate) the exercise of Awards consistent with applicable legal restrictions and Rule 16b-3.

3.5 Requirement of Notification of Election Under Section 83(b) of the Code

If a Grantee, in connection with the acquisition of shares of Common Stock under the Plan, is permitted under the terms of the Award Agreement to make the election permitted under Section 83(b) of the Code (i.e., an election to include in gross income in the year of transfer the amounts specified in Section 83(b) of the Code notwithstanding the continuing transfer restrictions) and the Grantee makes such an election, the Grantee shall notify the Company of such election within ten (10) days of filing notice of the election with the Internal Revenue Service, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) of the Code.

3.6 Requirement of Notification Upon Disqualifying Disposition Under Section 421(b) of the Code

If any Grantee shall make any disposition of shares of Common Stock issued pursuant to the exercise of an Incentive Stock Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), such Grantee shall notify the Company of such disposition within ten (10) days thereof.

3.7 Change in Control

(a)Definition. Except to the extent otherwise provided in an applicable Award Agreement, a "Change in Control" means the occurrence of any one of the following events:

(i)any Person (as defined in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the Beneficial Owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding securities ("Company Voting Securities"); *provided*, *however*, that the event described in this clause (i) shall not be deemed a Change in Control by virtue of any of the following acquisitions: (A) by the Company or any corporation controlled by the Company, (B) by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (C) by any underwriter temporarily holding securities pursuant to an offering of such securities, (D) pursuant to a Non-Qualifying Transaction (as defined in clause (iii) below), (E) pursuant to any acquisition by Grantee or any group of persons including Grantee (or any entity controlled by Grantee (or any group of persons including Grantee), (F) a transaction (other than one described in clause (iii) below) in which outstanding Company Voting Securities are acquired from the Company, if a majority of the Continuing Directors (as defined in clause (ii) below) approve a resolution providing expressly that the acquisition pursuant to this subclause (F) does not constitute a Change in Control under this clause (F), or (G) any acquisition by a person of 20% of the outstanding Company Voting Securities as a result of an acquisition of common stock of the Company by the Company which, by reducing the number of shares of common stock of the Company outstanding, increases the proportionate number of shares beneficially owned by such person to 20% or more of the outstanding Company Voting Securities, *provided*, *however*, that if a person shall become the beneficial owner of 20% or more of the outstanding Company Voting Securities by reason of a share acquisition by the Company as described above and shall, after such share acquisition by the Company, become the beneficial owner of any additional shares of common stock of the Company, then such acquisition shall constitute a Change in Control;

(ii)during any two consecutive years, individuals who at the beginning of such period constitute the Board ("Continuing Directors"), cease for any reason to constitute at least a majority thereof, *provided* that any person becoming a director subsequent to such date whose election or nomination for election was approved by a vote of at least a majority of the Continuing Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be a Continuing Director; *provided, however,* that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be a Continuing Director, including by reason of any agreement intended to avoid or settle any such election or proxy contest;

(iii)the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's shareholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than 50% of the total voting power of (x) the corporation resulting from such Business Combination (the "Surviving Corporation"), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of at least 95% of the voting securities eligible to elect directors of the Surviving Corporation (the "Parent Corporation"), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (C) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination are Continuing Directors (any Business Combination which satisfies all of the criteria specified in subclauses (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); *provided, however,* that if Continuing Directors constitute a majority of the Board immediately following the occurrence of a Business Combination, then a majority of Continuing Directors in office prior to the Consummation of the Business Combination may approve a resolution providing expressly that such Business Combination does not constitute a Change in Control under this clause (iii) for any and all purposes of the Plan.

(iv)the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

(v)the consummation of an agreement (or agreements) providing for the sale or disposition by the Company of all or substantially all of the Company's assets other than a sale or disposition which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent 50% or more of the combined voting power of the Company or such surviving entity outstanding immediately after such sale or disposition.

(b)In the event of a Change in Control, unless otherwise specifically prohibited under law or by the rules and regulations of a national security exchange applicable to the Company, if the Grantee has a Termination of Employment due to termination by the Company without Cause or by the Grantee for Good Reason within the twenty-four (24) month period following such Change in Control:

(i)any and all stock options and stock appreciation rights granted under the Plan will become both vested and immediately exercisable as of the date of such Termination of Employment;

(ii)any restricted period and other restrictions imposed on restricted stock or restricted stock units will lapse, and restricted stock units will become both vested and immediately transferrable or payable as of the date of such Termination of Employment;

(iii)any outstanding performance shares and performance units will become both vested and immediately transferrable or payable as of the date of such termination of employment; and

(iv)any other stock-based awards will become both vested and immediately transferrable or payable as of the date of such termination of employment.

(c)In the event of a Change in Control, the payout opportunities attainable under all outstanding performance shares and performance units will be deemed to have been earned based on the greater of targeted performance and actual performance being attained as of the effective date of the Change in Control and such Performance Awards will remain subject to time-based vesting for the remainder of the applicable performance period, subject to accelerated vesting in accordance with Section 3.7(a).

(d)In the event of a Change in Control, outstanding Awards may be assumed or a substantially equivalent Award may be substituted by such successor entity or a parent of such successor entity, and such an assumption or substitution shall not be deemed to violate this Plan or any provision of any Award Agreement; provided, however, that if such successor entity or its parent is not willing to assume or substitute the Awards as described above, the Committee may determine that all outstanding Awards will be cancelled upon a Change in Control, and the value of such Awards, as determined by the Committee in accordance with the terms of the Plan, the Award Agreement and any agreement setting forth the terms and conditions of the proposed transaction(s) effecting such Change in Control, will be paid out in cash, shares of Common Stock or other property within a reasonable time subsequent to the Change in Control; *provided*, that (i) no such payment will be made on account of an Incentive Stock Option using a value higher than the Fair Market Value of a share of Stock on the date of settlement and (ii) prior to the occurrence of a Change in Control, the Committee may determine to cancel without any payment or other consideration any stock options and stock appreciation rights having an exercise price per share at the time of the Change in Control that is equal to or greater than the value of the consideration received by stockholders of the Company in respect of a share of Common Stock in connection with the Change in Control.

(e)Section 409A. To the extent it is necessary for the term "change of control" to be defined as provided in Section 409A of the Code in order for compensation provided under any Award to avoid the imposition of taxes under Section 409A of the Code, then the term "change in control", only insofar as it applies to any such Award, shall be defined as provided in Section 409A of the Code, rather than as provided in Section 3.7 (a), and the terms of Sections 3.7(b) through (d) shall be applied and interpreted with respect to such Section 409A definition in such manner as the Committee in its discretion determines to be equitable and reflect the intention of Sections 3.7(a) through (d).

3.8 No Right to Employment

Nothing in the Plan or in any Award Agreement shall confer upon any Grantee the right to continue in the employ of or association with the Company or any Related Entity or affect any right which the Company or Related Entity may have to terminate such employment or association at any time (with or without cause).

3.9 Nature of Payments

Unless the Committee determines at any time in its discretion, any and all grants of Awards and issuances of shares of Common Stock under the Plan shall constitute a special incentive payment to the Grantee and shall not be taken into account in computing the amount of salary or compensation of the Grantee for the purpose of determining any benefits under any pension, retirement, profit-sharing, bonus, life insurance or other benefit plan of the Company or under any agreement with the Grantee, unless such plan or agreement specifically provides otherwise.

3.10 Non-Uniform Determinations

The Committee's determinations under the Plan need not be uniform and may be made by it selectively among persons who receive, or are eligible to receive, Awards (whether or not such persons are similarly situated). Without limiting the generality of the foregoing, the Committee shall be entitled, among other things, to make non-uniform and selective determinations, and to enter into non-uniform and selective Award Agreements, as to the persons to receive Awards under the Plan, and the terms and provisions of Awards under the Plan.

3.11 Other Payments or Awards

Nothing contained in the Plan shall be deemed in any way to limit or restrict the Company from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

3.12 Interpretation

The section headings contained herein are for the purpose of convenience only and are not intended to define or limit the contents of the sections. As used in the Plan, "include," "includes," and "including" are deemed to be followed by "without limitation" whether or not they are followed by such words or words of like import; except as the context requires, the singular includes the plural and visa versa; and references to any agreement or other document are references to such agreement or document as amended or supplemented from time to time. Any determination, interpretation or similar act to be made by the Committee shall be made in the discretion of the Committee, whether or not the applicable provisions of the Plan specifically refer to the Committee's discretion.

3.13 Effective Date and Term of Plan

The Plan shall become effective as of approval of the Plan by the Company's shareholders (the "Effective Date"). Unless sooner terminated by the Board, the Plan, including the provisions respecting the grant of Incentive Stock Options, shall terminate on the tenth anniversary of the Effective Date; provided that the Plan shall continue to govern outstanding Awards until such Awards have been satisfied or terminated. All Awards made under the Plan prior to its termination shall remain in effect until such Awards have been satisfied or terminated in accordance with the terms and provisions of the Plan and the applicable Award Agreements.

3.14 Governing Law

All rights and obligations under the Plan shall be construed and interpreted in accordance with the laws of the State of Utah, without giving effect to principles of conflict of laws.

3.15 Severability; Entire Agreement

If any of the provisions of this Plan or any Award Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions shall not be affected thereby; provided, that if any of such provisions is finally held to be invalid, illegal, or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder. The Plan and any Award Agreements contain the entire agreement of the parties with respect to the subject matter thereof and supersede all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral, with respect to the subject matter thereof.

3.16 No Third Party Beneficiaries

Except as expressly provided therein, neither the Plan nor any Award Agreement shall confer on any person other than the Company and the grantee of any Award any rights or remedies thereunder.

3.17 Successors and Assigns

The terms of this Plan shall be binding upon and inure to the benefit of the Company and its successors and assigns.

3.18 Waiver of Claims

Each Grantee of an Award recognizes and agrees that prior to being selected by the Committee to receive an Award he or she has no right to any benefits hereunder. Accordingly, in consideration of the Grantee's receipt of any Award hereunder, he or she expressly waives any right to contest the amount of any Award, the terms of any Award Agreement, any determination, action or omission hereunder or under any Award Agreement by the Committee, the Company or the Board, or any amendment to the Plan or any Award Agreement (other than an amendment to this Plan or an Award Agreement to which his or her consent is expressly required by the express terms of the Plan or an Award Agreement).

3.19 Waiver of Claims; Clawback

Before being selected by the Committee to receive an Award, no Key Person has any right to any benefits under the Plan. Accordingly, in consideration of the Grantee's receipt of any Award hereunder, he or she expressly waives any right to contest the amount of any Award, the terms of any Award Agreement, any determination, action or omission hereunder or under any Award Agreement by the Committee, the Company or the Board, or any amendment to the Plan or any Award Agreement (other than an amendment to the Plan or an Award Agreement to which his or her consent is expressly required by the express terms of the Plan or an Award Agreement). Awards under the Plan shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time to the extent provided in such policy and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

3.20 Right of Offset.

Except with respect to Awards that are intended to be "deferred compensation" subject to Section 409A, the Company will have the right to offset against its obligation to deliver shares of Common Stock (or cash, other securities or other property) under the Plan or any Award Agreement any outstanding amounts (including, without limitation, travel and entertainment or advance account balances, loans, repayment obligations under any Awards, or amounts repayable to the Company pursuant to tax equalization, housing, automobile or other employee programs) that the Grantee then owes to the Company as determined by the Committee.

3.21 Relation to Other Equity Plans

Notwithstanding any other provisions to the contrary in the Prior Plan, upon shareholder approval of this Plan and filing and effectiveness of a Form S-8 registration statement with the Securities and Exchange Commission for this Plan, no new awards of shares of Common Stock will be granted under the Prior Plan.

Exhibit 10.43

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK AWARD AGREEMENT
SUBJECT TO HOLDING REQUIREMENT

This Restricted Stock Award Agreement (this "***Agreement***") is made and entered into as of [date] (the "Grant Date") by and between Zions Bancorporation, a Utah corporation (the "Company"), and [name] (the "Grantee") pursuant to the Company's 2015 Omnibus Incentive Plan (the "Plan"). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan

1.<u>Grant of Restricted Stock</u>. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to Grantee the following number of shares (the ***"Restricted Stock"***) of the Company's Common Stock (the ***"Common Stock"***): [#]. Grantee's ownership of and rights with respect to the Restricted Stock are limited by the terms and conditions of the Plan and this Agreement, including restrictions on Grantee's right to transfer the Restricted Stock and Grantee's obligation to forfeit and surrender the Restricted Stock upon the occurrence of certain circumstances.

2. <u>Vesting; Holding Period</u>. Except as otherwise provided herein, the Restricted Stock shall vest in equal annual installments on each of the first four (4) anniversaries of the Grant Date (each such anniversary, an "Applicable Vesting Date"). Except as otherwise provided herein, the [after-tax] portion of the Restricted Stock that vests on an Applicable Vesting Date will remain subject to a two (2) year holding period and are not transferable by the Grantee until the end of such holding period (the "Transfer Restriction").

3. <u>Transfer Restriction</u>. Until the lapse of the Transfer Restriction, the Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided in the Plan or this Agreement. Additional shares of Common Stock or other property distributed to the Grantee in respect of the Restricted Stock, as dividends or otherwise, shall be subject to the same restrictions applicable to the Restricted Stock (the term "Restricted Stock" shall also be deemed to include such other shares and property). The Restricted Stock shall be held by the Company in escrow for so long as the Restricted Stock is subject to the vesting restrictions in Section 2 above and the Transfer Restriction and any transfer restrictions under the Plan. The Company may direct its stock transfer agent to legend or place a stop transfer order on the Restricted Stock and any certificate issued evidencing shares of the Restricted Stock shall remain in the possession of the Company until such shares are free of any restriction specified in the Plan or this Agreement.

4. <u>Lapse of Transfer Restrictions</u>. Except as provided in Section 5 below, the Transfer Restriction shall lapse following a two (2) year hold after the Applicable Vesting Date and as set forth in Section 5.3 and Section 11 below; provided that Grantee has satisfied all applicable tax withholding obligations as provided in Section 6.1 below and the conditions of Sections 6.2 through 6.4 below have been satisfied.

5. <u>Termination of Employment</u>.

5.1 General. In the event of Grantee's Termination of Employment for any reason other than (i) Retirement at age 60 or older after 5 or more years of service, (ii) death or (iii) Disability, shares of Restricted Stock that remain subject to transfer restrictions as of the date of such termination shall immediately and automatically be forfeited, surrendered and cancelled without consideration and without any further action by Grantee.

5.2 Retirement. In the event of Grantee's Termination of Employment by reason of Grantee's Retirement at age 60 or older after 5 or more years of service, the shares of Restricted Stock that remain subject to vesting restrictions under Section 2 and/or the Transfer Restriction under Section 3, in each case, as of the date of such Retirement shall remain outstanding and subject to such vesting and transfer restrictions (which restrictions shall continue to lapse on the same schedule as set forth in Section 3 and Section 4, as applicable); provided that, notwithstanding the foregoing, shares of Restricted Stock remaining outstanding after Retirement, to the extent still subject to vesting and/or Transfer Restriction, shall automatically be forfeited, surrendered and cancelled without consideration and without further action by Grantee immediately upon (i) Grantee's commencement of, or agreement to commence, employment with or provision of services (whether as a director, consultant or otherwise) to another company that is in the financial services industry unless such employment or provision of services is specifically approved by the Committee, (ii) Grantee's making any derogatory or damaging statements (verbally, in writing or otherwise) about the Company or any of its affiliates, the management or the board of directors of the Company or any affiliate, the products, services or business condition of the Company or any affiliate in any public way to anyone who could make those statements public or to customers of, vendors to or counterparties of the Company, or (iii) Grantee violating any duty of confidentiality owed to the Company or its affiliates under the policies or procedures of the Company and its affiliates, including the Company's employee handbook, code of conduct and similar materials, or under federal or state law, or Grantee misappropriating or misusing any proprietary information or assets of the Company and its affiliates, including intellectual property rights.

5.3 Death; Disability. In the event of Grantee's Termination of Employment by reason of Grantee's death or Disability, any vesting restrictions under Section 2 and/or the Transfer Restriction under Section 3 that remain applicable to the shares of Restricted Stock shall immediately lapse as of the date of such Termination of Employment in accordance with Section 4 above.

6. Conditions to Lapse of Transfer Restrictions.

6.1 Tax Withholding. Prior to the lapse of vesting restrictions on the Restricted Stock, Grantee must pay, or otherwise provide for to the satisfaction of the Company, any applicable federal or state withholding obligations of the Company. Unless the Committee permits otherwise, Grantee shall provide for payment of withholding taxes upon lapse of the vesting restrictions by hereby allowing and directing the Company to retain shares of Restricted Stock with a Fair Market Value (determined as of the applicable lapse date) equal to the statutory minimum amount of taxes required to be withheld. In such case, the Company shall issue the net number of shares of Restricted Stock by deducting the shares retained from the total number of shares of Restricted Stock that are no longer subject to transfer restrictions and such shares shall be held in escrow in accordance with Section 3 until the Transfer Restriction has lapsed.

6.2 Compliance with Laws. The vesting restrictions set forth in Section 2 and the Transfer Restrictions set forth in Section 3 above shall not lapse unless such lapse and the issuance or release of the related shares of Restricted Stock is in compliance, to the reasonable satisfaction of the

Committee, with all applicable federal and state laws, as they are in effect on the date of the lapse of restrictions.

6.3 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the lapse of transfer restrictions on the Restricted Stock and the release of shares of Restricted Stock to Grantee as the Committee may determine, including the use of specified broker-dealers and the manner in which Grantee shall satisfy tax withholding obligations with respect to shares of Restricted Stock released from transfer restrictions.

6.4 Release of Shares. As promptly as is practicable after the lapse of Transfer Restriction and satisfaction of Sections 6.1 through 6.3 above, the Company shall release the shares of Restricted Stock registered in the name of Grantee, Grantee's authorized assignee or Grantee's legal representative. The Company may postpone such release until it receives satisfactory proof that the release of such shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, as amended, any rules or regulations of the Securities and Exchange Commission (the ***"SEC"***) promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify the Restricted Stock or Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

7. Right of Offset. The Company shall have the right to offset against the obligation to release shares of Restricted Stock, any outstanding amounts then owed by Grantee to the Company.

8. Nontransferability of Agreement. The rights conferred by this Agreement shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 8 shall be void.

9. Privileges of Stock Ownership. Grantee shall have the rights of a stockholder with respect to the voting of the Restricted Stock and ordinary dividends paid by the Company. All regular dividends on shares of the Restricted Stock shall be paid directly to Grantee and shall not be held in escrow (such distributions may, however, be delivered to an address at the Company for delivery to Grantee).

10. No Obligation to Employ. Nothing in the Plan or this Agreement shall confer on Grantee any right to continue in the employ of, or to continue or establish any other relationship with, the Company or any Related Entity, or limit in any way the right of the Company or any Related Entity to terminate Grantee's employment or other relationship at any time, with or without Cause.

11. Change in Control. Notwithstanding anything in the Plan or any change in control agreement between the Company and the Grantee (a "Change in Control Agreement") to the contrary, the Restricted Stock shall not be subject to accelerated vesting and/or settlement or cash out upon a Change in Control, except to the extent that the definitive agreement evidencing a Change in Control provides for such accelerated vesting and/or settlement or cash out of Awards granted under the Plan upon the Change in Control. However, if, within twenty-four (24) months after the occurrence of a Change in Control, the Grantee experiences a Termination of Employment by the Company without Cause or by the Grantee for Good Reason, then the Restricted Stock shall become fully vested in accordance with Section 3.7(b) of the Plan, the Transfer Restriction shall lapse and the Stock shall be released in accordance with Section 6.4 of this Agreement.

12. Entire Agreement. This Restricted Stock is granted pursuant to the Plan and this Restricted Stock and Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents as may be executed in connection with this Restricted Stock grant constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this grant shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

13. Notices. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

14. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

16. Regulatory Matters/Compliance with Laws. In the event that the grant, exercise, lapse of restrictions, payment, settlement, or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "Governmental Restriction"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an Award of another type (such as an option Award), a reduction of the number of shares covered by this Award or any such modified Award, the addition of grant, exercise, vesting or lapse of restrictions conditions, the delay or cessation of exercise, lapse of restrictions, payment, settlement, or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any shares of Common Stock acquired by Grantee pursuant to this Award, or any proceeds from the disposition of any such shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

17. **Clawback.** The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee, including, for the avoidance of doubt, before or after the Transfer Restriction lapses.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By: ______________________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

Exhibit 10.44

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

STANDARD RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement (this "***Agreement***") is made and entered into as of [date] (the "Grant Date") by and between Zions Bancorporation, a Utah corporation (the "Company"), and [name] (the "Grantee") pursuant to the Company's 2015 Omnibus Incentive Plan (the "Plan"). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan

1.<u>Grant of Restricted Stock</u>. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to Grantee the following number of shares (the ***"Restricted Stock"***) of the Company's Common Stock (the ***"Common Stock"***): [#]. Grantee's ownership of and rights with respect to the Restricted Stock are limited by the terms and conditions of the Plan and this Agreement, including restrictions on Grantee's right to transfer the Restricted Stock and Grantee's obligation to forfeit and surrender the Restricted Stock upon the occurrence of certain circumstances.

2. <u>Vesting</u>. Except as otherwise provided herein, the Restricted Stock shall vest in equal annual installments on each of the first four (4) anniversaries of the Grant Date (each such anniversary, an "Applicable Vesting Date") and shall remain subject to transfer restrictions through each such Applicable Vesting Date.

3. <u>Transfer Restriction</u>. Until the lapse of the transfer restrictions, the Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided in the Plan or this Agreement. Additional shares of Common Stock or other property distributed to the Grantee in respect of the Restricted Stock, as dividends or otherwise, shall be subject to the same restrictions applicable to the Restricted Stock (the term "Restricted Stock" shall also be deemed to include such other shares and property). The Restricted Stock shall be held by the Company in escrow for so long as the Restricted Stock is subject to the vesting restrictions in Section 2 above and the transfer restrictions under this Section 3 and the Plan. The Company may direct its stock transfer agent to legend or place a stop transfer order on the Restricted Stock and any certificate issued evidencing shares of the Restricted Stock shall remain in the possession of the Company until such shares are free of any restriction specified in the Plan or this Agreement.

4. <u>Lapse of Transfer Restrictions</u>. Except as provided in Section 5 below, the transfer restrictions set forth in Section 3 above shall lapse on the Applicable Vesting Date and as set forth in Section 5.3 and Section 11 below; provided that Grantee has satisfied all applicable tax withholding obligations as provided in Section 6.1 below and the conditions of Sections 6.2 through 6.4 below have been satisfied.

5. <u>Termination of Employment</u>.

5.1 <u>General</u>. In the event of Grantee's Termination of Employment for any reason other than (i) Retirement at age 60 or older after 5 or more years of service, (ii) death or (iii) Disability, shares of Restricted Stock that remain subject to transfer restrictions as of the date of such termination shall immediately and automatically be forfeited, surrendered and cancelled without consideration and without any further action by Grantee.

5.2 Retirement. In the event of Grantee's Termination of Employment by reason of Grantee's Retirement at age 60 or older after 5 or more years of service, the shares of Restricted Stock that remain subject to vesting and transfer restrictions under Sections 2 and 3 as of the date of Retirement shall remain outstanding and subject to such vesting and transfer restrictions (and shall continue to vest on the same schedule as set forth in Section 2 and which transfer restrictions shall continue to lapse as provided in Section 4); provided that, notwithstanding the foregoing, shares of Restricted Stock remaining outstanding after Retirement, to the extent still subject to vesting and transfer restrictions, shall automatically be forfeited, surrendered and cancelled without consideration and without further action by Grantee immediately upon (i) Grantee's commencement of, or agreement to commence, employment with or provision of services (whether as a director, consultant or otherwise) to another company that is in the financial services industry unless such employment or provision of services is specifically approved by the Committee, (ii) Grantee's making any derogatory or damaging statements (verbally, in writing or otherwise) about the Company or any of its affiliates, the management or the board of directors of the Company or any affiliate, the products, services or business condition of the Company or any affiliate in any public way to anyone who could make those statements public or to customers of, vendors to or counterparties of the Company, or (iii) Grantee violating any duty of confidentiality owed to the Company or its affiliates under the policies or procedures of the Company and its affiliates, including the Company's employee handbook, code of conduct and similar materials, or under federal or state law, or Grantee misappropriating or misusing any proprietary information or assets of the Company and its affiliates, including intellectual property rights.

5.3 Death; Disability. In the event of Grantee's Termination of Employment by reason of Grantee's death or Disability, any transfer restrictions under Sections 2 and 3 that remain applicable to the shares of Restricted Stock shall immediately lapse as of the date of such Termination of Employment in accordance with Section 4 above.

6. Conditions to Lapse of Transfer Restrictions.

6.1 Tax Withholding. Prior to the lapse of transfer restrictions on the Restricted Stock, Grantee must pay, or otherwise provide for to the satisfaction of the Company, any applicable federal or state withholding obligations of the Company. Unless the Committee permits otherwise, Grantee shall provide for payment of withholding taxes upon lapse of the transfer restrictions by hereby allowing and directing the Company to retain shares of Restricted Stock with a Fair Market Value (determined as of the applicable Lapse Date) equal to the statutory minimum amount of taxes required to be withheld. In such case, the Company shall issue the net number of shares of Restricted Stock to the Grantee by deducting the shares retained from the total number of shares of Restricted Stock that are no longer subject to transfer restrictions.

6.2 Compliance with Laws. The vesting restrictions set forth in Section 2 and the transfer restrictions set forth in Section 3 above shall not lapse unless such lapse and the issuance or release of the related shares of Restricted Stock is in compliance, to the reasonable satisfaction of the Committee, with all applicable federal and state laws, as they are in effect on the date of the lapse of restrictions.

6.3 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the lapse of transfer restrictions on the Restricted Stock and the release of shares of Restricted Stock to Grantee as the Committee may determine, including the use of specified broker-dealers and the manner in which Grantee shall satisfy tax withholding obligations with respect to shares of Restricted Stock released from transfer restrictions.

6.4 Release of Shares. As promptly as is practicable after the lapse of transfer restrictions and satisfaction of Sections 6.1 through 6.3 above, the Company shall release the shares of Restricted Stock registered in the name of Grantee, Grantee's authorized assignee or Grantee's legal representative. The Company may postpone such release until it receives satisfactory proof that the release of such shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, as amended, any rules or regulations of the Securities and Exchange Commission (the ***"SEC"***) promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify the Restricted Stock or Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

7. Right of Offset. The Company shall have the right to offset against the obligation to release shares of Restricted Stock, any outstanding amounts then owed by Grantee to the Company.

8. Nontransferability of Agreement. The rights conferred by this Agreement shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 8 shall be void.

9. Privileges of Stock Ownership. Grantee shall have the rights of a stockholder with respect to the voting of the Restricted Stock and ordinary dividends paid by the Company. All regular dividends on shares of the Restricted Stock shall be paid directly to Grantee and shall not be held in escrow (such distributions may, however, be delivered to an address at the Company for delivery to Grantee).

10. No Obligation to Employ. Nothing in the Plan or this Agreement shall confer on Grantee any right to continue in the employ of, or to continue or establish any other relationship with, the Company or any Related Entity, or limit in any way the right of the Company or any Related Entity to terminate Grantee's employment or other relationship at any time, with or without Cause.

11. Change in Control. Notwithstanding anything in the Plan or any change in control agreement between the Company and the Grantee (a "Change in Control Agreement") to the contrary, the Restricted Stock shall not be subject to accelerated vesting and/or settlement or cash out upon a Change in Control, except to the extent that the definitive agreement evidencing a Change in Control provides for such accelerated vesting and/or settlement or cash out of Awards granted under the Plan upon the Change in Control. However, if, within twenty-four (24) months after the occurrence of a Change in Control, the Grantee experiences a Termination of Employment by the Company without Cause or by the Grantee for Good Reason, then the Restricted Stock shall become fully vested in accordance with Section 3.7(b) of the Plan, the transfer restrictions shall lapse and the Stock shall be released in accordance with Section 6.4 of this Agreement.

12. **Entire Agreement.** This Restricted Stock is granted pursuant to the Plan and this Restricted Stock and Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents as may be executed in connection with this Restricted Stock grant constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this grant shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

13. **Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

14. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

15. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

16. **Regulatory Matters/Compliance with Laws.** In the event that the grant, exercise, lapse of restrictions, payment, settlement, or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "Governmental Restriction"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an Award of another type (such as an option Award), a reduction of the number of shares covered by this Award or any such modified Award, the addition of grant, exercise, vesting or lapse of restrictions conditions, the delay or cessation of exercise, lapse of restrictions, payment, settlement, or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any shares of Common Stock acquired by Grantee pursuant to this Award, or any proceeds from the disposition of any such shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

17. Clawback. The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By:___________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

Exhibit 10.45

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

STANDARD RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (this "Agreement") is made and entered into as of [date] (the "Grant Date") by and between Zions Bancorporation, a Utah corporation (the "Company"), and [name] (the "Grantee") pursuant to the Company's 2015 Omnibus Incentive Plan (the "Plan"). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan.

1. **Grant of RSUs**. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to Grantee the following number of restricted stock units (the "RSUs"): [#]. An RSU constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered) to the Grantee, subject to the terms of the Plan and this Agreement, a share of Common Stock (each, a "Share") on a delivery date as provided herein (the Shares that are deliverable to the Grantee pursuant to the RSU, are called "RSU Shares"). Until such delivery, the Grantee has only the rights of a general unsecured creditor, and no rights as a shareholder, of the Company. Grantee's rights with respect to the RSU are limited by the terms and conditions of the Plan and this Agreement.

2. **Vesting**. Except as otherwise provided herein, the RSUs shall vest in equal annual installments on each of the first four (4) anniversaries of the Grant Date (each such anniversary, an "Applicable Vesting Date").

3. **Delivery of RSU Shares.** RSU Shares shall be delivered as soon as practicable following the applicable Delivery Date (but in no case more than fifteen (15) days thereafter). For purposes of this Agreement, the "Delivery Date" means the first to occur of (i) the Applicable Vesting Date, (ii) the Grantee's death, (iii) the Grantee's Termination of Employment by reason of Grantee's Disability, and (iv) the Grantee's Termination of Employment by the Company without Cause or by the Grantee for Good Reason, in each case, within the twenty-four (24) month period following a Change in Control. On the Delivery Date, the Company shall transfer to the Grantee one unrestricted, fully transferable Share for each vested RSU scheduled to be paid out on such date; provided that Grantee has satisfied all applicable tax withholding obligations as provided in Section 5.1 below and the terms and conditions of the Plan and this Agreement (including, but not limited to, Section 3 and Sections 5.2 and 5.3 below) have been satisfied. The Company may postpone such delivery of RSU Shares until it receives satisfactory proof that the release of such Shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, any rules or regulations of the Securities and Exchange Commission (the "SEC") promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify the RSUs or Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

4. **Termination of Employment**.

4.1 General. In the event of the Grantee's Termination of Employment for any reason, except as set forth below, RSUs that are unvested as of the date of such termination shall immediately and automatically be forfeited and cancelled without consideration and without any further action by the Company or the Grantee.

4.2 Retirement. In the event of the Grantee's Termination of Employment by reason of the Grantee's Retirement at age 60 or older after 5 or more years of service, RSUs that are unvested as of the date of Retirement shall remain outstanding and shall continue to vest on the Applicable Vesting Dates in accordance with the vesting schedule set forth in Section 2; provided that, notwithstanding the foregoing, unvested RSUs shall automatically be forfeited and cancelled without consideration and without further action by Grantee immediately upon (i) Grantee's commencement of, or agreement to commence, employment with or provision of services (whether as a director, consultant or otherwise) to another company that is in the financial services industry unless such employment or provision of services is specifically approved by the Committee, (ii) Grantee's making any derogatory or damaging statements (verbally, in writing or otherwise) about the Company or any of its affiliates, the management or the board of directors of the Company or any affiliate, the products, services or business condition of the Company or any affiliate in any public way to anyone who could make those statements public or to customers of, vendors to or counterparties of the Company, or (iii) Grantee violating any duty of confidentiality owed to the Company or its affiliates under the policies or procedures of the Company and its affiliates, including the Company's employee handbook, code of conduct and similar materials, or under federal or state law, or Grantee misappropriating or misusing any proprietary information or assets of the Company and its affiliates, including intellectual property rights.

4.3 Death. In the event of Grantee's Termination of Employment by reason of Grantee's death, RSUs that are unvested as of such date shall immediately vest in full.

4.4 Disability. In the event of Grantee's Termination of Employment by reason of Grantee's Disability, RSUs that are unvested as of such date shall immediately vest in full.

5. **Conditions to Vesting and Delivery of RSU Shares**.

5.1 Tax Withholding. Upon vesting of an RSU and the delivery of any RSU Shares, Grantee must pay or otherwise provide for, to the satisfaction of the Company, any applicable federal or state withholding obligations of the Company. Unless the Committee permits otherwise, Grantee shall provide for payment of withholding taxes upon vesting and delivery of the RSU Shares by hereby allowing and directing the Company to retain Shares underlying the RSUs with a Fair Market Value (determined as of the Delivery Date) equal to the statutory minimum amount of taxes required to be withheld. In such case, the Company shall issue the net number of RSU Shares to the Grantee by deducting the Shares retained from the total number of vested RSUs.

5.2 Compliance with Laws. The RSUs shall not vest on the Applicable Vesting Date or be delivered on the applicable Delivery Date unless such vesting and delivery is in compliance, to the reasonable satisfaction of the Committee, with all applicable federal and state laws, as they are in effect on each such date.

5.3 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the vesting of RSUs and the delivery of RSU Shares to Grantee as the Committee may determine, including the use of specified broker-dealers and the manner in which Grantee shall satisfy tax withholding obligations with respect to the RSUs.

6. **Right of Offset**. The Company shall have the right to offset against the obligation to release RSU Shares, any outstanding amounts then owed by Grantee to the Company, but only to the extent such offset does not violate Section 409A of the Code.

7. **Nontransferability of Agreement**. The rights conferred by this Agreement shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 7 shall be void.

8. **Privileges of Stock Ownership; Dividend Equivalents**. The Grantee will not have any rights of a shareholder of the Company with respect to RSUs until delivery of the underlying RSU Shares. With respect to each of the Grantee's outstanding RSUs, the Grantee shall be paid an amount in cash (less applicable withholding) equal to the ordinary dividends as would have been made in respect of the RSU Shares not yet delivered, as if the RSU Shares had been actually delivered (payment shall be made at or after the time of distribution of the dividend paid by the Company in respect of the Share); provided that no such payment in respect of any RSUs shall be made in respect of a dividend record date that is before the Grant Date of the RSUs, nor shall any such payment be made if, prior to the time payment is due, such RSUs are forfeited or cancelled.

9. **No Obligation to Employ**. Nothing in the Plan or this Agreement shall confer on Grantee any right to continue in the employ of, or to continue or establish any other relationship with, the Company or any Related Entity, or limit in any way the right of the Company or any Related Entity to terminate Grantee's employment or other relationship at any time, with or without Cause.

10. **Change in Control**. Notwithstanding anything in the Plan or any change in control agreement between the Company and the Grantee (a "Change in Control Agreement") to the contrary, the RSU shall not be subject to accelerated vesting and/or settlement or cash out upon a Change in Control, except to the extent that the definitive agreement evidencing a Change in Control provides for such accelerated vesting and/or settlement or cash out of awards granted under the Plan upon the Change in Control. However, if, within twenty-four (24) months after the occurrence of a Change in Control, the Grantee experiences a Termination of Employment by the Company without Cause or by the Grantee for Good Reason, then the RSU shall become fully vested in accordance with Section 3.7(b) of the Plan and the RSU Shares shall be delivered in accordance with Section 3 of this Agreement.

11. **Entire Agreement**. The RSUs are granted pursuant to the Plan and the RSUs and this Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents as may be executed in connection with this RSU grant constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this RSU grant shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

12. **Notices**. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered

mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

13. **Successors and Assigns**. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

14. **Governing Law**. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

15. **Regulatory Matters/Compliance with Laws**. In the event that the grant, exercise, vesting, payment, settlement, delivery of RSU Shares or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "Governmental Restriction"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an award of another type (such as an option award), a reduction of the number of Shares covered by this Award or any such modified award, the addition of grant, exercise, vesting conditions, the delay or cessation of vesting, payment, settlement, delivery of RSU Shares or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any RSU Shares acquired by Grantee pursuant to this Award, or any proceeds from the disposition of any such shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

16. **Clawback.** The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By: ______________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

Exhibit 10.46

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT
SUBJECT TO HOLDING REQUIREMENT

This Restricted Stock Unit Award Agreement (this “Agreement”) is made and entered into as of [date] (the “Grant Date”) by and between Zions Bancorporation, a Utah corporation (the “Company”), and [name] (the “Grantee”) pursuant to the Company’s 2015 Omnibus Incentive Plan (the “Plan”). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan.

1. **Grant of RSUs**. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to Grantee the following number of restricted stock units (the “RSUs”): [#]. An RSU constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered) to the Grantee, subject to the terms of the Plan and this Agreement, a share of Common Stock (each, a “Share”) on a delivery date as provided herein (the Shares that are deliverable to the Grantee pursuant to the RSU, are called “RSU Shares”). Until such delivery, the Grantee has only the rights of a general unsecured creditor, and no rights as a shareholder, of the Company. Grantee’s rights with respect to the RSU are limited by the terms and conditions of the Plan and this Agreement.

2. **Vesting; Holding Period**. Except as otherwise provided herein, the RSUs shall vest in equal annual installments on each of the first four (4) anniversaries of the Grant Date (each such anniversary, an “Applicable Vesting Date”). Except as otherwise provided herein, RSU Shares underlying the portion of the RSU that vests on an Applicable Vesting Date shall be subject to a two (2) year holding period and shall not be delivered to the Grantee until the end of such holding period.

3. **Delivery of RSU Shares.** RSU Shares shall be delivered as soon as practicable following the applicable Delivery Date (but in no case more than fifteen (15) days thereafter). For purposes of this Agreement, the “Delivery Date” means the first to occur of (i) the second anniversary of the Applicable Vesting Date, (ii) the Grantee’s death, (iii) the Grantee’s Termination of Employment by reason of Grantee’s Disability, and (iv) the Grantee’s Termination of Employment by the Company without Cause or by the Grantee for Good Reason, in each case, within the twenty-four (24) month period following a Change in Control. On the Delivery Date, the Company shall transfer to the Grantee one unrestricted, fully transferable Share for each vested RSU scheduled to be paid out on such date; provided that Grantee has satisfied all applicable tax withholding obligations as provided in Section 5.1 below and the terms and conditions of the Plan and this Agreement (including, but not limited to, Section 3 and Sections 5.2 and 5.3 below) have been satisfied. The Company may postpone such delivery of RSU Shares until it receives satisfactory proof that the release of such Shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, any rules or regulations of the Securities and Exchange Commission (the “SEC”) promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify the RSUs or Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

4. **Termination of Employment**.

4.1 General. In the event of the Grantee's Termination of Employment for any reason, except as set forth below, RSUs that are unvested as of the date of such termination shall immediately and automatically be forfeited and cancelled without consideration and without any further action by the Company or the Grantee.

4.2 Retirement. In the event of the Grantee's Termination of Employment by reason of the Grantee's Retirement at age 60 or older after 5 or more years of service, RSUs that are unvested as of the date of Retirement shall remain outstanding and shall continue to vest on the Applicable Vesting Dates in accordance with the vesting schedule set forth on Section 2; provided that, notwithstanding the foregoing, unvested RSUs shall automatically be forfeited and cancelled without consideration and without further action by Grantee immediately upon (i) Grantee's commencement of, or agreement to commence, employment with or provision of services (whether as a director, consultant or otherwise) to another company that is in the financial services industry unless such employment or provision of services is specifically approved by the Committee, (ii) Grantee's making any derogatory or damaging statements (verbally, in writing or otherwise) about the Company or any of its affiliates, the management or the board of directors of the Company or any affiliate, the products, services or business condition of the Company or any affiliate in any public way to anyone who could make those statements public or to customers of, vendors to or counterparties of the Company, or (iii) Grantee violating any duty of confidentiality owed to the Company or its affiliates under the policies or procedures of the Company and its affiliates, including the Company's employee handbook, code of conduct and similar materials, or under federal or state law, or Grantee misappropriating or misusing any proprietary information or assets of the Company and its affiliates, including intellectual property rights.

4.3 Death. In the event of Grantee's Termination of Employment by reason of Grantee's death, RSUs that are unvested as of such date shall immediately vest in full.

4.4 Disability. In the event of Grantee's Termination of Employment by reason of Grantee's Disability, RSUs that are unvested as of such date shall immediately vest in full.

5. **Conditions to Vesting and Delivery of RSU Shares**.

5.1 Tax Withholding. Upon vesting of an RSU and the delivery of any RSU Shares, Grantee must pay or otherwise provide for, to the satisfaction of the Company, any applicable federal or state withholding obligations of the Company. Unless the Committee permits otherwise, Grantee shall provide for payment of withholding taxes upon the delivery of the RSU Shares by hereby allowing and directing the Company to retain Shares underlying the RSUs with a Fair Market Value (determined as of the Delivery Date) equal to the statutory minimum amount of taxes required to be withheld. In such case, the Company shall issue the net number of RSU Shares to the Grantee by deducting the Shares retained from the total number of vested RSUs. The Grantee hereby directs the Company to withhold any employment taxes that may be due upon an Applicable Vesting Date from the Grantee's periodic salary payments.

5.2 Compliance with Laws. The RSUs shall not vest on the Applicable Vesting Date or be delivered on the applicable Delivery Date unless such vesting and delivery is in compliance, to the reasonable satisfaction of the Committee, with all applicable federal and state laws, as they are in effect on each such date.

5.3 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the vesting of RSUs and the delivery of RSU Shares to Grantee as the Committee may determine, including the use of specified broker-dealers and the manner in which Grantee shall satisfy tax withholding obligations with respect to the RSUs.

6. **Right of Offset**. The Company shall have the right to offset against the obligation to release RSU Shares, any outstanding amounts then owed by Grantee to the Company, but only to the extent such offset does not violate Section 409A of the Code.

7. **Nontransferability of Agreement**. The rights conferred by this Agreement shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 7 shall be void.

8. **Privileges of Stock Ownership; Dividend Equivalents**. The Grantee will not have any rights of a shareholder of the Company with respect to RSUs until delivery of the underlying RSU Shares. With respect to each of the Grantee's outstanding RSUs, the Grantee shall be paid an amount in cash (less applicable withholding) equal to the ordinary dividends as would have been made in respect of the RSU Shares not yet delivered, as if the RSU Shares had been actually delivered (payment shall be made at or after the time of distribution of the dividend paid by the Company in respect of the Share); provided that no such payment in respect of any RSUs shall be made in respect of a dividend record date that is before the Grant Date of the RSUs, nor shall any such payment be made if, prior to the time payment is due, such RSUs are forfeited or cancelled.

9. **No Obligation to Employ**. Nothing in the Plan or this Agreement shall confer on Grantee any right to continue in the employ of, or to continue or establish any other relationship with, the Company or any Related Entity, or limit in any way the right of the Company or any Related Entity to terminate Grantee's employment or other relationship at any time, with or without Cause.

10. **Change in Control**. Notwithstanding anything in the Plan or any change in control agreement between the Company and the Grantee (a "Change in Control Agreement") to the contrary, the RSU shall not be subject to accelerated vesting and/or settlement or cash out upon a Change in Control, except to the extent that the definitive agreement evidencing a Change in Control provides for such accelerated vesting and/or settlement or cash out of awards granted under the Plan upon the Change in Control. However, if, within twenty-four (24) months after the occurrence of a Change in Control, the Grantee experiences a Termination of Employment by the Company without Cause or by the Grantee for Good Reason,, then the RSU shall become fully vested in accordance with Section 3.7(b) of the Plan and the RSU Shares shall be delivered in accordance with Section 3 of this Agreement.

11. **Entire Agreement**. The RSUs are granted pursuant to the Plan and the RSUs and this Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents as may be executed in connection with this RSU grant constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this RSU grant shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

12. **Notices**. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

13. **Successors and Assigns**. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

14. **Governing Law**. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

15. **Regulatory Matters/Compliance with Laws**. In the event that the grant, exercise, vesting, payment, settlement, delivery of RSU Shares or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "Governmental Restriction"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an award of another type (such as an option award), a reduction of the number of Shares covered by this Award or any such modified award, the addition of grant, exercise, vesting conditions, the delay or cessation of vesting, payment, settlement, delivery of RSU Shares or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any RSU Shares acquired by Grantee pursuant to this Award, or any proceeds from the disposition of any such shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

16. **Clawback.** The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By: ______________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

STANDARD STOCK OPTION AWARD AGREEMENT

This Stock Option Award Agreement (this "***Agreement***") is made and entered into as of the [date] (the "***Grant Date***") by and between Zions Bancorporation, a Utah corporation (the "***Company***"), and [name] (the "***Grantee***") pursuant to the Company's 2015 Omnibus Incentive Plan (the "***Plan***"). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan.

1.Grant of Stock Option. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to the Grantee the right and option (an "***Option***") to purchase all or any part of the following number of shares of the Company's Common Stock (the ***"Common Stock"***): [#] at the following purchase price per share (the "***Option Exercise Price***"): [$].

2. Term of Option. This Option shall expire on the seventh anniversary of the Grant Date (the "***Expiration Date***") and must be exercised, if at all, on or before the earlier of the Expiration Date or the date on which this Option is earlier terminated in accordance with the provisions of the Plan or Section 4 of this Agreement.

3. Vesting. Except as otherwise provided in this Agreement or in the Plan, this Option (i) shall vest in equal annual installments on each of the first three (3) anniversaries of the Grant Date.

4. Termination of Employment.

4.1 Termination of Employment by Grantee for any Reason or By the Company for Cause. Except to the extent otherwise provided in Sections 4.2 through 4.5 below, this Option, whether or not vested and to the extent not therefore exercised, shall terminate, and there shall be no further vesting or exercise, immediately upon (i) the Grantee's Termination of Employment at Grantee's election for any reason or (ii) Grantee's Termination of Employment by the Company for Cause.

4.2 At Election of Company or a Related Entity. Upon the Termination of Employment of Grantee at the election of the Company or a Related Entity (other than in circumstances governed by Section 4.1 above or Section 4.3 through 4.5 Grantee below), there shall be no further vesting, but Grantee may exercise this Option on the following terms and conditions: (i) exercise may be made only to the extent that the Grantee was entitled to exercise this Option on the date of the Termination of Employment; and (ii) exercise must occur within three (3) months after the Termination of Employment but in no event after the Expiration Date.

4.3 Retirement.

(a) Subject to Section 4.3(c) below, upon Termination of Employment of Grantee by reason of Grantee's Retirement in circumstances other than those described in Section 4.3(b) below, (i) this Option shall cease vesting upon Retirement and (ii) this Option, to the extent vested and exercisable on the date of

Retirement, may be exercised until the earlier of (x) the third anniversary of the date of Retirement and (y) the Expiration Date.

(b) Subject to Section 4.3(c) below, upon the Termination of Employment of Grantee by reason of the Grantee's Retirement at age 60 or older after 5 or more years of service, this Option shall continue to vest as set forth in Section 3 above, and Grantee may exercise this Option until the earlier of (i) the third anniversary of the date of Retirement and (ii) the Expiration Date.

(c) In circumstances in which Section 4.3(a) or (b) would otherwise allow for continued vesting and/or exercise, this Option, whether or not then vested and to the extent not theretofore exercised, shall terminate, and there shall be no further vesting or exercise, immediately upon (i) Grantee's commencement of, or agreement to commence, employment with or provision of services (whether as a director, consultant or otherwise) to another company that is in the financial services industry unless such employment or provision of services is specifically approved by the Committee, (ii) Grantee's making any derogatory or damaging statements (verbally, in writing or otherwise) about the Company or any of its affiliates, the management or the board of directors of the Company or any affiliate, the products, services or business condition of the Company or any affiliate in any public way to anyone who could make those statements public or to customers of, vendors to or counterparties of the Company, or (iii) Grantee violating any duty of confidentiality owed to the Company or its affiliates under the policies or procedures of the Company and its affiliates, including the Company's employee handbook, code of conduct and similar materials, or under federal or state law, or Grantee misappropriating or misusing any proprietary information or assets of the Company and its affiliates, including intellectual property rights.

4.4 Disability. Upon the Termination of Employment of Grantee by reason of Disability, Options that are unvested as of such date shall immediately vest in full and Grantee may exercise this Option on the following terms and conditions: exercise must occur within six (6) months after the Termination of Employment but in no event after the Expiration Date.

4.5 Death. If Grantee dies during the period in which this Option is exercisable, whether pursuant to its terms or pursuant to Section 4.2 through 4.4 above, Options that are unvested as of such date shall immediately vest in full and this Option shall be exercisable on the following terms and conditions: exercise must occur within six (6) months after the date of the Grantee's death. Any such exercise of this Option following a Grantee's death shall be made only by the Grantee's executor or administrator, unless the Grantee's will specifically disposes of such Option, in which case such exercise shall be made only by the recipient of such specific disposition. If a Grantee's executor (or administrator) or the recipient of a specific disposition under the Grantee's will shall be entitled to exercise this Option pursuant to the preceding sentence, such executor (or administrator) or recipient shall be bound by all the terms and conditions of the Plan and this Agreement which would have applied to the Grantee.

5. Manner of Exercise.

5.1 Stock Option Exercise Agreement. To exercise this Option, Grantee (or in the case of exercise after Grantee's death, Grantee's executor, administrator or recipient of a specific disposition) must deliver to the Company an executed stock option exercise agreement in such form as may be required by the Company from time to time (the "***Exercise Agreement***"), which shall set forth, among other things, Grantee's election to exercise this Option, the number of shares being purchased, any restrictions imposed on the shares of Common Stock and any representations, warranties and agreements regarding Grantee's investment intent and access to information as may be required by the Company to comply with applicable securities laws. If someone other than Grantee exercises this Option, then such person must submit documentation reasonably acceptable to the Company that such person has the right to exercise this Option.

5.2 Payment. The Exercise Agreement shall be accompanied by full payment for the shares of Common Stock being purchased (the "***Exercise Price***"). Such payment shall be made (i) in cash (by check), (ii) by delivery of shares of Common Stock (which, if acquired pursuant to the exercise of a stock option or under an Award made under the Plan or any other compensatory plan of the Company, were acquired at least six (6) months prior to the option exercise date) having a Fair Market Value (determined as of the exercise date) equal to all or part of the exercise price and cash for any remaining portion of the exercise price or (iii) to the extent permitted by law, by such other method as the Committee may from time to time prescribe, including a cashless exercise procedure through a broker-dealer. Any shares of Common stock delivered in payment of the Exercise Price shall be fully paid and free and clear of all liens, claims, encumbrances and security interests.

5.3 Tax Withholding. Prior to the issuance of the shares of Common Stock upon exercise of this Option, Grantee must pay, or otherwise provide for to the satisfaction of the Company, any applicable federal or state withholding obligations of the Company.

5.4 Limitations on Exercise. This Option may not be exercised unless such exercise is in compliance, to the reasonable satisfaction of the Committee, with all applicable federal and state laws, as they are in effect on the date of exercise. This Option may not be exercised as to fewer than 100 shares of Common Stock unless it is exercised as to all shares as to which this Option is then exercisable.

5.5 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the exercise of this Option and delivery of shares pursuant to such exercise as the Committee may determine, including the use of specified broker-dealers and the manner in which Grantee shall satisfy tax withholding obligations with respect to such shares.

5.6 Issuance of Shares. As promptly as is practicable after the receipt of the Exercise Agreement, in form and substance satisfactory to the Company, payment of the Exercise Price and satisfaction of Sections 5.3 through 5.5 above, the Company shall issue the shares of Common Stock registered in the name of Grantee, Grantee's authorized assignee or Grantee's legal representative. The Company may postpone such delivery until it receives satisfactory proof that the issuance of such shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, as amended, any rules or regulations of the Securities and Exchange Commission (the ***"SEC"***) promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify the shares of Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

6. Right of Offset. The Company shall have the right to offset against the obligation to deliver shares of Common Stock in respect of any exercise of this Option, any outstanding amounts then owed by Grantee to the Company.

7. Nontransferability of Option. This Option shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 7 shall be void.

8. **Privileges of Stock Ownership.** Grantee shall not have any of the rights of a stockholder of the Company with respect to any shares of Common Stock subject to the issuance of such shares to Grantee. Except as otherwise provided in Section 1.6(c) of the Plan, no adjustment shall be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, securities or other property) for which the record date is prior to the date such shares are issued.

9. **No Obligation to Employ.** Nothing in the Plan or this Agreement shall confer on Grantee any right to continue in the employ of, or other relationship with, the Company or any Related Entity, or limit in any way the right of the Company or any Related Entity to terminate Grantee's employment or other relationship at any time, with or without Cause.

10. **Non-Qualified Options; Incentive Stock Options.** It is intended that this Option shall be treated as an incentive stock option to the maximum extent permitted by the Plan (including Sections 2.3 (f) and (g) thereof) and the Code, and that the remainder of this Option, if any, shall be treated as a non-qualified option.

11. **Change in Control.** Notwithstanding anything in the Plan or any change in control agreement between the Company and the Grantee (a "Change in Control Agreement") to the contrary, the Option shall not be subject to accelerated vesting and/or settlement or cash out upon a Change in Control, except to the extent that the definitive agreement evidencing a Change in Control provides for such accelerated vesting and/or settlement or cash out of Awards granted under the Plan upon the Change in Control. However, if, within twenty-four (24) months after the occurrence of a Change in Control, the Grantee experiences a Termination of Employment by the Company without Cause or by the Grantee for Good Reason, then the Option shall become fully vested and immediately exercisable as of the date of such Termination of Employment, in accordance with Section 3.7(b) of the Plan.

12. **Entire Agreement.** This Option is granted pursuant to the Plan and this Option and Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents as may be executed in connection with the exercise of this Option constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this Option shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

13. **Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

14. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns

of the Company. Subject to the restrictions on transfer set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

16. Regulatory Matters/Compliance with Laws. In the event that the grant, exercise, lapse of restrictions, payment, settlement, or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "Governmental Restriction"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an Award of another type (such as restricted stock Award), a reduction of the number of shares covered by this Award or any such modified Award, the addition of grant, exercise, vesting or lapse of restrictions conditions, the delay or cessation of exercise, lapse of restrictions, payment, settlement, or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any shares of Common Stock acquired by Grantee pursuant to this Award, or any proceeds from the disposition of any such shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

17. **Clawback.** The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By: ________________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

ZIONS BANCORPORATION
2015 OMNIBUS INCENTIVE PLAN

STANDARD DIRECTORS STOCK AWARD AGREEMENT

This Directors Stock Award Agreement (this "***Agreement***") is made and entered into as of the [date] (the "***Grant Date***") by and between Zions Bancorporation, a Utah corporation (the "***Company***"), and [name] (the "***Grantee***") pursuant to the Company's 2015 Omnibus Incentive Plan (the "***Plan***"). Capitalized terms not defined in this Agreement have the meanings ascribed to them in the Plan.

1.Grant of Shares. Pursuant and subject to the Plan and this Agreement, the Company hereby grants to Grantee the following number of shares of Common Stock **("Shares"): [#]**, on the delivery date as provided herein. Until such delivery, the Grantee has only the rights of a general unsecured creditor, and no rights as a shareholder, of the Company. Grantee's rights with respect to the Shares are limited by the terms and conditions of the Plan and this Agreement.

2. Delivery of Shares. Shares are to be delivered on or promptly after the Grant Date, (but in no case more than fifteen (15) days after such date) (the "Delivery Date"). On the Delivery Date, the Company shall transfer to the Grantee each unrestricted, fully transferable Share scheduled to be paid out on such date; provided that Grantee has satisfied the conditions of this Section 2 and Sections 3.1 and 3.2 below have been satisfied. The Company may postpone such delivery of Shares until it receives satisfactory proof that the release of such Shares will not violate any of the provisions of the Securities Act of 1933, as amended, or the Exchange Act, as amended, any rules or regulations of the Securities and Exchange Commission (the "***SEC***") promulgated thereunder, or the requirements of applicable state law relating to authorization, issuance or sale of securities, or until there has been compliance with the provisions of such acts or rules. Grantee understands that the Company is under no obligation to register or qualify Common Stock with the SEC, any state securities commission or any stock exchange to effect such compliance.

3. Conditions to Delivery of Shares.

3.1 Compliance with Laws. The Shares shall not be delivered on the applicable Delivery Date unless such delivery is in compliance, to the reasonable satisfaction of the Committee, with all applicable federal and state laws, as they are in effect on such date

3.2 Other Conditions. The Committee may require that Grantee comply with such other procedures relating to the delivery of Shares to Grantee as the Committee may determine, including the use of specified broker-dealers.

4. Right of Offset. The Company shall have the right to offset against the obligation to release Shares, any outstanding amounts then owed by Grantee to the Company, but only to the extent such offset does not violate Section 409A of the Code.

5. Nontransferability of Agreement. The rights conferred by this Agreement shall not be assignable or transferable by Grantee other than by will or by the laws of descent and distribution, and shall be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative and any such attempted assignment, transfer or exercise in contravention of this Section 7 shall be void.

6. **No Right to Retain Status as Director.** Nothing contained in this Agreement shall confer upon Grantee any right to continue as a director of the Company or any of its subsidiaries.

7. **Entire Agreement.** The Shares are granted pursuant to the Plan, and the Shares and this Agreement are subject to the terms and conditions of the Plan. The Plan is incorporated herein by reference. This Agreement, the Plan and such other documents, as may be executed in connection with this grant of Shares, constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter. Any action taken or decision made by the Committee arising out of or in connection with the construction, administration, interpretation or effect of this Agreement, the Plan and such other documents as may be executed in connection with this grant of Shares shall lie within its sole and absolute discretion, as the case may be, and shall be final, conclusive and binding on the Grantee and all persons claiming under or through the Grantee.

8. **Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Grantee shall be in writing and addressed to Grantee at the address indicated below or to such other address as such party may designate in writing from time to time to the Company. All notices shall be deemed to have been given or delivered upon: personal delivery; three (3) days after deposit in the United States mail by certified or registered mail (return receipt requested); one (1) business day after deposit with any return receipt express courier (prepaid); or one (1) business day after transmission by facsimile.

9. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions set forth herein, this Agreement and the Plan shall be binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah without regard to that body of law pertaining to choice of law or conflict of laws.

11. **Regulatory Matters/Compliance with Laws.** In the event that the grant, exercise, payment, settlement, delivery of Shares or accrual of this Award or any term of this Award is restricted or prohibited or otherwise conflicts with any applicable statute (including, without limitation, Section 18(k) of the Federal Deposit Insurance Act, as amended) or any applicable regulation or other guidance thereunder, or any agreement or arrangement with or restriction imposed by, the United States Department of the Treasury, any bank regulatory agency or any other governmental agency (a "***Governmental Restriction***"), in each case, as determined by Committee in its sole discretion, then the Committee may unilaterally modify the terms of this Award in such manner as the Committee determines in its sole discretion to be necessary to avoid such restriction or prohibition or eliminate such conflict, all without the further consent of Grantee, such consent being given through Grantee's acceptance of this Award. Such modifications may include, without limitation, the modification of this Award into an Award of another type (such as an option Award), a reduction of the number of Shares covered by this Award or any such modified Award, the addition of grant or exercise, conditions, the delay or cessation of payment, settlement or delivery of Shares or accrual of this Award, and the cancellation for no consideration of all or a portion of this Award. In addition, any Shares by Grantee pursuant to this Award, or any proceeds from the disposition of any such Shares, shall be subject to forfeiture and return to the Company to the extent required by a Governmental Restriction.

12. Clawback. The Award shall be subject to the clawback, recapture or recoupment policy, if any, that the Company may adopt from time to time and, in accordance with such policy, as in effect from time to time, may be subject to the requirement that the Awards be forfeited, reduced, or repaid to the Company after they have been distributed or paid to the Grantee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date noted above.

ZIONS BANCORPORATION

By: ______________________

ACCEPTED AND AGREED:

GRANTEE

____
[Name]
[Address]

ZIONS BANCORPORATION
CHANGE IN CONTROL AGREEMENT
SENIOR EXECUTIVES
[1X/2X/3X]

[DATE]

[Executive]
[Address]

Dear [Name of Executive]:

Zions Bancorporation, N.A. (the "Company") considers it essential to the best interests of its shareholders to foster the continuous employment of key management personnel. In connection with this, the Company's Board of Directors (the "Board") recognizes that, as is the case with many publicly held corporations, the possibility of a change in control of the Company may exist and that the uncertainty and questions that it may raise among management could result in the departure or distraction of management personnel to the detriment of the Company and its shareholders.

The Board has decided to reinforce and encourage the continued attention and dedication of members of the Company's management, including yourself, to their assigned duties without the distraction arising from the possibility of a change in control of the Company.

In order to induce you to remain in the employ of the Company or any of its affiliates (collectively, the "Company"), the Company hereby agrees that after this letter agreement (this "Agreement") has been fully executed, you shall receive the severance benefits set forth in Section 5 of this Agreement in the event your employment with the Company is terminated under the circumstances described in Section 4 of this Agreement subsequent to a Change in Control (as defined in Section 2).

1. <u>Term of Agreement</u>.

This Agreement shall commence on the date hereof and shall continue in effect through December 31, [year]; provided, however, that commencing on March 1, [year], and on each March 1 thereafter, the term of this Agreement shall automatically be extended for one additional year unless, not later than March 1 of that preceding year, the Company shall have given notice that it does not wish to extend this Agreement; *provided, further,* that if a Change in Control (as defined in Section 2), occurs during the original or any extended term of this Agreement, the term of this Agreement shall continue in effect for a period of thirty-six (36) months beyond the month in which such Change in Control occurred. Except as set forth in the following sentence, in the event (a) your employment with the Company terminates or (b) the Compensation Committee of the Board (the "Committee") determines in its discretion that the nature and scope of your services to the Company is fundamentally and substantially diminished (such as, without limitation, a change from acting in an executive role to acting in a consultative role), in either case prior to the date a Change in Control occurs for any reason (except as set forth below), this Agreement shall terminate as of the date of your termination of employment or diminution of services. If, at any time during the six (6) month period prior to the occurrence of a Change in Control, (i) your employment is terminated or your services are diminished prior to a Change in Control for reasons that would have constituted a termination by the Company without Cause or by you for Good Reason hereunder if such termination or diminution had occurred following a Change in Control and (ii) you reasonably demonstrate that such termination or diminution (or Good Reason event) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control, then for purposes of this Agreement, the date immediately prior to the date of such termination of employment or diminution or event constituting Good Reason shall be treated as a Change in Control for purposes of this Agreement and you will be entitled to receive the payments and benefits set forth in Section 4 below and the term of this Agreement shall continue in effect for a period of thirty-six (36) months beyond the month in which such termination of employment occurred.

2. Change in Control. No benefits shall be payable or provided under Section 3, 4 or 5 of this Agreement unless there has been a Change in Control and any other terms and conditions set forth herein have been satisfied. For purposes of this Agreement, a Change in Control shall mean:

(a) any Person (as defined in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is or becomes the Beneficial Owner (as defined in Rule 13d3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding securities ("Outstanding Company Voting Securities"); provided, however, that the event described in this subsection (a) shall not be deemed a Change in Control by virtue of any of the following acquisitions: (i) by the Company or any corporation controlled by the Company, (ii) by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (iii) by any underwriter temporarily holding securities pursuant to an offering of such securities, (iv) pursuant to a Non-Qualifying Transaction (as defined in subsection (c) below), (v) pursuant to any acquisition by you or any group of persons including you (or any entity controlled by you or any group of persons including you), (vi) a transaction (other than one described in subsection (c) below) in which Outstanding Company Voting Securities are acquired from the Company, if a majority of the Continuing Directors (as defined in subsection (b) below) approve a resolution providing expressly that the acquisition pursuant to this clause (vii) does not constitute a Change in Control under this subsection (a) for any or all purposes of this Agreement or (viii) any acquisition by a Person of 20% of the Outstanding Company Voting Securities as a result of an acquisition of common stock of the Company by the Company which, by reducing the number of shares of common stock of the Company outstanding, increases the proportionate number of shares beneficially owned by such Person to 20% or more of the Outstanding Company Voting Securities; *provided*, *however*, that if a Person shall become the beneficial owner of 20% or more of the Outstanding Company Voting Securities by reason of a share acquisition by the Company as described above and shall, after such share acquisition by the Company, become the beneficial owner of any additional shares of common stock of the Company, then such acquisition shall constitute a Change in Control;

(b) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board(hereinafter referred to as “Continuing Directors”) cease for any reason to constitute at least a majority thereof, *provided* that any person becoming a director subsequent to such date whose election or nomination for election was approved by a vote of at least a majority of the Continuing Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be a Continuing Director; *provided*, *however*, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be a Continuing Director;

(c) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its Subsidiaries that requires the approval of the Company’s shareholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), unless immediately following such Business Combination: (i) more than 50% of the total voting power of (x) the corporation resulting from such Business Combination (the “Surviving Corporation”), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of at least 95% of the voting securities eligible to elect directors of the Surviving Corporation (the “Parent Corporation”), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (ii) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation) is or becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (iii) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination are Continuing Directors (any Business Combination which satisfies all of the criteria specified in (i), (ii) and (iii) above shall be deemed to be a “Non-Qualifying Transaction”); *provided*, *however*, that if Continuing Directors constitute a majority of the Board immediately following the occurrence of a Business Combination, then a majority of Continuing Directors in office prior to the consummation of the Business Combination may approve a resolution providing expressly that such Business Combination does not constitute a Change in Control under this subsection (c) for any or all purposes of this Agreement;

(d) the shareholders of the Company approve a plan of complete liquidation of the Company; or

(e) the consummation of an agreement (or agreements) providing for the sale or disposition by the Company of all or substantially all of the Company’s assets other than a sale or disposition which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent 50% or more of the combined voting power of the acquiring entity outstanding immediately after such sale or disposition.

3. Treatment of Certain Awards Upon a Change in Control.

(a) In the event of a Change in Control, unless otherwise specifically prohibited under law or by the rules and regulations of a national security exchange applicable to the Company, if your employment is terminated by the Company without Cause or by you for Good Reason, in either case, within the two (2) year period following such Change in Control (or the six (6) month period prior to a Change in Control as contemplated under Section 1 above): (i) any outstanding options shall become fully vested and exercisable as of the date of such termination of your employment (and shall remain exercisable in accordance with their terms), (ii) any restricted period and other restrictions imposed on restricted stock or restricted stock units will lapse, and restricted stock units will become both vested and immediately transferrable or payable as of the date of such termination of your employment; (iii) any outstanding performance shares and performance units will become both vested and immediately transferrable or payable as of the date of such termination of your employment; and (iv) any other stock-based awards will become both vested and immediately transferrable or payable as of the date of such termination of your employment. Any shares to be delivered under any awards described in clauses (ii) through (iv) of the preceding sentence shall be delivered within 30 days following the date of such termination of employment (with the actual delivery date during such 30-day period to be determined in the Company's sole discretion).

(b) Immediately prior to a Change in Control, the payout opportunities attainable under any unvested Senior Management Value Sharing Awards will be deemed to have been valued and earned based on the greater of targeted performance and actual performance being attained as of the effective date of the Change in Control (as determined by the Committee in its discretion) and such Senior Management Value Sharing Awards will remain subject to time-based vesting for the remainder of the applicable performance period, subject to accelerated vesting as described in the following sentence. In the event of a Change in Control, unless otherwise specifically prohibited under law or by the rules and regulations of a national security exchange applicable to the Company, if your employment is terminated by the Company without Cause or by you for Good Reason, in either case, within the two (2) year period following such Change in Control (or the six (6) month period prior to a Change in Control as contemplated under Section 1 above), any outstanding Senior Management Value Sharing Awards will become both vested and immediately payable as of the date of such termination of your employment and shall be paid in a single lump sum within 30 days following the date of such termination of employment (with the actual payment date during such 30-day period to be determined in the Company's sole discretion).

4. Termination of Employment Following a Change in Control.

neral. During the term of this Agreement, if a Change in Control shall have occurred, you shall be entitled to the benefits provided in Section 5(c) upon a subsequent qualifying termination of your employment, provided that such termination occurs during the term of this Agreement and within the two (2) year period immediately following the date of such Change in Control , unless such termination is (i) because of your death or Disability (as defined in Section 4(b)), (ii) by the Company for Cause (as defined in Section 4(c)), or (iii) by you other than for Good Reason (as defined in Section 4(d)).

(b) Disability. Your employment may be terminated for Disability. “Disability” shall have the meaning prescribed to it in Section 409A(a)(2)(C) of the Internal Revenue Code.

(c) Cause. Termination by the Company of your employment for “Cause” shall mean termination (i) upon your willful and continued failure to substantially perform your duties with the Company (other than any such failure resulting from your incapacity due to physical or mental illness or any such actual or anticipated failure after your issuance of a Notice of Termination (as defined in Section 4(e)) for Good Reason (as defined in Section 4(d)), after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (ii) upon your willful and continued failure to substantially follow and comply with the specific and lawful directives of the Board, as reasonably determined by the Board (other than any such failure resulting from your incapacity due to physical or mental illness or any such actual or anticipated failure after your issuance of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (iii) upon your commission of an act of fraud or dishonesty resulting in material economic or financial injury to the Company, or (iv) upon your engagement in illegal conduct or gross misconduct, in each case which is materially and demonstrably injurious to the Company. For purposes of this subsection (c), no act or failure to act shall be considered “willful” unless done or omitted to be done in bad faith and without reasonable belief that your action or omission was in the best interests of the Company or its affiliates. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board, based upon the advice of counsel for the Company or upon the instructions of the Company’s chief executive officer shall be conclusively presumed to be done, or omitted to be done, by you in good faith and in the best interests of the Company. Cause shall not exist unless and until the Company has delivered to you a copy of a resolution duly adopted by three-quarters (3/4) of the entire Board (excluding you if you are a Board member) at a meeting of the Board called and held for such purpose (after reasonable notice to you and an opportunity for you, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board an event set forth in clause (i), (ii), (iii) or (iv) has occurred and specifying the particulars thereof in detail. The Company must notify you of any event constituting Cause within ninety (90) days following the Company’s knowledge of its existence or such event shall not constitute Cause under this Agreement.

(d) Good Reason. You shall be entitled to terminate your employment for Good Reason. For purposes of this Agreement, “Good Reason” shall mean, without your express written consent, the occurrence within the (2) year period immediately following such Change in Control of any of the following circumstances:

(i) the assignment to you of any duties materially inconsistent with the position in the Company that you held immediately prior to the Change in Control, a significant adverse alteration in the nature or status of your responsibilities or the conditions of your employment from those in effect immediately prior to such Change in Control, or any other action by the

Company that results in a material diminution in your position, authority, duties or responsibilities;

(ii) the Company's reduction by more than 10% of your annual total compensation as in effect on the date hereof or as the same may be increased from time to time;

(iii) (1) the relocation of the Company's offices at which you are principally employed immediately prior to the Change in Control (your "Principal Location") which results in the one-way commuting distance for you increasing by more than fifty (50) miles from your primary residence immediately prior to a Change in Control, (2) the Company's requiring you to be based anywhere other than your Principal Location or (3) the Company's requiring you to travel on the Company's business to an extent substantially greater than your business travel obligations immediately prior to the Change in Control;

(iv) the Company's failure to pay to you any portion of your current compensation or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Company within thirty (30) days after the date such compensation is due;

(v) the Company's failure to continue (1) any material employee benefit plan, compensation plan, or material fringe benefit plan in which you participate immediately prior to the Change in Control, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan, or (2) your participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed at the time of the Change in Control;

(vi) any purported termination of your employment that is not effected pursuant to a Notice of Termination satisfying the requirements of Section 4(e) hereof (and, if applicable, the requirements of Section 4(c) hereof), which purported termination shall not be effective for purposes of this Agreement; or

(vii) the failure of the Company to obtain the assumption agreement from any successor as contemplated in Section 6(a).

Notwithstanding the foregoing, the Company placing you on a paid leave of up to ninety (90) days, pending the determination of whether there is a basis to terminate you for Cause, shall not constitute a "Good Reason" event; *provided*, that if you are subsequently terminated for Cause, then you shall repay any amounts paid by the Company to you during such leave period.

An isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company within ten (10) days after receipt of notice thereof given by you shall not constitute a Good Reason event. Your right to terminate employment for Good Reason shall not be affected by your incapacity due to mental or physical illness, and your continued employment shall not constitute consent to, or a waiver of rights with respect to, any event or condition constituting Good Reason; *provided*, *however*, that you must provide a Notice of Termination within ninety (90) days following your knowledge of an event constituting Good Reason or such event shall not constitute Good Reason under this Agreement.

(e) Notice of Termination. Any purported termination of your employment by the Company or by you (other than termination due to death which shall terminate your employment automatically) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 7. "Notice of Termination" shall mean a notice that shall (i) indicate the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated, and (iii) specify the Date of Termination (as defined in Section 4(f)). The failure by you or the Company to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any of your or the Company's rights hereunder or preclude you or the Company from asserting such fact or circumstance in enforcing your or the Company's rights hereunder.

(f) Date of Termination. "Date of Termination" shall mean (i) if your employment is terminated due to your death, the date of your death; (ii) if your employment is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the fulltime performance of your duties during such thirty (30)day period), and (iii) if your employment is terminated pursuant to Section 4(c) or Section 4(d) or for any other reason (other than death or Disability), the date specified in the Notice of Termination (which, in the case of a termination for Cause shall not be less than thirty (30) days from the date such Notice of Termination is given, and in the case of a termination for Good Reason shall not be less than fifteen (15) nor more than sixty (60) days from the date such Notice of Termination is given), provided that, in each case, the Company may determine to accelerate the Date of Termination to an earlier date by providing you with notice of such action and paying you in lieu of such notice, or, alternatively, the Company may place you on paid leave during all or a portion of the period between the Notice of Termination and your Date of Termination.

5. Compensation Upon Termination or During Disability Following a Change in Control. Following a Change in Control during the term of this Agreement, you shall be entitled to the benefits described below during a period of Disability, or upon termination of your employment, as the case may be, provided that such period or termination occurs within the two (2) year period immediately following the date of such Change in Control. The benefits to which you are entitled, subject to the terms and conditions of this Agreement, are:

(a) If, during such period, your employment is terminated due to Disability, you shall (1) continue to receive your full base salary at the rate in effect at the commencement of any such period through your Date of Termination as set forth in Section 4(f)(ii) above, and (2) receive all other amounts to which you are entitled under any benefit or compensation plan of the Company at the time such payments are due, including all compensation payable to you under the Company's disability plan or program or other similar plan. Thereafter, or in the event your employment is terminated by reason of your death, your benefits shall be determined under the Company's retirement, insurance and other compensation programs then in effect in accordance with the terms of such programs.

(b) If your employment shall be terminated (i) by the Company for Cause or (ii) by you other than for Good Reason, the Company shall pay you (1) your full base salary, when due, through the Date of Termination at the rate in effect at the time Notice of Termination is given, (2) the unpaid portion, if any, of any annual bonus for any prior year, and (3) all other amounts to which you are entitled under any compensation plan of the Company at the time such payments are due, and the Company shall have no further obligations to you under this Agreement.

(c) If your employment by the Company shall be terminated by you for Good Reason or by the Company other than for Cause or Disability, then you shall be entitled to the benefits provided below:

(i) the Company shall pay to you (1) within ten (10) days following the Date of Termination a lump sum cash amount equal to the sum of (A) your full base salary, when due, through the Date of Termination at the rate in effect at the time Notice of Termination is given, plus (B) the unpaid portion, if any, of any annual bonus for the prior year, plus (C) an amount equal to your targeted annual bonus for the year in which your Date of Termination occurs, pro-rated from January 1 of the termination year through the Date of Termination and (2) all other amounts to which you are entitled under any benefit or compensation plan of the Company at the time such payments are due;

(ii) the Company shall pay as severance to you within ten (10) days following the Date of Termination, a lump sum severance payment equal to the sum of [one (1)/two (2)/three(3)] times the sum of (1) your annual base salary as in effect as of the Date of Termination or immediately prior to the Change in Control, whichever is greater, plus (2) your targeted annual bonus as in effect as of the Date of Termination or the average annual bonus awarded to you (without reduction by reason of any arrangement to defer payment of such bonus) with respect to the three (3) years immediately prior to the Change in Control, whichever is greater;

(iii) for a period of [one (1)/two (2)/three (3)] years following the Date of Termination, the Company shall continue to provide you and your eligible family members, based on the cost sharing arrangement between you and the Company on the date of the Change in Control, with medical and dental health benefits at least equal to those which would have been provided to you and them if your employment had not been terminated or, if more favorable to you, as in effect generally at any time thereafter, *provided, however*, that such benefits shall be secondary to any other coverage obtained by you and *provided, further,* that if the Company's welfare plans do not permit such coverage, the Company will provide you and your eligible family members with medical and dental health benefits (with the same after-tax effect) outside of such plans. At the termination of the benefits coverage under the preceding sentence, you, your spouse and your dependents shall be entitled to continuation coverage pursuant to Section 4980B of the Internal Revenue Code of 1986, as amended (the "Code"), Sections 601-608 of the Employee Retirement Income Security Act of 1974, as amended, and under any other applicable law, to the extent required by such laws, as if you had terminated employment with the Company on the date such benefits coverage terminates;

(iv) for a period of two (2) years following the Date of Termination, the Company shall, at its sole expense as incurred, provide you with outplacement services, the scope and provider of which shall be selected by you in your sole discretion, at an aggregate cost to the Company not to exceed twenty five percent (25%) of your annual base salary as in effect as of the Date of Termination or immediately prior to the Change in Control, whichever is greater. Except as otherwise expressly provided herein, to the extent any expense reimbursement under this clause (iv) is determined to be subject to Section 409A (as defined below), the amount of any such expenses eligible for reimbursement in one calendar year shall not affect the expenses eligible for reimbursement in any other taxable year, in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which the Executive incurred such expenses, and in no event shall any right to reimbursement be subject to liquidation or exchange for another benefit;

(v) you shall be fully vested in your accrued benefits under any qualified or nonqualified pension, profit sharing, deferred compensation or supplemental plans maintained by the Company for your benefit, except to the extent that the acceleration of vesting of such benefits would violate any applicable law or require the Company to accelerate the vesting of the accrued benefits of all participants in such plan or plans, in which case the Company may elect to pay you within 30 days following the Date of Termination a lump sum payment in an amount equal to the value of such unvested accrued benefits in lieu of accelerating the vesting of your benefits to the extent such payment is permitted under Section 409A;

(vi) (1) Notwithstanding anything in this Agreement to the contrary, in the event it shall be determined that any payment, award, benefit or distribution (or any acceleration of any payment, award, benefit or distribution) by the Company or any entity which effectuates a Change in Control (or any of its affiliated entities) to or for your benefit (whether pursuant to the terms of this Agreement or otherwise) ("Payments") would be subject to the excise tax ("Excise Tax") under Section 4999 of the Code, then the amounts payable to you under this Agreement shall be reduced (reducing first the payments under Section 5(c)(ii), unless you elect an alternative method of reduction) to the maximum amount as will result in no portion of the Payments being subject to such excise tax ("Safe Harbor Cap").

(2) All determinations required to be made under this Section 5(c)(vi) shall be made by the public accounting firm that is retained by the Company to audit the financial statements of the Company as of the date immediately

prior to the Change in Control ("Accounting Firm") which shall provide detailed supporting calculations both to the Company and you within fifteen (15) business days of the receipt of notice from the Company or you that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, you may appoint another nationally recognized public accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). If payments are reduced to the Safe Harbor Cap, the Accounting Firm shall provide a reasonable opinion to you that you are not required to report any Excise Tax on your federal income tax return. All fees, costs and expenses (including, but not limited to, the costs of retaining experts) of the Accounting Firm shall be borne by the Company. If the Accounting Firm determines that no Excise Tax is payable by you, it shall furnish you with a written opinion to such effect, and to the effect that failure to report the Excise Tax, if any, on your applicable federal income tax return will not result in the imposition of a negligence or similar penalty. In the event the Accounting Firm determines that the Payments shall be reduced to the Safe Harbor Cap, it shall furnish you with a written opinion to such effect. The determination by the Accounting Firm shall be binding upon the Company and you (except as provided in subsection (3) below).

(3) If it is established pursuant to a final determination of a court or Internal Revenue Service ("IRS") proceeding which has been finally and conclusively resolved, that Payments have been made to, or provided for the benefit of, you by the Company, which are in excess of the limitations provided in this Section 5(c)(vi) (hereinafter referred to as an "Excess Payment"), such Excess Payment shall be deemed for all purposes to be a loan to you made on the date you received the Excess Payment and you shall repay the Excess Payment to the Company on demand, together with interest on the Excess Payment at the applicable federal rate (as defined in Section 1274(d) of the Code) from the date of your receipt of such Excess Payment until the date of such repayment. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the determination, it is possible that Payments which will not have been made by the Company should have been made (an "Underpayment"), consistent with the calculations required to be made under this Section 5. In the event that it is determined (A) by the Accounting Firm, the Company (which shall include the position taken by the Company, or together with its consolidated group, on its federal income tax return) or the IRS or (B) pursuant to a determination by a court, that an Underpayment has occurred, the Company shall pay an amount equal to such Underpayment to you within ten (10) days of such determination together with interest on such amount at the applicable federal rate from the date such amount would have been paid to you until the date of payment.

To the extent you receive the benefits described in this clause (c) above, you waive and shall not be entitled to any severance or similar benefits provided by the Company to employees generally.

6. Successors; Binding Agreement.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle you to terminate your employment and receive compensation from the Company in the same amount and on the same terms to which you would be entitled hereunder if you terminate your employment for Good Reason following a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. Unless expressly provided otherwise, "Company" as used herein shall mean the Company as defined in this Agreement and any successor to its business and/or assets as aforesaid.

(b) This Agreement shall inure to the benefit of and be enforceable by you and your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If you should die while any amount would still be payable to you hereunder had you continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there is no such designee, to your estate.

7. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (a), if prior to a Change in Control, when delivered by email or other electronic transmission (i) by you to the Company at the email address then in effect of the Secretary of the Company or (ii) by the Company to you at your Company email address then in effect or (b), if after a Change in Control, when delivered or mailed by United States certified or registered mail, return receipt requested, postage prepaid, (i) by you to the Company addressed to the Company at the then current address of the Secretary of the Company, with the notice directed to the attention of the Board with a copy to the Secretary of the Company or (ii) by the Company to you at the addresses set forth on the first page of this Agreement,or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

8. Confidentiality, Non-Competition and Non-Solicitation Covenants.

(a) Confidentiality. You hereby agree that you shall not, directly or indirectly, disclose or make available to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, any Confidential Information (as defined below). You agree that, upon termination of your employment with the Company, all Confidential Information in your possession that is in written or other tangible form (together with all copies or duplicates thereof, including computer files) shall be returned to the Company and shall not be retained by you or furnished to any third party, in any form except as provided herein; *provided*, *however*, that you shall not be obligated to treat as confidential, or return to the Company copies of any Confidential Information that (i) was publicly known at the time of disclosure to you, (ii) becomes publicly known or available thereafter other than by any means in violation of this Agreement or any other duty owed to the Company by any person or entity, or (iii) is lawfully disclosed to you by a third party. As used in this Agreement, the term "Confidential Information" means: information disclosed to you or known by you as a consequence of or through your relationship with the Company, about the customers, employees, business methods, public relations methods, organization, procedures or finances, including, without limitation, information of or relating to customer lists, of the Company.

(b) Non-Compete. You hereby agree that, for the period commencing on the Date of Termination and terminating on the first anniversary thereof, you shall:

(i) not, directly or indirectly (whether as principal, agent, independent contractor, consultant, employee or otherwise), own, manage, operate, join, control or otherwise carry on, participate in the ownership, management, operation or control of, provide services to, or be engaged in or concerned with, any business competitive with that of the Company or any of its affiliates, which business is located within, or does business within, 50 miles of your primary work location at the time of termination of your employment (for purposes of the foregoing, any business competitive with the Company or any of its affiliates shall include any organizational activities with respect to a business that would be so competitive once such business is organized and operating and shall include, but not be limited to, a bank, a savings and loan, a credit union, a broker-dealer or an entity providing investment advisory services) (a "*Competing Business*"), provided that you shall not be prohibited from owning passively less than 5% of a Competing Business;

(ii) inform any person which seeks to engage your services that you are bound by this Section 8(b) and the other terms of this Agreement.

(c) Non-Solicitation. You hereby agree that, for the period commencing on the Date of Termination and terminating on the first anniversary thereof, you shall not, either on your own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner or shareholder or otherwise on behalf of any other person, firm or corporation, directly or indirectly solicit or attempt to solicit away from the Company any of its officers or employees or offer employment to any person who is an officer or employee of the Company; *provided, however,* that a general advertisement to which an employee of the Company responds shall in no event be deemed to result in a breach of this Section 8(c).

(d) Survival. Any termination of your employment or of this Agreement following your Date of Termination (or breach of this Agreement by you or the Company) shall have no effect on the continuing operation of this Section 8.

(e) Validity. The parties hereto acknowledge that the potential restrictions on your future employment imposed by this Section 8 are reasonable in both duration and geographic scope and in all other respects. If for any reason any court of competent jurisdiction shall find any provisions of this Section 8 unreasonable in duration or geographic scope or otherwise, you and the Company hereby agree that the restrictions and prohibitions contained herein shall be effective to the fullest extent allowed under applicable law in such jurisdiction.

(f) Consideration. The parties acknowledge that this Agreement would not have been entered into and the benefits described in Sections 3 and 5 would not have been promised in the absence of your promises under this Section 8.

9. Governing Law.

The validity, interpretation, construction and performance of this Agreement shall be governed on a non-exclusive basis by the laws of the State of Utah without giving effect to its conflicts of laws rules.

10. Joint and Several Liability.

Any successors or assigns shall be jointly and severally liable with the Company under this Agreement.

11. Miscellaneous.

No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by you and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. All references to sections of the Exchange Act or the Code shall be deemed also to refer to any successor provisions to such sections. Any obligations of the Company under Sections 5 and 6 shall survive the expiration of the term of this Agreement. The section headings contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12. Withholding Taxes. The Company may withhold from all payments due to you (or your estate) hereunder all taxes which, by applicable federal, state, local or other law, the Company is required to withhold therefrom.

13. Severability.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

14. Execution; Delivery; Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. Each party hereto may deliver this Agreement to the other by electronic means, including without limitation by delivery of a scanned copy of the signature page of this Agreement.

15. Legal Fees. In addition to all other amounts payable to you under this Agreement, the Company shall pay to you all reasonable legal fees and expenses incurred by you in connection with any Dispute arising out of or relating to this Agreement or the interpretation thereof (including, without limitation, all such fees and expenses, if any, incurred in contesting or disputing any termination of your employment or in seeking to obtain or enforce any right or benefit provided by this Agreement, or in connection with any tax audit or proceeding to the extent attributable to the application of Section 4999 of the Code to any payment or benefit provided hereunder), regardless of the outcome of such proceeding; *provided, however,* that in the event you commence such action, you shall not be entitled to recover such fees and costs if the court determines that you brought the claim in bad faith or the claim was frivolous.

16. At-Will Employment.

Nothing in the foregoing diminishes or alters the Company's policy of at-will employment for all employees, where both the Company and you may terminate the employment relationship at any time and for any reason, with or without cause or notice.

17. Effectiveness; Entire Agreement. This Agreement shall become effective only upon our receipt from you prior to [DATE] (or such later date as the Company may accept in its sole discretion) of a copy of this Agreement executed by you and the Company.

This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto; and any prior agreement of the parties hereto in respect of the subject matter contained herein, including, without limitation, any prior severance agreements or any prior change in control agreements is hereby terminated and cancelled. Without limiting the foregoing, you expressly agree that your receipt of the benefits provided under this agreement following a Change in Control shall be in lieu of and shall terminate all rights and benefits held by you under the Zions Bancorporation Severance Benefits Plan (or any predecessor or successor plan) or, if you have received benefits under an such severance plan, the amounts received under such severance plan will offset the Company's obligations under this agreement. Any of your rights hereunder shall be in addition to any rights you may otherwise have under benefit plans or agreements of the Company to which you are a party or in which you are a participant, including, but not limited to, any Company sponsored employee benefit plans and stock options plans. Provisions of this Agreement shall not in any way abrogate your rights under such other plans and agreements.

18. Section 409A.

(a) This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") (together with the applicable regulations thereunder, "Section 409A"). To the extent that any provision in this Agreement is ambiguous as to its compliance with Section 409A or to the extent any provision in this Agreement must be modified to comply with Section 409A (including, without limitation, Treasury Regulation 1.409A-3(c)), such provision will be read, or will be modified (with the mutual consent of the parties, which consent will not be unreasonably withheld), as the case may be, in such a manner so that all payments due under this Agreement will comply with

Section 409A. For purposes of Section 409A, each payment made under this Agreement will be treated as a separate payment. In no event may you, directly or indirectly, designate the calendar year of payment.

(b) All reimbursements provided under this Agreement will be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit.

(c) Notwithstanding anything to the contrary in this Agreement or elsewhere, if you are a “specified employee” as determined pursuant to Section 409A of the Code (“Section 409A”) as of the date of your “separation from service” (within the meaning of Final Treasury Regulation 1.409A-1(h)) and if any payment or benefit provided for in this Agreement or otherwise both (x) constitutes a “deferral of compensation” within the meaning of Section 409A and (y) cannot be paid or provided in the manner otherwise provided without subjecting you to “additional tax”, interest or penalties under Section 409A, then any such payment or benefit that is payable during the first six months following your “separation from service” shall be paid or provided to you in a cash lump-sum, with interest at the Company’s Prime Rate, on the first business day following the six-month anniversary of your “separation from service”. In addition, any payment or benefit due upon a termination of your employment that represents a “deferral of compensation” within the meaning of Section 409A shall only be paid or provided to you upon a “separation from service”.

If this letter sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter, which shall then constitute our agreement on this subject.

Sincerely,

ZIONS BANCORPORATION, N.A.

By: ______________________________

Its: ______________________________

[Name of executive]
Dated: ____________________

EXHIBIT 10.50

ZIONS BANCORPORATION
CHANGE IN CONTROL AGREEMENT

SENIOR EXECUTIVES (3X)

May 23, 2008

Dallas Haun
750 E. Warm Springs Road, 4th F1
Las Vegas, NV 89119

Dear Dallas:

Zions Bancorporation (the "Company") considers it essential to the best interests of its shareholders to foster the continuous employment of key management personnel. In connection with this, the Company's Board of Directors (the "Board") recognizes that, as is the case with many publicly held corporations, the possibility of a change in control of the Company may exist and that the uncertainty and questions that it may raise among management Could result in the departure or distraction of management personnel to the detriment of the Company and its shareholders.

The Board has decided to reinforce and encourage the continued attention and dedication of members of the Company's management, including yourself, to their assigned duties without the distraction arising from the possibility of a change in control of the Company.

In order to induce you to remain in the employ of the Company or any of its affiliates (collectively, the "Company"), the Company hereby agrees that after this letter agreement (this "Agreement") has been fully executed, you shall receive the severance benefits set forth in Section 5 of this Agreement in the event your employment with the Company is terminated under the circumstances described in Section 4 of this Agreement subsequent to a Change in Control (as defined in Section 2).

1. Term of Agreement. This Agreement shall commence on the date hereof and shall continue in effect through December 31, 2009; *provided, however,* that commencing on March 1, 2009 and on each March 1 thereafter, the term of this Agreement shall automatically be extended for one additional year unless, not later than March 1 of that preceding year, the Company shall have given notice that it does not wish to extend this Agreement; *provided, further,* that if a Change in Control (as defined in Section 2), occurs during the original or any extended term of this Agreement,

the term of this Agreement shall continue in effect for a period of not less than thirty-six (36) months beyond the month in which such Change in Control occurred.

2. Change in Control. No benefits shall be payable or provided under Section 3, 4 or 5 of this Agreement unless there has been a Change in Control. For purposes of this Agreement, a Change in Control shall not be deemed to have occurred if the Board consisting of a majority of Continuing Directors as defined in Section (b) determines that, in their reasonable judgment, a change in control has not occurred. Without such a determination, a change in control will be deemed to have occurred if:

(a) any Person (as defined in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is or becomes the Beneficial Owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding securities ("Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (a), the following shall not constitute a Change in Control: (i) any acquisition by the Company or any corporation controlled by the Company, (ii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (iii) any acquisition by a Person of 20% of the Outstanding Company Voting Securities as a result of an acquisition of common stock of the Company by the Company which, by reducing the number of shares of common stock of the Company outstanding, increases the proportionate number of shares beneficially owned by such Person to 20% or more of the Outstanding Company Voting Securities; provided, however, that if a Person shall become the beneficial owner of 20% or more of the Outstanding Company Voting Securities by reason of a share acquisition by the Company as described above and shall, after such share acquisition by the Company, become the beneficial owner of any additional shares of common stock of the Company, then such acquisition shall constitute a Change in Control;

(b) during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with Company to effect a transaction described in Sections 2(b), (d), (e) or (f)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved (hereinafter referred to as "Continuing Directors"), cease for any reason to constitute at least a majority thereof;

(c) the consummation by the Company of a merger or consolidation of Company with any other corporation (or other entity), other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) 50% or more of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; provided, however, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person acquires more than 20% of the Outstanding Company Voting Securities shall not constitute a Change in Control;

(d) the stockholders of the Company approve a plan of complete liquidation of the Company; or

(e) the consummation of an agreement (or agreements) providing for the sale or disposition by the Company of all or substantially all of the Company's assets other than a sale or disposition which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent 50% or more of the combined voting power of the acquiring entity outstanding immediately after such sale or disposition.

3. Accelerated Vesting Upon a Change in Control.

(a) All outstanding options, if any, granted to you by the Board ("Options") under any of the Company's stock option plans, incentive plans, or other similar plans (or options substituted therefore covering the stock of a successor corporation) shall become fully vested and exercisable immediately prior to the Change in Control as to all shares of stock covered thereby, and the restricted period with respect to any restricted stock or any other equity award granted to you thereunder shall lapse and such shares shall be distributed to you immediately prior to the Change in Control.

(b) all unpaid Senior Management Value Sharing Awards will be payable at the higher of their target value as established by the Executive Compensation Committee of the Board (the "Committee") or their value calculated under the terms of the Value Sharing Plan based on the average annual growth in Earnings per Share and the average Tangible Return on Equity from the inception of each Plan Period through the fiscal quarter ending prior to the effective date of the Change of Control. Any such payments will be pro-rated based on multiplying them times a fraction, the numerator of which is the number of quarters completed in the performance cycle and the denominator of which is the original number of quarters in the performance cycle called for in the plan. The payments described in this Section 3(b) shall be paid in a single lump sum within 30 days following the Change in Control (with the actual payment date during such 30-day period to be determined in the Company's sole discretion).

4. Termination of Employment Following a Change in Control.

(a) General. During the term of this Agreement, if any of the events described in Section 2 constituting a Change in Control shall have occurred, you shall be entitled to the benefits provided in Section 5(c) upon the subsequent termination of your employment, provided that such termination occurs during the term of this Agreement and within the two (2) year period immediately following the date of such Change in Control, unless such termination is (i) because of your death or Disability (as defined in Section 4(b)), (ii) by the Company for Cause (as defined in Section 4(c)), or (iii) by you other than for Good Reason (as defined in Section 4(d). In the event that you are entitled to such benefits, such benefits shall be paid notwithstanding the subsequent expiration of the term of this Agreement.

(b) Disability. Your employment may be terminated for "Disability," as that term is defined in ¶ 3(a) of the July 20, 2007 Employment Agreement entered into between you and the Company ("Employment Agreement").

(c) Cause. Your employment may be terminated for "Cause," as that term is defined in defined in ¶ 3(b) of the Employment Agreement.

(d) Good Reason. You shall be entitled to terminate your employment for Good Reason. For purposes of this Agreement, "Good Reason" shall mean, without your express written consent, the occurrence after a Change in Control of any of the following circumstances unless (except in the case of Sections 4(d)(iv)), such circumstances are fully corrected (provided such circumstances are capable of correction) prior to the Date of Termination (as defined in Section 4(f)) specified in the Notice of Termination given in respect thereof:

(i) the assignment to you of any duties materially inconsistent with the position in the Company that you held immediately prior to the Change in Control, a significant adverse alteration in the nature or status of your responsibilities or the conditions of your employment from those in effect immediately prior to such Change in Control, or any other action by the Company that results in a material diminution in your position, authority, duties or responsibilities;

(ii) the Company's reduction by more than 10% of your annual total compensation as in effect on the date hereof or as the same may be increased from time to time;

(iii) the relocation of the Company's offices at which you are principally employed immediately prior to the date of the Change in Control (your "Principal Location") which results in the one-way commuting distance for you increasing by more than thirty (30) miles from such location, or the Company's requiring you, without your written consent, to be based anywhere other than your Principal Location, except for required travel on the Company's business to an extent substantially consistent with your present business travel obligations;

(iv) the Company's failure to pay to you any portion of your current compensation or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Company within thirty (30) days after the date such compensation is due;

(v) the Company's failure to continue in effect any material compensation or benefit plan in which you participate immediately prior to the Change in Control, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan, or the Company's failure to continue your participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed at the time of the Change in Control; or

(vi) any purported termination of your employment that is not effected pursuant to a Notice of Termination satisfying the requirements of Section 4(e) hereof (and, if applicable, the requirements of Section 4(c) hereof), which purported termination shall not be effective for purposes of this Agreement.

Notwithstanding the foregoing, if you do not provide the Company with written notice of the occurrence of an act or circumstance of a type described above in this Section 4 within sixty (60) days of your having knowledge thereof occurrence of a type described above in this Section 4, such act or occurrence shall no longer constitute a basis for an event of termination for "Good Reason". Your right to terminate your employment pursuant to this Section 4(d) shall not be affected by your incapacity due to physical or mental illness. Your continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

(e) Notice of Termination. Any purported termination of your employment by the Company or by you (other than termination due to death which shall terminate your employment automatically) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 7. "Notice of Termination" shall mean a notice that shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

(f) Date of Termination, Etc. "Date of Termination" shall mean (a) if your employment is terminated due to your death, the date of your death; (b) if your employment is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the full-time performance of your duties during such thirty (30)-day period), and (c) if your employment is terminated pursuant to Section 4(c), Section 4(d) or Section 4(e) or for any other reason (other than death or Disability), the date specified in the Notice of Termination (which, in the case of a termination for Cause shall not be less than thirty (30) days from the date such Notice of Termination is given, and in the case of a termination for Good Reason shall not be less than fifteen (15) nor more than sixty (60) days from the date such Notice of Termination is given).

5. Compensation Upon Termination or During Disability Following A Change in Control. Following a Change in Control during the term of this Agreement, you shall be entitled to the benefits described below during a period of disability, or upon termination of your employment, as the case may be, provided that such period or termination occurs during the term of this Agreement and within the two (2) year period immediately following the date of such Change in Control. The benefits to which you are entitled, subject to the terms and conditions of this Agreement, are:

(a) During any period during which you fail to perform your full-time duties with the Company as a result of incapacity due to physical or mental illness, you shall continue to receive your base salary at the rate in effect at the commencement of any such period, together with all compensation payable to you under the Company's disability plan or program or other similar plan during such period, until this Agreement is terminated pursuant to Section

4(b) hereof. Thereafter, or in the event your employment is terminated by reason of your death, your benefits shall be determined under the Company's retirement, insurance and other compensation programs then in effect in accordance with the terms of such programs.

(b) If your employment shall be terminated (i) by the Company for Cause or (ii) by you other than for Good Reason, the Company shall pay you (1) your full base salary, when due, through the Date of Termination at the rate in effect at the time Notice of Termination is given, (2) the unpaid portion, if any, of any annual bonus for any prior year, and (3) all other amounts to which you are entitled under any compensation plan of the Company at the time such payments are due, and the Company shall have no further obligations to you under this Agreement.

(c) If your employment by the Company shall be terminated by you for Good Reason or by the Company other than for Cause or Disability, then you shall be entitled to the benefits provided below:

(i) the Company shall pay to you (1) your full base salary, when due, through the Date of Termination at the rate in effect at the time Notice of Termination is given, at the time specified in Section 5(e), (2) the unpaid portion, if any, of any annual bonus, plus an amount equal to your targeted annual bonus, pro rated from January 1 of the termination year through the Date of Termination, and (3) all other amounts to which you are entitled under any compensation plan of the Company at the time such payments are due;

(ii) in lieu of any further salary payments to you for periods subsequent to the Date of Termination, the Company shall pay as severance pay to you, at the time specified in Section 5(e), a lump sum severance payment equal to the sum of three (3) times your annual base salary as in effect as of the Date of Termination or immediately prior to the Change in Control, whichever is greater, and three (3) times your targeted annual bonus as in effect as of the Date of Termination or the average annual bonus awarded to you (without reduction by reason of any arrangement to defer payment of such bonus) with respect to the three (3) years immediately prior to the Change in Control, whichever is greater;

(iii) for a period of three (3) years following the Date of Termination, the Company shall continue to provide you and your eligible family members, based on the cost sharing arrangement between you and the Company on the date of the Change in Control, with medical and dental health benefits at least equal to those which would have been provided to you and them if your employment had not been terminated or, if more favorable to you, as in effect generally at any time thereafter, *provided, however,* that if you become re-employed with another employer and are eligible to receive medical and dental health benefits under another employer's plans, the Company's obligations under this Section 5(c)(iii) shall be reduced to the extent comparable benefits are actually received by you, and any such benefits actually received by you shall be reported to the Company. In the event you are ineligible under the terms of such benefit plans or programs to continue to be so covered, in such event, the Company shall provide you with substantially equivalent coverage through other sources or will provide you with quarterly payments (on the first business day of each calendar quarter, in advance) in such amounts that, after all taxes on such amounts, shall be equal to the cost to you of providing yourself such benefit coverage. At the termination of the benefits coverage under the second preceding sentence, you, your spouse and your dependents shall be entitled to continuation coverage pursuant to Section 4980B of the Internal Revenue Code of 1986, as amended (the "Code"), Sections 601-608 of the Employee Retirement Income Security Act of 1974, as amended, and under any other applicable law, to the extent required by such laws, as if you had terminated employment with the Company on the date such benefits coverage terminates. The lump sum shall be determined on a present value basis using the interest rate provided in Section 1274(b)(2)(B) of the Code on the Date of Termination. In each case, (other than a benefit plan providing for reimbursement of expenses referred to in Section 105(b) of the Code relating to amounts expended for medical care), the amount of benefits and payments to be provided under this clause (iii) during a calendar year shall not affect the amount of benefits and payments to be provided in any other taxable year and any such benefits and payments shall not be subject to liquidation or exchange for another benefit;

(iv) for a period of two (2) years following the Date of Termination, the Company shall, at its sole expense as incurred, provide you with outplacement services, the scope and provider of which shall be selected by you in your sole discretion, at an aggregate cost to the Company not to exceed twenty five percent (25%) of your annual base salary as in effect as of the Date of Termination or immediately prior to the Change in Control, whichever is greater. Except as otherwise expressly provided herein, to the extent any expense reimbursement under this clause (iv) is determined to be subject to Section 409A (as defined below), the amount of any such expenses eligible for reimbursement in one calendar year shall not affect the expenses eligible for reimbursement in any other taxable year, in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which the Executive incurred such expenses, and in no event shall any right to reimbursement be subject to liquidation or exchange for another benefit;

(v) you shall be fully vested in your accrued benefits under any qualified or nonqualified pension, profit sharing, deferred compensation or supplemental plans maintained by the Company for your benefit, except to the extent that the acceleration of vesting of such benefits would violate any applicable law or require the Company to accelerate the vesting of the accrued benefits of all participants in such plan or plans, in which case the Company may elect to pay you a lump sum payment at the time specified in Section 5(e) in an amount equal to the value of such unvested accrued benefits in lieu of accelerating the vesting of your benefits. In addition, the Company shall pay to you an amount equal to the amount the Company would have contributed to your account under the Company's 401(k) plan as a matching contribution had you remained employed by the Company for three (3) years after your Date of Termination and had you made the maximum elected deferral contributions. The matching contributions described in the immediately preceding sentence shall be paid in a single lump sum within 30 days following the Date of Termination (with the actual payment date during such 30-day period to be determined in the Company's sole discretion);

(vi) (1) anything in this Agreement to the contrary notwithstanding, if it shall be determined that any payment or distribution to you or for your benefit (whether paid or payable or distributed or distributable) pursuant to the terms of this Agreement or otherwise pursuant to or by reason of any other agreement, policy, plan, program or arrangement, including without limitation any stock option, stock appreciation right or similar right, or the lapse or termination of any restriction on or the vesting or exercisability of any of the foregoing (the "Payments") would be subject to the excise tax imposed by Section 4999 of the Code by reason of being "contingent on a change in the ownership or control" of the Company, within the meaning of Section 280G of the Code or to any similar tax imposed by state or local law, or any interest or penalties with respect to such excise tax (such tax or taxes, together with any such interest or penalties, are collectively referred to as the "Excise Tax"), then your total payment or distribution will be reduced to such extent as required to not trigger the excise tax. The determination of which payments or benefits to reduce to comply with this provision will be made by you.

(2) for the purposes of determining whether any of the Payments will be subject to the Excise Tax and the amount of such Excise Tax, such Payments will be treated as "parachute payments" within the meaning of Section 280G of the Code, and all "parachute payments" in excess of the "base amount" (as defined under Section 280G(b)(3) of the Code) shall be treated as subject to the Excise Tax, unless and except to the extent that in the opinion of the accountants such Payments (in whole or in part) either do not constitute "parachute payments" or represent reasonable compensation for services actually rendered (within the meaning of Section 280G(b)(4) of the Code) in excess of the "base amount," or such "parachute payments" are otherwise not subject to such Excise Tax.

6. Successors; Binding Agreement.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle you to terminate your employment and receive compensation from the Company in the same amount and on the same terms to which you would be entitled hereunder if you terminate your employment for Good Reason following a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. Unless expressly provided otherwise, "Company" as used herein shall mean the Company as defined in this Agreement and any successor to its business and/or assets as aforesaid.

(b) This Agreement shall inure to the benefit of and be enforceable by you and your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If you should die while any amount would still be payable to you hereunder had you continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there is no such designee, to your estate.

7. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth on the first page of this Agreement, provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

8. Confidentiality, Non-Competition and Non-Solicitation Covenants.

(a) Confidentiality. You hereby agree that you shall not, directly or indirectly, disclose or make available to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, any Confidential Information (as defined below). You agree that, upon termination of your employment with the Company, all Confidential Information in your possession that is in written or other tangible form (together with all copies or duplicates thereof, including computer files) shall be returned to the Company and shall not be retained by you or furnished to any third party, in any form except as provided herein; *provided, however,* that you shall not be obligated to treat as confidential, or return to the Company copies of any Confidential Information that (i) was publicly known at the time of disclosure to you, (ii)becomes publicly known or available thereafter other than by any means in violation of this Agreement or any other duty owed to the Company by any person or entity, or (iii) is lawfully disclosed to you by a third party. As used in this Agreement, the term "Confidential Information" means: information disclosed to you or known by you as a consequence of or through your relationship with the Company, about the customers, employees, business methods, public relations methods, organization, procedures or finances, including, without limitation, information of or relating to customer lists, of the Company.

(b) Non-Compete. You hereby agree that, for the period commencing on the Date of Termination and terminating on the first anniversary thereof, you shall:

(i) not, directly or indirectly (whether as principal, agent, independent contractor, consultant, employee or otherwise), own, manage, operate, join, control or otherwise carry on, participate in the ownership, management, operation or control of, provide services to, or be engaged in or concerned with, any business competitive with that of the Company or any of its affiliates, which business is located within, or does business within, 50 miles of your primary work location at the time of termination of your employment (for purposes of the foregoing, any business competitive with the Company or any of its affiliates shall include any organizational activities with respect to a business that would be so competitive once such business is organized and operating and shall include, but not be limited to, a bank, a savings and loan, a credit union, a broker-dealer or an entity providing investment advisory services) (a *"Competing Business"),* provided that you shall not be prohibited from owning passively less than 5% of a Competing Business;

(ii) inform any person which seeks to engage your services that you are bound by this Section 8(b) and the other terms of this Agreement.

(c) Non-Solicitation. You hereby agree that, for the period commencing on the Date of Termination and terminating on the first anniversary thereof, you shall not, either on your own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner or shareholder or otherwise on behalf of any other person, firm or corporation, directly or indirectly solicit or attempt to solicit away from the Company any of its officers or employees or offer employment to any person who is an officer or employee of the Company; *provided, however,* that a general advertisement to which an employee of the Company responds shall in no event be deemed to result in a breach of this Section 8(c).

(d) Survival. Any termination of your employment or of this Agreement (or breach of this Agreement by you or the Company) shall have no effect on the continuing operation of this Section 8.

(e) Validity. The parties hereto acknowledge that the potential restrictions on your future employment imposed by this Section 8 are reasonable in both duration and geographic scope and in all other respects. If for any reason any court of competent jurisdiction shall find any provisions of this Section 8 unreasonable in duration or geographic scope or otherwise, you and the Company hereby agree that the restrictions and prohibitions contained herein shall be effective to the fullest extent allowed under applicable law in such jurisdiction.

(f) Consideration. The parties acknowledge that this Agreement would not have been entered into and the benefits described in Sections 3 and 5 would not have been promised in the absence of your promises under this Section 8.

9. Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed on a non-exclusive basis by the laws of the State of Utah without giving effect to its conflicts of laws rules.

10. Joint and Several Liability. Any successors or assigns shall be jointly and severally liable with the Company under this Agreement.

11. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by you and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. All references to

sections of the Exchange Act or the Code shall be deemed also to refer to any successor provisions to such sections. Any payments provided for hereunder shall be paid net of any applicable withholding required under federal, state or local law. Any obligations of the Company under Sections 5 and 6 shall survive the expiration of the term of this Agreement. The section headings contained in this Agreement are for convenience only, and shall not affect the interpretation of this Agreement.

Notwithstanding anything to be contrary contained in Section 1 or this Section 11, the Company may amend, supplement or terminate the Agreement at any time by giving you at least seven calendar days prior written notice of amendment, supplementation or termination; provided, however, that the Company may amend, supplement or terminate this Agreement under this Section 11 only if,

(a) (i) the Board or Compensation Committee of the Board has determined generally to amend or supplement the terms and conditions of outstanding change in control agreements or generally to terminate outstanding change in control agreements and replace them with new, modified change in control agreements, and (ii) concurrently with the amendment, supplementation or termination of this Agreement the Company provides you with an executed amendment or supplement or new change in control agreement containing terms and conditions substantially the same as those contained in the general amendments, supplements or new agreements (it being understood that the multiples contained in Section 5(c) of this Agreement and the terms of years contained in Sections 4, 5 or 8 of this Agreement will remain the same in the amendment, supplement or new agreement provided to you); and

(b) (i) a Change in Control has not occurred prior to the effective date of the amendment, supplementation or termination of this Agreement and (ii) the Company is not then or at such effective date, or within three months of such effective date does not become, a party to a definitive agreement providing for transactions which, if consummated, would constitute a Change in Control.

12. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

13. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

14. Legal Fees. In addition to all other amounts payable to you under this Agreement, the Company shall pay to you all reasonable legal fees and expenses incurred by you in connection with any Dispute arising out of or relating to this Agreement or the interpretation thereof (including, without limitation, all such fees and expenses, if any, incurred in contesting or disputing any termination of your employment or in seeking to obtain or enforce any right or benefit provided by this Agreement, or in connection with any tax audit or proceeding to the extent attributable to the application of Section 4999 of the Code to any payment or benefit provided hereunder), regardless of the outcome of such proceeding; *provided, however,* that in the event you commence such action, you shall not be entitled to recover such fees and costs if the court determines that you brought the claim in bad faith or the claim was frivolous.

15. Effectiveness; Entire Agreement. This Agreement shall become effective only upon our receipt from you prior to June 30, 2008 of a copy of this Agreement executed by you and the Company. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto; and any prior agreement of the parties hereto in respect of the subject matter contained herein, including, without limitation, any prior severance agreements, is hereby terminated and cancelled. Any of your rights hereunder are supplementary and shall be in addition to any rights you may otherwise have under benefit plans or agreements of the Company to which you are a party or in which you are a participant, including, but not limited to any rights you have under the Employment Agreement (including but not limited to compensation rights under §4(a) of the Employment Agreement), any Company sponsored employee benefit plans and stock options plans. Provisions of this Agreement shall not in any way abrogate your rights under such other plans and agreements including under the Employment Agreement. Any conflicts between the terms of this Agreement and the terms of the Employment Agreement shall be resolved by providing you, in your sole discretion, the option to elect under which agreement benefits are to be provided.

16. Section 409A. Notwithstanding anything to the contrary in this Agreement or elsewhere, if you are a "specified employee" as determined pursuant to Section 409A of the Code ("Section 409A") as of the date of your "separation from service" (within the meaning of Final Treasury Regulation 1.409A-1 (h)) and if any payment or benefit provided for in this Agreement or otherwise both (x) constitutes a "deferral of compensation" within the meaning of Section 409A and (y) cannot be paid or provided in the manner otherwise provided without subjecting you to "additional tax", interest or penalties under Section 409A, then any such payment or benefit that is payable during the first six months following your "separation from service" shall be paid or provided to you in a cash lump-sum, with interest at LIBOR, on the first business day of the seventh calendar month following the month in which your "separation from service" occurs. In addition, any payment or benefit due upon a termination of your employment that represents a "deferral of compensation" within the meaning of Section 409A shall only be paid or provided to you upon a "separation from service".

If this letter sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter, which shall then constitute our agreement on this subject.

Sincerely,

ZIONS BANCORPORATION

By: /s/ Harris H. Simmons

Its: Chmn, Pres & CEO

Agreed to this _4_ day
of _Feb_, 2009

/s/ Dallas Haun__________

EXHIBIT 21

LIST OF SUBSIDIARIES
ZIONS BANCORPORATION, NATIONAL ASSOCIATION
AT DECEMBER 31, 2020

SUBSIDIARY	STATE OR JURISDICTION OF INCORPORATION/ORGANIZATION
Terra Amica, LLC	Delaware
Zions Capital Partners, Inc.	Delaware
Zions Center of Excellence, LLC	Delaware
Zions Opportunity Fund, Inc.	Delaware
PPS Data, LLC	Nevada
Amegy Holding Texas, Inc.	Texas
Exchange Services L.L.C.	Utah
Zions Capital Advisors, Inc.	Utah
Zions Credit Corp.	Utah
Zions Direct, Inc.	Utah
Zions Insurance Agency, Inc.	Utah
Zions Public Finance, Inc.	Utah
Zions SBIC, LLC	Utah
ZMFU II, Inc.	Utah

EXHIBIT 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(i) Registration Statement (Form S-8 No. 333-36205) and related Prospectus pertaining to Zions Bancorporation Employee Investment Savings Plan, now known as the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan;
(ii) Registration Statement (Form S-8 No. 333-205422) and related Prospectus pertaining to Zions Bancorporation 2015 Omnibus Incentive Plan;
(iii) Post-Effective Amendment No. 1 to Form S-8 Registration Statement No. 333-205422;
(iv) Registration Statement (Form S-8 No. 333-130222) and related Prospectus pertaining to Amegy Bancorporation 1993 Stock Option and Incentive Plan and Amegy Bancorporation Amended and Restated Non-Employee Directors Deferred Fee Plan; and
(v) Registration Statement (Form S-3 No. 333-195408) and related Prospectus pertaining to the offering of debt and equity securities of Zions Bancorporation;

of our reports dated February 25, 2021, with respect to the consolidated financial statements of Zions Bancorporation, National Association and subsidiaries and the effectiveness of internal control over financial reporting of Zions Bancorporation, National Association and subsidiaries included in this Annual Report (Form 10-K) of Zions Bancorporation, National Association and subsidiaries for the year ended December 31, 2020.

/s/ ERNST & YOUNG LLP

Salt Lake City, Utah
February 25, 2021

EXHIBIT 31.1

CERTIFICATION
Principal Executive Officer

I, Harris H. Simmons, certify that:

1. I have reviewed this annual report on Form 10-K of Zions Bancorporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2021

/s/ Harris H. Simmons

Harris H. Simmons, Chairman and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION
Principal Financial Officer

I, Paul E. Burdiss, certify that:

1. I have reviewed this annual report on Form 10-K of Zions Bancorporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 25, 2021

/s/ Paul E. Burdiss

Paul E. Burdiss, Executive Vice President and
Chief Financial Officer

EXHIBIT 32

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. §1350, the undersigned officers of Zions Bancorporation (the “Bank”) hereby certify that, to the best of their knowledge, the Bank’s Annual Report on Form 10-K for the year ended December 31, 2020 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 (15 U.S.C. 78m) and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

Date: February 25, 2021

/s/ Harris H. Simmons

Name:	Harris H. Simmons
Title:	Chairman and Chief Executive Officer

/s/ Paul E. Burdiss

Name:	Paul E. Burdiss
Title:	Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.

SECRETARY'S CERTIFICATE
(INCUMBENCY)

I, Rena A. Miller, do hereby certify that I am the duly appointed Assistant Secretary of Zions Bancorporation, National Association, a national banking association organized and existing under the laws of the United States (the "Association"), and that the following is a true and correct copy of Section 10.3 of the Bylaws of the Association, and has not been amended, altered or repealed, and remains in full force and effect on the date hereof:

> 10.3 Execution of Instruments. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents (collectively, "instruments") may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the chairperson, or the Chief Executive Officer, or any vice president (however designated), or any other officer who holds a position that is senior to a vice president (however designated), or the secretary or any assistant secretary, or if in connection with the exercise of fiduciary powers of the Association, by any of said officers or by any Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers or individuals as the board of directors or its authorized delegee may from time to time direct. The provisions of this Section 10.3 are supplementary to any other provisions of these Bylaws.

I also certify that the following individuals are duly appointed officers of the Association, with authority to execute instruments related to the Association's Zions Bank division pursuant to the Bylaws:

Twyla D. Lehto-Senior Vice President & Director of Corporate Trust

Allison Darnall-Vice President
Andrea Abbott-Vice President
Andrew Johnson-Assistant Vice President
Anna McCully-Vice President
April Holland-Trust Officer
April Lepic-Assistant Vice President
Arthur Mosley II-Vice President
Ashley Reed-Vice President
Brent Oliver-Vice President
Carisa Dillinger-Assistant Vice President
Carl J. Mathis-Vice President
Carrie Sandoval-Trust Officer
Charmaine Hunter-Vice President
Christopher McQuinn-Vice President
Christine Green-Trust Officer
Corazon Gruenberg-Vice President
Daniel J. Dixon-Senior Vice President
Daryl Pomykala-Vice President
David Armstrong-Assistant Vice President
David W. Bata-Senior Vice President
Emily Stribling-Assistant Vice President
Eric Mitzel-Vice President
Francis (Frank) Lamb-Vice President

Gregory G. Cross-Vice President
Jacqueline Nowak-Vice President
James Agnew-Vice President
Jennifer Mabbott-Vice President
Joni D'Amico-Senior Vice President
Joseph Dailey-Assistant Vice President
Kheang Tan-Assistant Vice President
Linda Anderson-Assistant Vice President
Linda McGrath-Assistant Vice President
Mark D. Petrasso-Senior Vice President
Mark Henson-Vice President
Matthew Biere-Vice President
Melissa Urishko-Vice President
Michael A. Jones-Senior Vice President
Natalie Lawrence-Vice President
Neil B. Witoff-Vice President
Pamela Saucer-Trust Officer
Paul Hoek-Vice President
Ramona K. Johns-Vice President
Robert Cafarelli-Vice President
Robert Lozano-Vice President
Ryan M. Pollihan-Senior Vice President
Sandra D. Stevens-Vice President
Scott Blair-Vice President
Shelene Brown-Senior Vice President
Stephanie Nicholls-Vice President
Todd Freier-Vice President
Verena Critser-Vice President
Vladimir Muñoz-Vice President

IN WITNESS WHEREOF, I have executed this certificate this 26th day of August, 2021.

Rena A. Miller

Rena A. Miller
Assistant Secretary

STATE OF UTAH)
) :ss.
COUNTY OF SALT LAKE)

Executed and witnessed before me this 26th day of August, 2021.

Marlene Gualtieri

NOTARY PUBLIC

NOTARY PUBLIC
Marlene J Gualtieri
700145
My Commission Expires
May 1, 2022
STATE OF UTAH