



Accessity | 404 Euclid Avenue, Suite 271, San Diego, CA 92114  
Tel 619.795.7250 Fax 619.795.7260 [accessity.org](http://accessity.org)

March 8, 2022

Federal Reserve Bank of Minneapolis  
Attn: Chris P. Wangen, Assistant Vice President  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291  
[mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

Re: PUBLIC MEETING - Proposal by U.S. Bancorp to acquire MUFG Union Bank, National Association and to merge MUFG Union Bank, National Association with and into U.S. Bank National Association

To whom it may concern,

Since 1994, Accessity (FKA Accion serving Southern California), a nonprofit 501 c 3 and CDFI (Community Development Financial Institution), has had a mission to open doors of financial opportunity to those historically with less access to capital and business support: entrepreneurs of color, women, immigrant, and low-to-moderate income (LMI) entrepreneurs, so they can build a prosperous business and livelihood for themselves and their families, while also strengthening our communities.

Annually, through Accessity's work, approximately 2,500 Southern California entrepreneurs are provided vital education and resources. Last year the organization disbursed \$8million in loans (ranging from \$300 to \$100,000) through both COVID-relief efforts, as well as loan products for startup and expanding enterprises. The organization manages a \$15.5million active loan portfolio across Los Angeles, Orange, San Diego, San Bernardino, Riverside, and Imperial Counties, and has historically disbursed more than \$60million in loans supporting local economic and social impact through small businesses.

Since 1997 and 1999, both Union Bank and U.S. Bank, respectively, have supported Accessity's mission. Union Bank has provided almost \$1million in grants and contributions, as well as annual volunteers from the small business banking teams to provide educational presentations regarding banking services, access to credit and financial information. The bank was a sponsor of Accessity's 25<sup>th</sup> anniversary event and has involved Accessity staff in community roundtable discussions and feedback sessions to assess community needs affecting LMI populations. In recent years, the bank has provided multi-year funding, and focused on technical assistance to LMI and diverse owned businesses, enabling the organization to leverage other resources and





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build capacity to serve additional entrepreneurs. The bank also supported Accessity with COVID relief funds in response to the pandemic.

U.S. Bank has provided almost \$500,000 in grants and contributions supporting Accessity's mission. The bank has also had annual volunteer engagement educating entrepreneurs on access to capital and finance, business planning and banking services. In addition, U.S. Bank employee Gordon Boerner has volunteered on Accessity's Governing Board of Directors for almost 2 decades and has served as Board Chair and Board Credit Committee Chair for the past 12 years, providing strategic guidance and credit/financial analysis expertise. Gordon has also served multiple years as a member of the Board's Finance and Human Resources Committees. U.S. Bank was the Lead Sponsor at Accessity's 25<sup>th</sup> Anniversary event, raising funds for the organization's long-term mission. The bank also provided COVID-relief grants in recent years, and has coordinated teams of U.S. Bank volunteers to contribute to the organization's impact multiple times.

With the potential of U.S. Bancorp's acquisition of MUFG Union Bank, it is crucial for the local community support, contributions, and involvement, particularly focused in low-to-moderate income communities and BIPOC populations to increase and remain a core focus in the California market.

Thank you for your time and please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "eSchott".

Elizabeth Schott

CEO

Accessity

404 Euclid Ave, Ste 271

San Diego, CA 92114

(619)795-7250 ext. 406

eschott@accessity.org



**Testimony Regarding U.S. Bancorp Acquisition of MUFG Union Bank  
March 8, 2022**

I am the CEO of Acts Housing, a homeownership non-profit that has helped more than 3000 families purchase homes in Milwaukee over the past 26 years. Our clients are greater than 80% BIPOC and 90% earn less than 80% of the County Median Income.

I am not knowledgeable about the calculus that determines whether to approve a bank merger. However, having led Acts Housing for nearly a decade I am knowledgeable about what things a financial institution can do to invest in and support low-to-moderate income communities and communities of color.

We look to financial institutions to do three things:

- Provide Volunteers
- Donate Funds
- Provide Accessible and Attractive Mortgage Products

In all three areas U.S. Bank has been a leader:

**Volunteering-** We have consistently had a U.S. Bank representative on our board, one of our committees, or both, and those individuals have brought with them the support of the bank and delivered significant value.

**Donations-** U.S. Bank has made donations commitments of more than \$500,000 to Acts Housing over the last 10 years, with 70% of those commitments occurring over the past two years.

**Mortgage Lending-** U.S. Bank's American Dream mortgage lending product is accessible and attractive to the families we serve. We have 9 families in the last year who have or will shortly close on mortgages using U.S. Bank financing, more than 75% of whom are Black Families.

I hope this report of the positive impact U.S. Bank is making in the Wisconsin market is helpful to you as you are considering whether to approve the merger.

Sincerely,

Michael Gosman  
President & CEO





Lawrence Rosenberg and Sarma Lapenieks Rosenberg  
Founding Artistic Directors

February 28, 2022

To the Board of Governors of the Federal Reserve System:

Finance is not the foremost topic of interest in the organization I represent.

As executive director of, Anaheim Ballet, the city's non-profit resident ballet company and community outreach program, I deal daily in inspiration and transformation, inspiration derived from the classical arts and transformation through recognition and cultivation of individual nobility in our disadvantaged and diverse youth.

Years ago, when US Bank chose to support Anaheim Ballet, it was not without a prolonged, careful, collaborative evaluation by US Bank team members. US Bank market president Joseph Hensley and vice president of Corporate Social Responsibility Community Affairs Manager for Southern California Rockette Richardson Ewell both made an observational site visit to Anaheim Ballet studios to see the outreach program in action. Mr. Hensley then attended an annual Anaheim Ballet bus-in concert for the Anaheim Elementary School District, evaluating the work of the organization and its impact on the community and continues now to monitor current events of the organization. When a US Bank team member moved to the East Coast leaving an Anaheim Ballet board of director's chair vacant, Ms. Ewell systematically searched for another US Bank team member to serve both the bank's goal of community outreach and the Anaheim Ballet's goal of governance. This ended with the appointment of yet another enthusiastic US Bank team member to serve on the ballet board of directors. The appointment is part of the bank's due diligence in monitoring the organizations it supports.

Anaheim Ballet has achieved an international stamp of artistic approval: our youtube series ([youtube.com/anaheimballet](https://www.youtube.com/anaheimballet)) boasts 60 million plus visits to the site. The internet series owes its popularity to a product that manifests universally appreciated principles.

Excellence, equality and diversity are not isolated elements of our organization, they are its very fabric.

I believe US Bank and its team members share similar values.

We are grateful for the support US Bank has shown its community and our community organization over these many years of partnership. I don't doubt that US Bank will continue to operate with thoughtfulness and integrity in its future actions.

Sincerely,

Lawrence Rosenberg  
Anaheim Ballet Executive Director

714 490.6150 Company 714 520.0904 School 714 520.0914 Fax  
280 E. Lincoln Ave. Anaheim, CA 92805  
[www.anaheimballet.org](http://www.anaheimballet.org) [info@anaheimballet.org](mailto:info@anaheimballet.org)  
Anaheim Ballet is a 501(c)3 not for profit organization



2155 CHICAGO AVENUE, SUITE 100  
RIVERSIDE, CA 92507

March 6, 2022

Federal Reserve Bank of Minneapolis  
Chris P. Wangen, Assistant Vice President  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291,  
[mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

Dear Federal Reserve Bank of Minneapolis,

Big Brothers Big Sisters of Orange County and the Inland Empire sees a world where every child, regardless of ethnicity, income, or gender identity, has the opportunity to achieve measurable life success. We do so by providing low and moderate income children and youth facing adversity with a strong, enduring, and professionally supported one-to-one mentoring relationship that creates pathways for the future and a mentor for a lifetime.

This letter recognizes that U.S. Bank has been a valuable supporter of our efforts to reduce inequity in low and middle income communities through both direct financial support and employee engagement. U.S Bank has been a regular grant contributor to Big Brothers Big Sisters in both the Inland Empire and Orange County. U.S. Bank's corporate engagement over the years includes two individuals serving on Regional Boards and various Committees; several as Bigs/Mentors; and support providing quarterly Gallup Strengths training and coaching for BBBS staff. Their continued commitment to Big Brothers Big Sisters has had a meaningful impact on our ability to improve the lives of families and youth identified as low and moderate income.

Sincerely,

A handwritten signature in black ink that reads "Jennifer O'Farrell".

Jennifer O'Farrell  
Executive Director

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**From:** Johanna Torres <jtorres@crla.org>

**Sent:** Tuesday, March 08, 2022 10:00 AM

**To:** MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>; Largebanks@occ.treas.gov

**Subject:** [External] PUBLIC MEETING.

**Importance:** High

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Public Comment for Public Meeting U.S. Bancorp/U.S. Bank - MUFG March 8, 2022

My name is Johanna Torres. I am a community advocate from California Rural Legal Assistance, Inc. under the Rural Fair Housing and Foreclosure Prevention Program. I work out of the Madera regional office, which is located in the Central Valley of California. We join the California Reinvestment Coalition in strongly opposing the merger.

In my professional capacity, I have witnessed U.S. Bank foreclose on struggling homeowners. It has also been my experience that mortgage servicers that work with legal aids, and other housing nonprofits, help prevent foreclosures at a higher rate. For that reason, I continue to urge U.S. Bank to commit to working with housing nonprofit

experts to help distressed borrowers prior to proceeding with foreclosure, especially for those borrowers who U.S. Bank has had “no contact” with. Something so simple as having an escalation contact within U.S. Bank can help stabilize our communities and prevent further homelessness in the midst of this housing crisis.

Also, we continue to thank U.S. Bank for participating in California’s Housing Assistance Fund program. As you all may be aware, there are one too many homeowners in post forbearance foreclosure status, which has been at no fault of their own. For that reason, participating in the program is not enough, U.S. Bank should commit to pausing the foreclosure status when borrowers have pending HAF program applications. We ask that U.S. Bank considers adding the forbearance amounts to the back end of the loan for loans not insured by the government; and that loan modifications are offered to borrowers who cannot afford the current payment. This is the bare minimum these distressed borrowers deserve. It is not their fault that the ongoing pandemic prevented them from meeting their obligations.

In my personal capacity, I’d like to share that I bank with Union Bank. There are few branches in this region of the Central Valley. I asked for the opinion of this merger from the local branch staff. They did not know about the merger and felt uneasy with the lack of transparency, which is of concern. I ask that the agreement commits to not closing any of the few local branches we have in our rural California communities. We have been greatly impacted by other big bank exodus since the pandemic started. Closing any branch will continue to harm our most disadvantaged communities.

Please commit to these simple asks that demonstrate the merger will keep the community’s best interest in mind. Without a strong commitment, we will continue to strongly oppose this merger and respectfully ask that the regulators do as well.

Respectfully,  
Johanna Torres (She/Her/Ella)  
Community Worker | Madera Regional Office  
Rural Fair Housing & Foreclosure Prevention Program

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**California Rural Legal Assistance, Inc.**

*Fighting for Justice, Changing Lives*

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126 North B Street, Madera, CA 93638

[www.CRLA.org](http://www.CRLA.org) | [facebook.com/CRLA.org](https://facebook.com/CRLA.org)

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Federal Reserve Bank & the OCC,

40552 people have signed a petition on Action Network telling you to Sign the petition: Reject the \$600 billion merger of U.S. Bank and Union Bank.

Here is the petition they signed:

I am deeply disturbed at the consolidation of banks and the effect it has on increased costs for consumers, restrictions on credit access and widening the racial wealth gap. \$600 billion is way too big of a merger to approve. We must reject U.S. Bank's acquisition of Union Bank.

You can view each petition signer and the comments they left you below.

Thank you,

Daily Kos

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**1. Bryant Wisheropp** (*ZIP code: 93263-9446*)

We need competition not shortage of businesses

**2. Ryan Hanson** (*ZIP code: 70124*)

**3. Lourdes Acosta** (*ZIP code: 95823*)

**4. Stu Levinson** (*ZIP code: 60169*)

**5. Carol Schneider** (*ZIP code: 91030*)

**6. Daniel Grodecki** (*ZIP code: 91411*)

**7. Ellen Hickey** (*ZIP code: 21015*)

**8. Martha Collins** (*ZIP code: 93023*)

**9. Carlos Small** (*ZIP code: 10039*)

**10. SUZANNE Senn-Burke** (*ZIP code: 37931*)

**11. John Davenport** (*ZIP code: 78932-4912*)

**12. Dee Holm** (*ZIP code: 85307*)



**13. Kathryn Harris** (ZIP code: 94402)

This needs to be addressed.

**14. Brian Davis** (ZIP code: 33418)

**15. Nancy Currah** (ZIP code: 82601-4140)

**16. Patty Simonetta** (ZIP code: 33070)

**17. P K** (ZIP code: 92084)

Banks are crushing we the people RIGHT NOW!! If you continue to allow bank mergers you WILL CRUSH WE THE PEOPLE, and then it will not only be the people who lose, it will be the Banks and ALL the World. Do you mean to end the world? Who do you plan to be your worker drones then?!

**18. Sabrina Frazier** (ZIP code: 20151)

**19. Nancy Wood** (ZIP code: 15005)

**20. Brigitte Holiday** (ZIP code: 81301)

**21. catherine kelly** (ZIP code: 20895)

**22. Jackie Bolen** (ZIP code: 49307)

**23. Gabriel Eisenhart** (ZIP code: 64138)

**24. Kent Melcher** (ZIP code: 66610)

**25. Patricia Long** (ZIP code: 98584)

**26. Charles Thiessen** (ZIP code: 68506-5596)

**27. Karen Hensley** (ZIP code: 89509)

**28. Linda Schermer** (ZIP code: 86336)

**29. John Ott** (ZIP code: 17512)

**30. Deborah Hawthorne** (ZIP code: 87502)

**31. Jan Ackerman** (ZIP code: 55124)

**32. Lucinda Brown** (ZIP code: 34233)

33. **Moshe Oren** (*ZIP code: 68258*)
34. **Gerri Friedberg, M.A.** (*ZIP code: 54209*)
35. **Wendy Raschke** (*ZIP code: 55116*)
36. **Andrea Schneider** (*ZIP code: 02446*)
37. **Jeff Ditto** (*ZIP code: 80232*)
38. **Richard Mell** (*ZIP code: 89005*)
39. **James Mansmann** (*ZIP code: 15102*)
40. **Robert Krone** (*ZIP code: 76124*)
41. **Greg Nicholas** (*ZIP code: 29407*)
42. **Vicky Gaines** (*ZIP code: 60202*)
43. **Lisa LeBlanc** (*ZIP code: 77063*)
44. **Kent Gonzalez** (*ZIP code: 99203-3153*)
45. **Julian Poynor** (*ZIP code: 76049*)
46. **Lynn Skibinski** (*ZIP code: 14150*)
47. **Bronnie Meadows** (*ZIP code: 38570*)
48. **Paul Bing** (*ZIP code: 44137*)
49. **Amanda Spears** (*ZIP code: 84737*)
50. **JAMES BROWN** (*ZIP code: 90034-6251*)
51. **Cynthia Barr Goldberg** (*ZIP code: 95481*)
52. **Jeffrey Woerner** (*ZIP code: 21214*)
53. **Robert Hakes Jr** (*ZIP code: 31548*)

**54. linda howard** (ZIP code: 98370)

**55. Barry Englestad** (ZIP code: 98229)

**56. Brit Rosso** (ZIP code: 85641)

**57. Lawrence Loosmore** (ZIP code: 63014)

**58. Catherine Adamowicz** (ZIP code: 02740)

**59. B. Doucet** (ZIP code: 30263-1184)

**60. Dan Matthews** (ZIP code: 92082)

Are you really going to continue to allow oligarchs to devastate our economy and create even worse inequality?! When 3 men have 1/2 the wealth of our entire country, causing 1 in 4 or 5 of our children to go hungry?!

**61. Diane Merman** (ZIP code: 48162)

**62. Robert Mize** (ZIP code: 93527)

**63. Gail Knight** (ZIP code: 20020)

**64. Victoria Scott** (ZIP code: 59105)

**65. Greg Shrader** (ZIP code: 85018)

**66. Linda Obrien** (ZIP code: 93551)

**67. Thomas Sanders** (ZIP code: 06441)

Don't be no fool!!!

**68. I. Engle** (ZIP code: 88352)

**69. James Fleming** (ZIP code: 91001)

Bank consolidations have worsened racial wealth gap! Please vote NO.

**70. Janis Flowers** (ZIP code: 275357)

**71. Jonathan Vo** (ZIP code: 77338)

**72. Cynthia Reynolds** (ZIP code: 61489)



# FREEDOM ALLIANCE

HEALING THE WOUNDS OF WAR

March 8, 2022

Chris P. Wangen  
Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

Ann E. Misback  
Secretary of the Board  
Federal Reserve System Board of Governors  
20<sup>th</sup> Street & Constitution Avenue NW  
Washington, DC 20551-0001

Dear Mr. Wangen & Ms. Misback,

Thank you for the opportunity to submit my statement regarding the acquisition of Union Bank of California by U.S. Bank.

I serve as President of Freedom Alliance, a non-profit organization which provides charitable support to veterans and military families. We conduct a variety of programs and some of the assistance we give to our veterans – such as mortgage-free homes, loan-free vehicles, and home improvements – is life-changing. The resources needed to offer gifts of this significance are enormous and beyond the ability of a small non-profit like Freedom Alliance on our own.

That is why I am pleased to tell you about our partnership with U.S. Bank. They help Freedom Alliance make a profound impact in the lives of American heroes who have sacrificed so much in the service of our nation. The vision and leadership of U.S. Bank make it possible for wounded veterans to experience the American Dream of homeownership. They make it possible for combat veterans to own reliable vehicles so they may safely drive themselves to health care facilities far from home to receive specialized medical attention for war-related injuries.

For the last nine years, Freedom Alliance has been blessed to partner with U.S. Bank in support of outstanding young Americans who answered our country's call to serve. In so doing, they have helped us change our culture and correct an injustice that existed for a previous generation of veterans, specifically those who served during the Vietnam War.

As we have carried out these efforts, I have witnessed U.S. Bank employees, and members of their executive team, offer joyful enthusiasm and determined commitment to ensure a positive experience for the veterans. They not only deliver charitable gifts, but they personally convey the appreciation of the corporation and the importance U.S. Bank places on being a vital and trusted leader in the communities they serve.

What follows is a brief summary of my organization and how U.S. Bank has helped Freedom Alliance deliver life-changing assistance to veterans of Operation Enduring Freedom and Operation Iraqi Freedom. It is a record of achievement that would not be possible without the support of U.S. Bank. I hope this helps to inform your deliberations.

### About Freedom Alliance

Freedom Alliance is a charitable organization which honors America's military and helps injured heroes and their families overcome the wounds of war. We award college scholarships to the children of servicemembers who gave life or limb for country. Since September 11, 2001, we have helped 2,000 children of military heroes with more than \$20 million in scholarships. Our Support Our Troops program is an intensive effort to assist injured troops with their rehabilitation by reducing anxiety, repairing family relationships, and achieving the most complete rehabilitation that his or her injuries allow.

Our dedicated team makes a profound and lasting impact in the lives of those with whom we work. Our efforts routinely result in improved marital relations; reduced dependency on dangerous vices; and a more complete rehabilitation. The programs we carry out in partnership with U.S. Bank include:

- Heroes to Homeowners (Mortgage-Free Homes): Together, U.S. Bank and Freedom Alliance provide mortgage-free homes to veterans who were wounded in Afghanistan or Iraq. Their injuries require long-term rehabilitation and often prevent them from holding full-time work. This makes it all the more important to give them safe and affordable housing. Not having to worry about a mortgage makes it possible for them to give more attention to their rehabilitation, as well as repairing relationships that may have been strained as a result of multiple deployments overseas.

Freedom Alliance is one of several charitable organizations with whom U.S. Bank partners on this effort. For our part we have given mortgage-free homes to 17 wounded veterans. On Veterans Day 2019, for example, we donated homes to four military heroes in four cities in a single day.

One of those servicemembers is SFC Bryan Schrader, a United States Army Ranger who served 23 years and returned from combat with life-changing injuries. This is part of what he said after receiving his home:

*"Freedom Alliance partnered with US Bank and gave me a house to restart my family's life...It was hard to accept because I've worked hard for everything I've ever gotten. I don't, to this day, feel like anyone owes me a thing. But after I got out of the service, I was no longer able to provide for my family like I had...This was an incredible gift that has given my family a place to call home again and restart everything in our life together. I didn't know how much our lives revolve around a home until we lived without one for so many years...Now that we have been blessed by Freedom Alliance and US Bank, I can focus on fixing my problems a lot easier now, and my family can relax and enjoy life much better now."*

– SFC Bryan Schrader, U.S. Army Ranger

In addition to providing mortgage-free homes, we also give loan-free vehicles to wounded veterans in partnership with U.S. Bank. We call this:

- *Driven to Serve (Loan-Free Vehicles)*: This initiative gives vehicles to qualified veterans who need reliable transportation for things like medical appointments and family circumstances. Since we began this project just a few years ago, we have given vehicles to 20 servicemembers in need.

We've been able to make a big impact in the lives of the troops who receive these vehicles. One of our more recent donations took place just before Christmas. A vehicle was given to Venasio Sele, an honored veteran of Operation Iraqi Freedom. Sele fought in Iraq and was badly injured by an IED which left him with blindness in one eye, loss of hearing, a Traumatic Brain Injury, and Post Traumatic Stress. This is how SSgt Sele described the impact the vehicle would have on him and his family:

*"My family and I are incredibly blessed and thankful for this vehicle. Having another mode of transportation relieves a tremendous burden and helps to alleviate the day-to-day stress of coordinating our lives, appointments and work, school and family schedules around one vehicle, especially as our children get older and become more active. This makes life easier."*

- Retired U.S. Army SSgt. Venasio Sele

In addition to mortgage-free homes and loan-free vehicles, Freedom Alliance and U.S. Bank also offer home repair projects for wounded veterans.

- *Repair and Maintenance Program (Home Repair Projects)*: These are important home improvements to increase comfort and safety of the wounded veteran in the residence. In one case, we outfitted a home with more guard rails for a veteran who struggles to walk. In a few cases, we rebuilt bathrooms to make it safer for the veteran to use.

## Conclusion

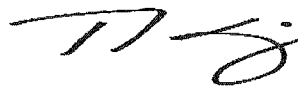
I've outlined our joint efforts and some of the accomplishments we've had to date. But more important is the level of care that goes into each one of these programs. U.S. Bank employees show genuine compassion for those they serve. They have a wonderful corporate spirit and a commitment to excellence.

Employees of U.S. Bank turn out in large numbers to volunteer their time so that a charitable project becomes a personal expression of love and an enduring memory. They take pride in their community and in their company. Executives at U.S. Bank empower their teams to make a meaningful impact and take personal interest in the success of each project.

U.S. Bank sets an example for how big companies can be responsive to the needs of the community and compassionate to the people they serve. They have demonstrated this awareness with Freedom Alliance as well. As a small non-profit, we are limited in the number of resources we can bring to a given project. U.S. Bank is sensitive to our constraints and helps us to ensure the success of each one.

It has been, and remains, a pleasure to work with U.S. Bank to improve the lives of America's veterans. I have no doubt that should this merger be permitted to go forward, the communities impacted will be well served. Thank you.

Respectfully,

A handwritten signature in black ink, appearing to read 'TK', with a stylized flourish extending from the end.

Thomas P. Kilgannon  
President

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**From:** Karen Johnson <kjohnson@NPFY.org>

**Sent:** Thursday, March 3, 2022 5:56 PM

**To:** MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>;  
MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>;  
LargeBanks@occ.treas.gov

**Subject:** [External] PUBLIC MEETING

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To Whom It May Concern,

I am submitting this written testimony in support of U.S. Bancorp, regarding the proposal by U.S. Bancorp, Minneapolis, Minnesota, to acquire MUFG Union Bank, National Association, San Francisco, California, pursuant to the Bank Holding Company Act, and to merge MUFG Union Bank with and into U.S. Bancorp's subsidiary national bank, U.S. Bank National Association, Cincinnati, Ohio, pursuant to the Bank Merger Act.

I am a nonprofit CEO of an organization in Phoenix, Arizona, that serves high-need youth in neighborhoods with high poverty and crime rates. Our program features a research-based personal development curriculum and one-on-one mentoring within connected community groups along with case management support and other life skills programs. We currently have approximately 350 youth in our program and are working to expand to serve 1,000 youth city-wide. The students in our program achieve a 95% high school graduation rate, with nearly 80% pursuing postsecondary education, vocational school, or military training.

The Phoenix division of U.S. Bank have been key advocates and supporters of our program. The Arizona Market President of U.S. Bank, Mr. Joshua Shade, serves on our Board of Directors as the Vice Chair. The Vice President, Community Affairs Manager, and Team Lead for the Mountain and Southern California Region, Mr. Arturo Perez, is a member of our Advisory Council. In addition to this leadership service, for many years, U.S. Bank has supported New Pathways for Youth through sponsorships and grants, active attendance at our events, and advice and counsel. The representatives of U.S. Bank have helped to connect me personally with other nonprofit CEOs in the



community so that we can collaborate on project of mutual interest and impact. As these examples demonstrate, U.S. Bank and its leaders have a commitment to giving back and providing support to the nonprofit sector in Phoenix. They are valuable partners and strong advocates for our entire community.

I am proud to add my support of the U.S Bancorp merger with MUFG Union Bank and am confident that the leadership will continue to serve all the communities of which they are a vital member. Thank you for the opportunity to provide this written testimony. Please let me know if you require any additional information.

Sincerely,  
Karen D. Johnson, Ph.D.



**Karen D. Johnson, Ph.D. (she/her)**  
**President & CEO**

New Pathways for Youth

901 East Jefferson St, Phoenix, AZ 85034

**Office:** 602-422-9261 **Cell:** 630-327-8334

[npfy.org](http://npfy.org)

**Illinois**

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312 629 0060

**Indiana**

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317 860 6900

**Michigan**

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313 309 7825

**Missouri**

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314 588 8840  
  
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Kansas City, MO 64111  
816 335 4200

**Ohio**

172 E. State St.  
Suite 203  
Columbus, OH 43215  
614 484 1811

**Wisconsin**

215 North Water St.  
Suite 225  
Milwaukee, WI 53202  
414 563 1100

March 7, 2022

Jason Almonte  
Director for Large Bank Licensing  
Office of the Comptroller of the Currency  
340 Madison Avenue, Fifth Floor  
New York, NY 10173-0002

**RE: US Bank's Acquisition of MUFG Union Bank**

Dear Director Almonte:

On behalf of IFF, one of the nation's largest and highest rated Community Development Financial Institutions (CDFI) I am writing to express my strongest support for US Bank's acquisition of MUFG Union Bank.

Founded in Chicago 34 years ago and serving a 10-state Midwest region, IFF's core business is helping nonprofits to plan, finance, and build the facilities they depend on to serve their communities. The credit needs of nonprofit organizations serving our communities' most vulnerable populations is often completely overlooked by the community development field, particularly financial institutions. Through our long-term loans, nonprofits that provide essential health, education, and human services are able to grow, build equity, and further invest in their missions.

US Bank is one of IFF's largest and most important bank investors. They are one of a handful of banks that has worked with IFF to create a family of different investments in IFF that truly help us as a nonprofit intermediary to meet nonprofit credit needs. They have been a consistent source of affordable, flexible capital and are always willing to innovate and work with us to structure products that are responsive to the needs of our nonprofit customers.

US Bank has an Outstanding CRA Rating and one that I believe has been earned, through deep engagement with the community development field. As a member of US Bank's Community Advisory Board, I have personally advocated for the credit needs of low-income communities and nonprofit organizations, and US Bank has



Strengthening  
nonprofits and  
the communities  
they serve.

*Sharing a mission of change*

deeply engaged in that advocacy. I believe that US Bank is one of the few banks that believes in spirit of CRA regulations, ensuring that all communities' credit needs are met, not just the letter of the law.

Again, I express my strong support for US Bank's acquisition of MUFG Union Bank. Based on IFF's years of partnership with them, we believe that this acquisition will serve to extend US Bank's demonstrated and outstanding commitment to community development through their capital and leadership.

If you have any questions at all about our partnership and experience with US Bank, please do not hesitate to contact me at 312-596-5104 or [jneri@iff.org](mailto:jneri@iff.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'Joe Neri', with a horizontal line extending to the right.

Joe Neri  
Chief Executive Officer

---

**From:** Joey Quinto <cjfilam@gmail.com>

**Sent:** Tuesday, March 8, 2022 7:50 PM

**To:** MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>; LargeBanks@occ.treas.gov

**Subject:** [External] Joey Quinto's Remarks on the Merger of U.S. Bancorp and MUFG Union Bank

NONCONFIDENTIAL // EXTERNAL

**PLEASE NOTE: This email is not from a Federal Reserve address.**

Do not click on suspicious links. Do not give out personal or bank information to unknown senders.

I gave my remarks today at 3:30 pm EST. below is a print copy. Thx

### **Joey Quinto's Remarks on the Merger of U.S. Bancorp and MUFG Union Bank**

I am Joey Quinto, Publisher of California Journal For Filipino Americans, Councilmember of California Community Builders, and a member of The Alliance to End the Racial Wealth Gap.

What does the merger of US Bank and MUFG Union Bank mean to the minority communities?

We all want to see the success of this merger. And since the success and profitability of banks in the US depend on reaching out to wider markets, the minority community market should then be greatly considered.

The minority community market is very vital since it could lead to a bigger market that could sum up to greater service and better profits.

Therefore, the future leadership and involvement of US Bank's CEO to reach out to the minority communities regarding small business contracting, home loans, and business loans, among others, as well as the adding of more minorities as employees, officers, and board members for greater diversity are highly recommended.

In this regard, we propose that the CEO of US Bank to attend at least 1 annual meeting with the community groups.

We propose to see a 5-year commitment signed by the CEO of US Bank which could benefit various minority communities.

We propose a report card to be submitted to the CEO of US Bank and to OCC and Federal Reserve.

Moreover, in order to reach more minority communities, the ethnic media spending to minority-owned media should be increased in proportionate to the population and in comparison to the budget of bigger banks based on their market capitalization.

If the above proposals are done, the merger of US Bank and MUFG Union Bank could be an exemplary model for future bank mergers.

Let the unbanked minorities become bankable. Let them have access to all US Bank's financial products and services.

Let the lower class become middle class. Let the middle class become upper class. How could this be attained? Let the minority communities have more access to US Bank's financial products and services.

By doing so, this could create more economic opportunities to the minority communities and US Bank would have a better opportunity to be more successful. In other words, when all minority communities become successful, US Bank would then become more successful.  
Thank you.



*Help From The Heart  
To Break The Cycle Of Foster Care*

March 6, 2022

Re: US Bank OCC/Federal Reserve Hearing

Imagine it's your eighteenth birthday and you've just been given your belongings and asked to "move on" with your life after being in foster care. You have no money, no employment, and no real understanding of how to manage your life as a young adult. You're missing the caring adults who would teach you the basics of financial management which means you have no bank account open, no real understanding of a credit report, and no real clue how all these gaps will profoundly affect your life.

And imagine that you managed to gain entry-level employment with a good company but have no idea where to begin to create a workable budget or save for a rainy day. Although you have a job, your lack of financial literacy has encouraged growing credit card debt and you find yourself working hard but unable to meet your basic needs because of money mismanagement.

Now imagine being connected to a community of caring volunteers who mobilize to fill this gap by offering guidance and support as you learn the fundamentals of smart money management. A trusted resource that helps young people increase their financial capital by connecting them to a coach who works with them one-on-one to build authentic and durable relationships that will guide them along their financial journey.

That is the vision and the promise that US Bank has supported for more than 10 years as consistent partners with Just in Time for Foster Youth. Specifically, they have been instrumental in creating a fundamental resource for young people leaving the foster care system through JIT's financial empowerment service designed to expose young adults to financial management skills, create a durable positive outlook on financial security, and prepare them for higher level savings, asset building and investing decisions with the support of a volunteer asset advisor.

And while US Bank has made significant financial contributions to Just in Time surpassing \$300,000, the support has been much more than financial. It has included volunteer engagement, workshop facilitation, one-on-one mentoring, advocacy, consistent participation as Board members, and regular attendance at our events where US Bank employees personally engage with our participants and become ambassadors for our mission within the San Diego community.

This dependable source of significant financial and human investment has allowed us to deliver essential resources, expand services and innovate new solutions to create greater wealth equity for young people impacted by foster care. That was true for about 1600 young people during the height of the pandemic when US Bank showed philanthropic vision and leadership by reaching out to us, asking what they could do, and making it possible to keep our doors open, add to staff, and actually expand our impact. In short, our experience has been that US Bank's commitment to the well-being and growth of the San Diego Community is unparalleled within the banking industry.

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**TEL:** 619.770.1850 **EMAIL:** [jit@jitfosteryouth.org](mailto:jit@jitfosteryouth.org) **WEB:** [jitfosteryouth.org](http://jitfosteryouth.org)

**MAIN OFFICE:** 4560 Alvarado Canyon Road, Suite 2G, San Diego, CA 92120 **TAX ID:** 20-5448416

**NORTH COUNTY:** 302 N. Indiana Ave, Vista, CA 92084 • 619.218.8566 **MAILING:** PO Box 601627, San Diego, CA 92160

**LEGACY:** Make a bequest to JIT in your will and become a member of the Family Forever Society

That history, and our overwhelmingly positive experience, is why we enthusiastically support US Bank's expansion. They have been an extraordinary partner for just in Time in advancing our efforts to create a consistent network of empowering support for young people leaving the foster care system after 18. Because of our strong relationship and their significant continuing investment in creating greater access and equity in the lives of this historically under-served and neglected population, we are now breaking the multi-generational cycle of foster care and replacing it with measurable levels of financial sustainability and increased well-being.



Just in Time for Foster Youth  
858-663-2081



DATE: March 8, 2022

TO: [mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

SUBJECT: The proposal by U.S. Bancorp, Minneapolis, Minnesota, to acquire MUFG Union Bank, National Association, San Francisco, California, pursuant to the Bank Holding Company Act, and to merge MUFG Union Bank with and into U.S. Bancorp's subsidiary national bank, U.S. Bank National Association, Cincinnati, Ohio, pursuant to the Bank Merger Act

My name is Michael Banner, and I have been a banker and financial advisor for the past 46 years and since 1995, I have led the Los Angeles Local Development Company (LDC) – a mission driven community development financial advisory social enterprise. Our mission is to provide capital and advisory services to foster positive community development outcomes in distressed neighborhoods by aligning the needs of our borrowers and impact investors. The LDC is a customer of both MUFG Union Bank and U.S. Bank. ***I don't believe the Federal Reserve and Office of the Comptroller of the Currency will reject this merger.***

My purpose today is to recommend that U.S. Bank negotiate a ***Community Benefits Agreement***, especially, in California. Two components I recommend that must be included are the following:

- 1) the affirmative commitment to the implementation of CFPB rule 1071 must be a fundamental provision of any Community Benefits Agreement and financial support to mission driven lenders is encouraged
- 2) a 10-year commitment to invest to 10% of the \$1 Billion California State Small Business Credit Initiative Allocation. This investment must be targeted to a statewide SEDI targeted loan participation fund

California has many demographic attractive markets, as described by the US Bank CEO; additionally, California has many underserved and high poverty neighborhoods. All bank regulatory agencies must exert their leadership by requiring a ***Community Benefit Agreement with any approval of this merger.***

With the growing number of Billion-dollar bank mergers, there must be a legitimate concern, that without immediate regulatory intervention, we will see an increase in the number of capital deserts on the horizon in CA's underinvested neighborhoods.

I found the virtual participation in this hearing was not USER friendly.

Sincerely,

A handwritten signature in cursive script that reads "Michael Banner".

Michael Banner  
President and CEO





# Neighborhood Development Center

625 University Ave W  
Saint Paul, MN 55104  
651.291.2480 • 651.291.2597 (fax)  
ndc-mn.org

BUILDING NEIGHBORHOOD ECONOMIES FROM WITHIN

Chris P. Wangen  
Federal Reserve Bank of Minneapolis  
Assistant Vice President  
90 Hennepin Avenue  
Minneapolis, MN 55480-0291

Dear Ms. Wangen,

As President of Neighborhood Development Center (NDC), it is my pleasure to submit a letter of support for US Bancorp's (US Bank) proposal to acquire MUFG Union Bank, National Association. We at NDC believe in the power, daring, and drive of entrepreneurs to transform their lives and revitalize their neighborhoods. NDC has had a relationship with U.S. Bank for many years. During that time, I have had the pleasure of working with numerous US Bank employees and have a good understanding of their commitment to their communities, their people and their work toward providing access to financial services to all.

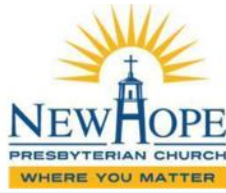
US Bank has demonstrated their support of NDC and the community of neighborhood entrepreneurs who work with us in these ways, among others:

- US Bank has provided NDC with over \$500,000 in grants and sponsorships since 2015.
- NDC has utilized these funds to provide Technical Assistance, Small Business Lending, and Entrepreneur Training to ensure the success of over 500 BIPOC owned businesses in low-income neighborhoods.
- in 2020, US Bank provided a \$355,000 grant to NDC, which was instrumental in our ability to help BIPOC-owned businesses to recover from the impacts of the pandemic and the civil unrest that followed the murder of George Floyd, and provides mental wellness support for BIPOC business owners.
- An additional \$20,000 grant from US Bank in 2020 supported NDC's general operations.
- US Bank committed \$80,000 to NDC's recent Capital Campaign to build our new Headquarters, Training Center, and a Small Business Incubator at Dale and University in St. Paul.
- US Bank worked with NDC for a \$9.5MM in New Market Tax Credit structure, including a \$50,000 grant to the project, and resulting \$2.5MM in equity to the project benefitting NDC.
- US Bank recently hosted a virtual community forum with NDC entrepreneurs and US Bank executives, to build relationships and provide entrepreneurs with expert financial guidance.
- US Bank has engaged extensively with NDC-owned Midtown Global Market to gather community input on the rebuilding of a nearby US Bank branch, which was burned in recent civil unrest.
- Recently retired US Bank Senior Vice President William Umscheid currently serves on NDC's External Loan Committee.
- US Bank executive Steve Gibson previously served as NDC Board Chair.
- US Bank has provided a \$1MM PRI to NDC to be used as lending capital to unbanked entrepreneurs.

**US Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future. We fully support the proposed transaction and believe it will have a positive impact on the community.**

Regards,

Renay Dossman  
President, Neighborhood Development Center



March 9, 2022

By Email To: [mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

Attention to:

Ms. Ann E. Misback  
Secretary of the Board  
Federal Reserve System Board of Governors  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington, DC 20551-0001

Mr. Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota, 55480-0291

Ms. Misback and Mr. Wangen:

New Hope Presbyterian Church of Anaheim, California is providing this letter of support for the proposed U.S. Bancorp acquisition of MFUG Union Bank in acknowledgement of the important work being done by U.S. Bancorp and its affiliates to accelerate equity and financial inclusion through cultural arts programming for underserved communities.

U.S. Bank's commitment to building strong cultural arts programs in communities of color allows for New Hope to provide string and music lesson to underserved children. The *Kids Matter Music Program* is a successful collaboration of racial equity and inclusion for children and families who may otherwise miss the opportunity to create, learn and perform through music arts. Because of the direct support from U.S. Bank, we see the positive impact that this program has on self-worth and academic success. This community program builds economic, financial and cultural strength in the community.

New Hope fully supports the proposed merger transaction and looks forward to future partnerships with U.S. Bank and its affiliates.

Sincerely,

Rev. Chineta Goodjoin, Pastor

New Hope Presbyterian Church  
2580 W Orange Ave, Anaheim, CA 92804  
714 288 9986 [MyNewHopePres.org](http://MyNewHopePres.org)

To Whom It May Concern:

The Neighborhood House Association (NHA) is one of the largest nonprofit social services agencies in San Diego County. We operate a network of 28 programs that range from early childhood and youth development, mental health services, senior services, and more. The agency has an operating budget of over \$112 million, much of which flows through Union Bank yearly.

NHA has maintained a 35-year relationship with Union Bank. Union Bank has continuously participated as a major sponsor of our flagship fundraising events: our annual Golf Gathering and Virtual Gala. The support of Union Bank has yielded over \$600,000 in financial contributions to NHA programs, benefitting the thousands of children, families, and seniors we serve each year. Additionally, Union Bank has provided in-kind donations to NHA in the form of backpacks for youth, holiday meals for seniors, and cubicles for our administrative offices.

While we approve of the merger between U.S. Bank and MUFG Union Bank N.A., we have a few questions/concerns about the merger. Please see questions below:

1. How will the merger affect the capabilities and services that Union Bank currently offers? For example, many of the reports that Union Bank supplies to its customer via its online platform are used within our organization. In addition, we currently use many of the account features such as ACH and positive payment reports that we have incorporated our internal controls, which may need to be updated depending on the changes of the platforms.
2. Will our bank contacts remain the same? How will the effects of this merger be communicated to its customers? Will someone sit down to address how the merger will affect our organization specifically?
3. Will the level of involvement in the communities that the bank serves be affected? We work closely with our local Union Bank branch, whether in community involvement or corporate donations, which benefits the over 6,000 individuals we serve in the San Diego surrounding areas.

Again, I would like to thank you for your time and consideration. We look forward to our continued partnership in the future.

Regards.

Neighborhood House Association



*Helping to build sustainable communities across Nevada to stabilize and improve the lives of individuals & families*

March 3, 2022

To Whom It My Concern,

Opportunity Alliance Nevada (OANV) is grateful for the continued support and engagement of U.S. Bank and Arturo Pérez, Vice President and Community Affairs Manager as a significant partner, together contributing to the financial well-being of all Nevadans. OANV's mission and vision are to build self-sufficiency and financial stability for all Nevadans; building sustainable communities across Nevada to stabilize and improve the lives of individuals and families. We rely on our funders to help support programs under our Nevada Financial Resiliency and Empowerment Project (NFREP).

U.S Bank has contributed to OANV for over 5 years. They have sponsored individuals to participate in the Your Money, Your Goals programs. They are a funding partner and Arturo is an active participant at our Advisory Calls and Brown Bag Lunches, addressing the emerging issues impacting the financial well-being of Nevadans statewide.

In 2020, OANV created a COVID Response Help Line with Volunteer Financial Navigators to assist individuals with the financial impacts of the pandemic. Thirteen of our volunteers came from U.S. Bank helping clients with many significant needs. U.S. Bank as an organization supported OANV in our COVID relief and response efforts positively impacting over 1500 individuals.

We appreciate the ongoing relationship that we have with U.S. Bank and support their progressive programs to help individuals become sustainable and self-sufficient. We look forward to continuing our partnership.

Warm regards on behalf of the OANV Board of Directors,

Kellie George  
Executive Director, Opportunity Alliance Nevada  
[Kellie@OpportunityAllianceNV.org](mailto:Kellie@OpportunityAllianceNV.org)

Opportunity Alliance Nevada is a 501©(3) charitable nonprofit incorporated in Nevada and is a statewide community champion of Prosperity Now. Since 2015 OANV has brought together resources and people from diverse socio-economic backgrounds to investigate and understand the barriers faced by struggling low to moderate-income Nevadans and provide pathways to self-sufficiency. OANV accomplishes this through advocacy, training, success coaching, partnerships, and collaborations.

#

[www.OpportunityAllianceNV.org](http://www.OpportunityAllianceNV.org)

316 California Ave. #5, Reno, NV, 89509 -- (702) 546.9880

[Linkedin.com/company/opportunity-alliance-nevada](https://www.linkedin.com/company/opportunity-alliance-nevada) [Facebook.com/NVOppAll](https://www.facebook.com/NVOppAll) Email - [OpportunityAllianceNV@gmail.com](mailto:OpportunityAllianceNV@gmail.com)



***Helping to build sustainable communities across Nevada to stabilize and improve the lives of individuals & families***

March 3, 2022

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Kellie George  
Executive Director, Opportunity Alliance Nevada  
[Kellie@OpportunityAllianceNV.org](mailto:Kellie@OpportunityAllianceNV.org)

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March 8, 2022

Chris Wangen  
Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, MN 55480-0291

**Re: OASIS Center International supports US Bancorp/MUFG acquisition application**

Dear Mr. Wangen,

OASIS Center International is an education 501(c)(3) nonprofit organization that works in partnership with both public and private entities that serves 100% LMI youth and families. We understand the challenges of our low-income community and have been responding to our constituents by providing resources and tools to navigate out of the Pandemic. The current acquisition application has great significance in the banking industry, as the new bank will rank as the 5<sup>th</sup> largest in the nation, a systemically important bank, which will impact the industry, stakeholders, customers, and of course, the communities it serves. Although the community benefits plan is not public as of date, I trust the outstanding rating of both bank's CRA will propose a plan that mitigates the exasperating gap of income and wealth inequality in the US.

However, here are a few areas that must be committed before the approval:

- **Accessible Grantmaking Opportunity:** US Bank grantmaking process has moved from open application by area of focus to grantmaking by invitation only. The new process may allow streamlining and prioritizing legacy partners, which may limit diversification of smaller non-profits to access grant making. The size of the grants should be meaningful - by considering the long-term sustainability of the organization.
- **Redefinition of Underserved Minorities:** The social movement during the pandemic has taught us the injustice that exists for underserved minority groups. The new bank should take leadership in supporting the minority-led non-profits and small businesses for capacity building, by elevating the social conscience of our society. The minority definition should include not only Black, but Asian and Hispanic organizations as well.
- **Sustainable Community Benefits Plan:** The plan should focus on corporate social responsibility (Definition derived from National Diversity Coalition: Excellence in Diversity, Equity, & Inclusion, Economic Empowerment, and Corporate Citizenship) and adhering to Environment, Social, Governance adoption in all levels of internal and external processes. This recommendation will mean intentional development of existing CSR/ESG department or creation of new efforts to be a leader in the industry.

Thank you for the opportunity to submit this letter of support for the merger and considering my comments to support your review of the acquisition.

Sincerely,

A handwritten signature in black ink, appearing to read "Jin Sung", written in a cursive style.

Jin Sung  
Founder & Executive Director  
OASIS Center International



March 3, 2022

Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

And

Ann E. Misback  
Secretary of the Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitutional Avenue NW  
Washington, DC 20551-0001

The Director of Large Bank Licensing  
Email: [LargeBanks@occ.treas.gov](mailto:LargeBanks@occ.treas.gov)  
Mail: 340 Madison Avenue, Fifth Floor, New York, NY 10173

RE: U.S. Bancorp acquisition of MUFG Union Bank's core regional banking franchise from Operation Homefront.

Mr. Wangen or Ms. Misback,

It is my pleasure to have the opportunity to submit a letter of support for U.S. Bancorp's (U.S. Bank) acquisition of MUFG Union Bank's core regional banking franchise. As a former military officer with over 27 years of service to our great nation, I know the entire U.S. Bank team shares our unwavering commitment to honoring our service members and their families for all they do to protect the freedoms we, as Americans, enjoy daily. I have thoroughly enjoyed working with their staff members and feel their genuine commitment to serve those in their communities extends throughout the organization, from those at the very senior strategy level on down to those who serve with excellence at the community level.

For over twenty years, Operation Homefront has provided highly-regarded programs that offer: RELIEF (through Critical Financial Assistance and transitional housing programs), RESILIENCY (through permanent housing and veteran caregiver support services) and RECURRING FAMILY SUPPORT programs and services throughout the year that help military families overcome short-term financial hardships so they don't become long-term problems that derail any hopes of a stronger, more stable and more secure future. I am proud to report, we have consistently earned high ratings from leading charity rating services, including Charity Navigator, the Better Business Bureau and GuideStar and that 90 percent of our expenditures go directly toward delivering impactful programs to our military families who are struggling to make ends meet.



Since our partnership began in 2019, we have worked with U.S. Bank to support our military families through their HOME (Housing Opportunities after Military Engagement), Driven to Serve (vehicles), and RAMP (Repair Assistance for Military Personnel) programs. Through these innovative programs, we have made our military families stronger, and they have, in turn, made their communities stronger.

I hope my enthusiasm for U.S. Bank shows as I have full confidence that they will continue to be a values-based leader in all the communities they serve. Simply put, they fully understand the meaning of corporate social responsibility, and more importantly, back their strong words with strong action.

With Warm Regards,

A handwritten signature in blue ink, appearing to read "John I. Pray, Jr.", is written over the typed name.

John I. Pray, Jr.  
Brig Gen (ret), USAF  
President & CEO

Operation Homefront

[john.pray@operationhomefront.org](mailto:john.pray@operationhomefront.org)



March 9, 2022

Jerome Powell, Chairman  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue N.W.  
Washington, D.C. 20551  
Via email: [MA@mpls.frb.org](mailto:MA@mpls.frb.org)

Michael Hsu, Acting Comptroller  
Office of the Comptroller of the Currency  
400 7th St SW,  
Washington, DC 20219  
Via email: [Largebanks@occ.treas.gov](mailto:Largebanks@occ.treas.gov)

Re: Supplemental comments in opposition to the applications by U.S. Bancorp and U.S. Bank to acquire MUFG Union Bank, N.A., San Francisco, California, a direct wholly owned national bank subsidiary of MUFG Americas Holdings Corporation

Dear Chairman Powell and Acting Comptroller Hsu,

My name is Richard Girling and I am an active member of the San Francisco Public Bank Coalition. I am a trained economist who has been closely observing the financial sector for the past two decades. The collapse of the banking system in 2008 particularly struck me by seeing how vulnerable our financial system is. I feel strongly that poor management decisions by bankers precipitated the crisis and felt it wrong to bail out banks with billions while allowing millions to lose their homes and jobs from foreclosures and the recession that followed. After studying the financial crisis, I came to the conclusion that excessive risk taking with lax regulation was largely responsible.

On a personal level, I witnessed the devastation that followed the banking crisis when I saw two longtime African-American homeowners on my block lose their homes due to corrupt banking practices. These were great neighbors with multigenerational households that were forced to relocate to distant communities. A close Latina friend of mine also lost her multigenerational home due to foreclosure forcing her to squeeze herself and her 2 daughters into a studio apartment. These occurrences took place all across America. From 2007-2009, 2.5 million foreclosures were executed, with 8% being black and Latino homeowners.

A few years ago, I retired from a career of teaching economics in order to commit my time and energies into improving my community. I am doing this by using my economic skills to look at the financial sector. My education and these personal experiences have made me incredibly skeptical about the soundness of our financial system and the ethical principles of the banking community. I am particularly concerned by the accelerating degree of financial concentration as evidenced by this consolidation. Local banks are increasingly disappearing from our neighborhoods. While there were 18,000 banks in 1984, today there are fewer than 5000. Branches are closing by the thousands with 4000 eliminated since March 2020, one-third being in LMI and minority neighborhoods.

I oppose this merger unless there are substantial enforceable agreements to assure that there is

1. A commitment to a lengthy suspension of foreclosures to enable people to stay in their homes while recovering from the Covid economic fallout.
2. A substantial expansion of lending for affordable housing.
3. No contraction of the total number of branches operating as a consequence of this combination.

Sincerely,  
Richard Girling, San Francisco Public Bank Coalition



Jerome Powell, Chairman  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Ave N.W.  
Washington, D.C. 20551  
Via email: [MA@mpls.frb.org](mailto:MA@mpls.frb.org)

Michael Hsu, Acting Comptroller  
Office of the Comptroller of the Currency  
400 7<sup>th</sup> St SW,  
Washington, D.C. 20219  
Via email: [largebanks@occ.treas.gov](mailto:largebanks@occ.treas.gov)

Dear Chairman Powell and Acting Comptroller Hsu,

Working under the umbrella of the Small Business Administration (SBA), SCORE Orange County's mission since 1964 has been to provide pro bono mentoring for the Life of local Business. Because of the explosive growth of Hispanics especially in the cities of Anaheim and Santa Ana where Spanish speakers represented as much as 65% of the population, SCORE needed to find a way to support this underserved part of the community in 2018. The challenge was that the Spanish speaking folks were unaware of all the free services SCORE provided.

Thanks to the generous financial support of grants from Union Bank and the leadership from Rossina Gallegos, Union Banks Director of Foundation and CSR Officer, SCORE Orange County has been able to tell its story and create trust through a custom designed website and social media campaign ([www.mentoresdenegocios.org](http://www.mentoresdenegocios.org)). On every page and social media posting, SCORE speaks about Union Banks role in helping Hispanic entrepreneurs realize their dream of starting a business. Our community involvement acknowledges the importance of diversity and inclusion to help the economic climate.

Union Bank has become a partner for the long term thanks to Rossina's belief in SCORE's mission. This is important because it takes time to develop trust with the Hispanic Community. Utilizing her credibility as a Latina and her many years of involvement with Spanish speaking people, SCORE has been able to connect with important influencers and expand its reach. The chapter has doubled the size of our bi-lingual mentors and produced webinars customized to the needs of Hispanic Entrepreneurs.

As a result of hard work, SCORE Orange County has special partnerships with City Chambers and Economic Development Departments that have helped spread the word of the benefits of working with SCORE. None of this could have happened without the special relationship between Rossina, Union Bank and SCORE committed to being there for the Life of Local Business.

Please review attachment: [Score-UB-Partnership-3.1](#)

Sincerely,

Jordan Rosenthal

V.P. Spanish Outreach  
**SCORE Orange County**  
5 Hutton Centre Drive, Ste 900  
Santa Ana, CA 92707  
[www.orangecounty.score.org](http://www.orangecounty.score.org)

March 10, 2022

Jerome Powell, Chairman  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue N.W.  
Washington, D.C. 20551

Michael Hsu, Acting Comptroller  
Office of the Comptroller of the Currency  
400 Seventh St. S.W.  
Washington, D.C. 20219

RE: U.S. Bank acquisition of MUFG Union Bank, N.A.

Gentlemen:

I am writing in support of the U.S. Bank application to acquire MUFG Union Bank, N.A. (Union Bank). It is obvious that U.S. Bank's application to acquire Union Bank is a sound investment for U.S. Bank. Also, both banks have received Outstanding ratings on their most recent CRA evaluations. However, as an observer and at times a participant in bank mergers over more than twenty- five years in banking (retail, commercial, and community development) and 16 years as a Community Affairs Officer at the OCC, I have seen mergers and acquisitions that did not always benefit the communities they proposed to serve. I trust that this acquisition will be one that actually supports the communities that both financial institutions serve.

Prior to my retirement from the OCC, I collaborated with staff from both institutions in various programs and projects. However, my experience with Union

Bank ranged from competitor to bank regulator (CRA exams), and finally as a member of the bank's Community Advisory Board (CAB). The experiences gave me insights into the tensions required of a shareholder-owned, government-regulated financial institution required to serve low-and moderate-income (LMI) individuals and communities and the advocates that represent that constituency. It is a challenging task for all of the participants in the process. Union Bank was more successful than comparable other institutions in overcoming those pressures.

Union Bank was never the largest commercial bank operating in its service areas. However, it experimented in various innovative programs and services targeted at LMI and minority individuals and businesses. Those experiments included a partnership with what is now a national community organization and a check-cashing business that provides a path to bank accounts through financial literacy. Union was also one of the first banks to provide a small business loan program targeted at small minority-owned businesses. The bank entered into a Community Responsibility plan with California community coalitions to address CRA sensitive loans, grants, and services for LMI individuals and communities. The bank even opened a major service center in Southern California at the request of one of the community coalitions providing employment opportunities. Union was also one of the first California banks to emphasize minority purchasing as a tool to support the growth of small businesses.

Last, but not least, one of Union's most innovative community activities is the bank's acquisition and subsequent expansion of four federally chartered banks on high school campuses in Central and Southern California. The program not only educates the students and their families regarding banking services, but also provides student employment. Some of the students have continued working at the

bank while they have pursued post-secondary education opportunities. And in several instances, after graduation from college, are now Union Bank officers.

My last exposure to Union Bank was as a member of the CAB after my retirement from the OCC. It was a unique opportunity to view the community concerns and recommendations to bank management from a distinct perspective. Senior management attended the meetings and listened to the representatives' concerns resulting in the resolution of several of the recommendations while maintaining a focus on shareholder responsibilities. U.S. Bank also maintains a similar group.

Although not a requirement of CRA, Union also expanded its Corporate Responsibility focus to include environmental issues in the bank's national and international footprint. The impact of environmental concerns is a component of the bank's decisions relating to loans, investments, and services.

I have been impressed by Union Bank's commitment to improving the communities it serves. My approval of the acquisition is based on the confidence that despite the difficulties in balancing shareholder concerns, with regulatory requirements, and community concerns, the new institution can be successful in meeting all of the participants' needs if it maintains key Union Bank Community Responsibility standards.

Sincerely,

A handwritten signature in cursive script that reads "Susan Howard".

Susan Howard  
1121 Lincoln Avenue  
Pasadena, CA 91103

---

**From:** lee@fairfinancewatch.org <lee@fairfinancewatch.org>

**Sent:** Tuesday, March 8, 2022 6:39 PM

**To:** MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>; Office-of-the-Secretary, (Board) <office-of-the-secretary@frb.gov>

**Cc:** Matthew Lee <matthew.lee@innercitypress.com>

**Subject:** [External] March 8, 2022 Testimony of Fair Finance Watch on US Bancorp / MUFG Proposal to Federal Reserve

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Below is the March 8, 2022 Testimony of Fair Finance Watch on US Bancorp / MUFG Proposal to Federal Reserve

Testimony on US Bancorp / MUFG Proposal to Federal Reserve & OCC

March 8, 2022

Good afternoon. I'm Matthew Lee and on behalf of Fair Finance Watch and Inner City Press, this three minute statement concerns the proposal by US Bancorp to acquire Mitsubishi UFJ Financial Group's US subsidiaries.

First, on the Community Reinvestment Act and fair lending. Fair Finance Watch conducted an analysis of the most recent Home Mortgage Disclosure Act data of the two institutions and finds the disparities troubling.

For example, U.S. Bank in 2020 in New York State made only 26 mortgage loans to African Americans, while denying more, fully 66 applications from African Americans. By contrast, it made 842 loans to whites while denying less, only 567 applications from whites. Fair Finance Watch has identified similar disparities in Florida, Michigan and elsewhere.

Mitsubishi UFJ Financial Group's bank in Oregon in 2020 made only ONE mortgage loan to and African Americans, while denying more, two applications from African Americans. By contrast, it made 196 loans to whites while denying fewer, only 55 applications from whites.

These disparities should not just result in a Fed footnote that the data cited by Fair Finance Watch is accurate but HMDA data is not probative. The incoming Governors should go on the record on this before the Board rules.

As you will hear from other witnesses [including other members of the National Community Reinvestment Coalition,] there are branch closing issues that should be addressed.

There is another issue which Inner City Press hereby timely raises to the Federal Reserve Board: the continued business with and in Russia by Mitsubishi UFJ Financial Group, which we confirmed on the bank's website just before this testimony.

Mitsubishi UFJ Financial Group's website says, "MUFG's presence in Russia started in Moscow in 1992, through a Representative Office. Our presence expanded significantly through the establishment of a Russian subsidiary, ZAO Bank of Tokyo-Mitsubishi UFJ (Eurasia), by the sole shareholder, The Bank of Tokyo-Mitsubishi UFJ, Ltd., on 29 May 2006. On 14 October 2015, the name of ZAO Bank of Tokyo-Mitsubishi UFJ (Eurasia) was changed to AO Bank of Tokyo-Mitsubishi UFJ (Eurasia). The Bank of Tokyo-Mitsubishi UFJ Ltd. was renamed to MUFG Bank Ltd., effective April 01, 2018. In line with such change the name of AO Bank of Tokyo-Mitsubishi UFJ (Eurasia) was changed to AO MUFG Bank (Eurasia) on 03 April 2018. AO MUFG Bank (Eurasia) has a presence in Moscow and Vladivostok."

This is troubling, and must be addressed under the Bank Holding Company Act's managerial and financial if not moral factors. Other large banks under Federal Reserve supervision still bragging about their presence and business in Russia including Citigroup and HSBC. The Federal Reserve must act on this immediately -- Inner City Press is requesting this be raised to the new / nominated Governors at the earliest time, along with recent rubber stamping by Federal Reserve Banks, which brag of not being government agencies, of bank mergers including involving banks with Needs to Improve CRA ratings, like Berkshire Bank. So too should the record of Toronto Dominion, among others. But the MUFG - Russia / Ukraine issue is most pressing, on this application. Thank you for your attention.

Thank you for your attention.

Please immediately send all information under the ex parte rules -- and responses by e-mail to [lee@fairfinancewatch.org](mailto:lee@fairfinancewatch.org) and [innercitypress@gmail.com](mailto:innercitypress@gmail.com) -- and if also by regular mail, to Matthew R. Lee, Esq. Fair Finance Watch c/o Matthew R. Lee Esq, PO Box 20047, NYC NY 10017 Please also confirm receipt of this formal submission. If you have any questions, please immediately telephone the undersigned, at (718) 716-3540.

Very Truly Yours,

Matthew Lee, Esq.  
Executive Director  
Inner City Press/Fair Finance Watch



Good morning and thank you for allowing me to join you today. Presiding officers Olson and Murphy, and distinguished members of the board, my name is Doni Tadesse, I use He/Him pronouns, and I am the Southern California organizer for the California Reinvestment Coalition, or CRC.

As an organizer, I was tasked with mobilizing testimonies from our member organizations and ensuring the concerns of our communities were adequately represented today. Unfortunately, in my effort to do this, I encountered a reluctance from members to testify. They shared that at the heart of their apprehension is a fear that testifying to this body could potentially strain the relationships they maintain with US Bank and other banks engaged in philanthropy and community reinvestment efforts. While this fear exists for many wishing to testify against a funder, it was exacerbated in this particular case by the actions of US Bank.

Once the Fed and the OCC announced there would be public hearings to evaluate the proposed acquisition, representatives of US Bank began actively soliciting their grantees and non-profit partners for positive testimonies. While we appreciate and applaud some specific lending and investment activities of the Bank, asking community development organizations to represent their individual benefit as proof of broader public benefit achievement is unreasonable at best and perhaps bordering on the unethical.

We are sympathetic to the position our members and other community organizations were put in when deciding to speak today. They had to make a difficult decision, one that is undoubtedly influenced by the gross imbalance of power between a non-profit organization and what is set to be the fifth-largest bank in the US if this merger is approved. You are hearing from a subset of our coalition in part because of these dynamics. Unfortunately, the incentive structure currently in place encourages fealty to these banks rather than free speech in service of the public benefit.

This incentive structure is further entrenched by federal regulators' lack of adequate scrutiny in bank mergers. While Chairman Powell and the FDIC have stated that they are conducting reviews to update merger and acquisition approval procedures, the historical record suggests that this merger will ultimately be approved. This has resulted in a public sentiment that is cynical of the merger approval process and efforts to reform it. We have heard from organizations, "why bother angering our funders and making all of this noise when regulators will approve this merger, regardless of our concerns". While we appreciate your willingness to hold this hearing, please note that some of our members and members of affected communities were hesitant to freely voice their concerns. As you hear statements today, we ask that you take these points into consideration. Thank you, this concludes my remarks.



360 14TH STREET, 2ND FLOOR  
OAKLAND, CA 94612  
GREENLINING.ORG

Chris P. Wangen  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291  
Sent via email: [mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

Jason Almonte  
Office of the Comptroller of the Currency  
340 Madison Avenue, Fifth Floor  
New York, New York 10173  
Sent via email: [LargeBanks@occ.treas.gov](mailto:LargeBanks@occ.treas.gov)

*Re: Public hearing testimony in opposition to the applications by U.S. Bancorp and U.S. Bank to acquire MUFG Union Bank, N.A., San Francisco, California, a direct wholly-owned national bank subsidiary of MUFG Americas Holdings Corporation*

Dear Mr. Wanger and Mr. Almonte,

Please find the text of my public testimony, delivered on March 8, to the Board of Governors below:

“Good afternoon. My name is Rawan Elhalaby and I am the Associate Director of Economic Equity at the Greenlining Institute.

The Greenlining Institute is a state and national policy, research, organizing, and leadership development organization working to advance economic opportunity and empowerment for people of color and low-income communities. Founded in 1993 and based in Oakland, California, Greenlining envisions a nation where communities of color thrive and where a person’s race is never a barrier to economic opportunity.

We work alongside a coalition of over 40 grassroots, community-based organizations, including minority business associations, community development corporations, and civil rights organizations. Our advocacy addresses the root causes of racial, economic, and environmental inequities to meaningfully transform the material conditions of communities of color in California and across the nation.

In this testimony, I wish to emphasize that US Bank’s proposed acquisition of Union Bank will result in an outsized impact on California’s communities of color. The loss of Union Bank and its CRA activity – including significant investments in housing and community development – will reduce the ability of communities of color to access credit and financial services that are necessary to bridge the racial wealth gap.



360 14TH STREET, 2ND FLOOR  
OAKLAND, CA 94612  
GREENLINING.ORG

I am particularly concerned that while US Bank has engaged in conversations with community groups – and for that we are very appreciative – the bank has not made adequate commitments to communities of color that are specific, quantifiable and reflective of the size of this acquisition.

In California, the Black homeownership rate is 37% and the Latino homeownership rate is 44%. Financial institutions, like US Bank, are obligated to meet the credit needs of these communities and make a meaningful effort to bridge the racial wealth and homeownership gap. It is important that the Federal Reserve Board and the Office of the Comptroller of the Currency scrutinize the extent to which the acquisition of Union Bank by US Bank will disrupt or contribute to efforts to meet the needs of California's most historically marginalized communities in the area of wealth building – through affordable and targeted products and services, diverse staff and leadership, and branches.

I am particularly concerned about the potential closure of branches due to this merger in the long term. The consolidation of banks has led to a significant decrease of bank branches in majority-minority neighborhoods. In these neighborhoods, where broadband access and transportation is limited, bank branches are critical for meeting the needs of people of color. With fewer branches, communities of color are targeted by predatory, nonbank lenders to meet their credit needs.

The only remedy for these concerns and indicator of public benefit of this merger is a community benefits agreement that makes concrete commitments to the communities most impacted – these are communities of color, especially in California, where 90% of the acquired assets of Union Bank are located. These commitments must directly address racial inequities perpetuated by bank consolidation.

For now, in the absence of a strong community benefits agreement that meets the needs of California communities, I oppose this merger application. This concludes my remarks.”

Sincerely,

Rawan Elhalaby  
Associate Director, Economic Equity  
The Greenlining Institute



**THAI COMMUNITY DEVELOPMENT CENTER**

6376 Yucca Street, Suite B  
Los Angeles, CA 90028  
Phone : (323) 468-2555 Fax : (323) 461-4488

March 10, 2022

Re: Comments in Response to the Bancorp-MUFG Union Bank Application

Dear Federal Reserve and Office of the Comptroller of the Currency:

The Thai Community Development Center (Thai CDC) appreciates the opportunity to submit comments in response to the Bancorp-MUFG Union Bank Application. Our organization strongly urges the Federal Reserve and the Office of the Comptroller of the Currency to reject the proposed merger unless U.S. Bank is willing to comply with a strong Community Benefits Agreement that increases reinvestment in underserved communities and addresses barriers to financial inclusion, namely the lack of language access for Limited English Proficient (LEP) residents throughout California.

For 28 years, our organization has been working to address the multi-faceted social and economic needs of low- and moderate-income Thais and other minority communities throughout Los Angeles. Therefore, we are intimately aware of the daunting challenges facing disadvantaged minority communities throughout our city, especially when it comes to accessing banking, lending, and other key financial services.

One of the most persistent obstacles preventing our communities from accessing financial products and services is a lack of language access. Many of the communities we serve are comprised of immigrant populations for whom English is not their first or primary language. Because these individuals speak English with limited proficiency, they face significant linguistic barriers that make it difficult to participate in the local economy. Consumers who are Limited English Proficient, or LEP for short, often struggle understanding and completing key financial documents, managing bank accounts, resolving problems with financial products, and conducting everyday financial affairs that are technical and challenging to navigate even for native English speakers.

Due to these language barriers, LEP consumers are unbanked or underbanked at a much higher rate than native English consumers and have a much harder time accessing capital, loans, and retail banking services offered by financial institutions. Consequently, these consumers often turn to alternative or higher risk sources of financing and forms of money management in order to meet their financial needs and goals.

It's important to note that these challenges are not exclusive to the City of Los Angeles and exist across the entire state of California. California's population is very diverse, with more than 200 languages and dialects spoken throughout the state. According to the US Census Bureau (2015), almost 44% of California households speak a language other than English, and nearly one in five California residents are considered LEP. Therefore, we believe financial institutions such as U.S. bank must play a much larger

role in creating a more inclusive environment in the financial marketplace that is accessible to all consumers across our state regardless of their primary language.

While we acknowledge that U.S. bank has taken some measures to increase language access for LEP consumers such as including a Spanish language option in their Mobile App, not all app features are available in an alternate language and options are needed for languages other than Spanish as well. In addition to bolstering their mobile app, there are a multitude of other ways that U.S. bank can build out their capabilities to address gaps in language access and serve more LEP consumers.

For example, U.S. Bank should commit to increasing multi-lingual staff or hire third-party language service providers to provide translated financial documents and applications, verbal interpretation services both in person and over the phone, and fully translated mobile applications and online web-based platforms to assist with residential mortgage originations, small business lending, and other banking needs. We believe it is especially important that U.S. Bank make key financial disclosures and written contracts or agreements available in LEP consumers' preferred languages. Furthermore, U.S. bank can provide free financial literacy classes and education about financial products in multiple languages to reach unbanked and underbanked LEP immigrants.

To effectively meet the language needs of diverse LEP consumers, we suggest that U.S. Bank review demographic data about the localities they serve from sources such as the U.S. Census Bureau to determine their prospective customers' likely language preferences. With this information, branches can more effectively align their language resources with local demographics and better serve the wide array of LEP consumers across our state.

In conclusion, language access remains one of the primary barriers to banking and financial inclusion for low-income LEP minority and immigrant communities throughout California. U.S. Bank could provide better access to these communities with great impact at a relatively low cost. Unless U.S. Bank's merger proposal is amended to include a strong Community Benefits Agreement that incorporates our recommendations and those put forth by the rest of the California Reinvestment Coalition, we unfortunately have no choice but to oppose this merger.

We urge you to condition any merger approval on compliance with a strong Community Benefits Agreement that helps low-income and minority communities across our state access financial products that will help them own homes, grow businesses, achieve financial security, and contribute to the economic health of their communities.

Thank you for your time and consideration.

Sincerely,

Chanchanit Martorell

Executive Director

---

**From:** Tracey Bryan <TraceyBryan@thebridgeofsnm.org>  
**Sent:** Thursday, March 3, 2022 6:43 PM  
**To:** MPLS SRC MergersAndAcquisitions SMB <mpls.src.mergersandacquisitions.smb@mpls.frb.org>  
**Subject:** [External] In Reference to US Bank

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Board of Governors  
Ms. Ann E. Misback  
Secretary of the Board  
20th Street and Constitution Avenue NW  
Washington DC 20551-0001

Dear Board of Governors: The Bridge of Southern New Mexico is pleased to share the importance of our community partnership with US Bank with you, as you deliberate the matters of your March 8 meeting.

The Bridge is a first-of-its-kind partnership in New Mexico in which the leaders of business, economic development, education and government work collaborative to increase high school and college completion rates and build a skilled and ready workforce for our community now and in the future.

US Bank's support over the years has fueled in leading transformative change in our county and state through a host of groundbreaking efforts:

- The state's first workforce development plan aligned to economic development targets
- The state's first career pathways to high value careers in key industries
- The first implementation of the Talent Pipeline Management approach of the US Chamber

The first bilingual, one-stop site for connecting education to employment for students, parents, teachers, and businesses

US Bank's volunteerism on our board and championing our initiatives locally and statewide, along with grant support, has created an unprecedented set of tools and the knowledge to break generational cycles of poverty to maximizing the power academic outcomes to maximize economic impact.

Thank you for the opportunity to share this information with you.

Tracey Bryan  
President/CEO  
The Bridge of Southern New Mexico



Monday, March 7, 2022

Ann E. Misback  
Secretary of the Board  
Board of Governors  
Federal Reserve  
20<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, D.C. 20551-0002

To Whom It May Concern:

UNCF (United Negro College Fund, Inc.) supports U.S. Bancorp's acquisition of MUFG Union Bank. This acquisition would make U.S. Bancorp the fifth largest bank in California, up from its current position as the tenth. In turn, customers and communities of color would benefit. Importantly, every Union Bank employee would keep their position for a minimum of three years, and no bank branches would close in the near term, barring obvious duplicity. U.S. Bancorp would make additional investments in the community and in their employees.

UNCF, a non-profit organization which serves a membership of private historically Black colleges and universities (HBCUs), is also a significant scholarship provider. Our organization is the second largest private provider of scholarships in the nation, and we are also the largest private provider of scholarships to minorities. Both U.S. Bancorp and MUFG Union Bank have been excellent partners with UNCF, and their merger would allow our collaboration to continue and flourish. We support these two similarly cultured financial institutions, deeply rooted in their communities, coming together.

MUFG Union Bank's partnership with UNCF spans 26 years. Since their initial gift in 1994, MUFG Union Bank has contributed more than \$1.2M of support in the following ways:

- Over \$150,000 in direct scholarship support for the *MUFG Union Bank Scholars Program* with UNCF. Since the inception of the program in 2017, over thirty student scholars have been supported. The students, at HBCUs and other accredited four year institutions, majored in accounting, banking, business, finance, and economics.
- \$1M in direct institutional support as a regional sponsor of the annual UNCF "A Mind Is..." Gala and Mayor's Masked Ball events in Seattle, San Francisco and Los Angeles.
- \$25,000 in support of the HBCU Innovation Summit in the Silicon Valley. Each year, UNCF hosts 100 computer science and engineering students from HBCUs for a week of professional development engagement with industry leaders in technology and internship opportunities with participating partners.
- MUFG Union Bank employees have served on the local area office leadership councils. Mr. Julius Robinson, Managing Director and Head of Corporate and Social Responsibility for the Americas, previously served on the Leadership Council for the San Francisco UNCF office for five years and continues to be an integral advocate for UNCF. Ms. Kathy Patoff, CFO of Union Bank, has been another key partner for us.



U.S. Bancorp currently has a seat on the UNCF board of directors. Mr. Gregory C. Cunningham, the senior executive vice president and chief diversity officer for U.S. Bancorp serves on our board. He is active, engaged, and thoughtful to his contributions, including just last week at our board meeting here in Washington, D.C. Additionally, U.S. Bancorp has supported UNCF in the following ways:

- \$700,000 to support the UNCF / Ujima Scholars Program, a pipeline program for college-educated professionals of color to prepare them for corporate positions.
- In 2020, UNCF was included in U.S. Bancorp's efforts to address systemic economic and racial inequities in small business, housing, and workforce advancement.
- Sponsored the UNCF "Masked Ball" in three cities, including Los Angeles, at \$25,000 a year.

On behalf of our 37 member-institution HBCUs, and all of the low to moderate income and first generation college students that we serve, UNCF is proud to support U.S. Bancorp's acquisition of MUFG Union Bank. Should you have any question or concerns, please do contact Mr. Lodriguez V. Murray, UNCF's senior vice president for public policy and government affairs at [Lodriguez.Murray@UNCF.org](mailto:Lodriguez.Murray@UNCF.org) or 202-615-5539. Thank you.

Sincerely,



Michael L. Lomax  
President and CEO

RECEIVED

DEC 08 2021

SRC DIVISION  
FRB MPLS



United Way of  
Jackson County

November 29, 2021

Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

RE: U.S. Bancorp's proposal to acquire MUFG Union Bank, National Association

Dear Mr. Wangen:

It is a distinct pleasure to submit a letter of support for U.S. Bancorp's (U.S. Bank) proposal to acquire MUFG Union Bank, National Association. United Way of Jackson County has had a long relationship with U.S. Bank to create positive community change. Over these many years, I have had the privilege of working with numerous U.S. Bank employees and have a good understanding of their commitment to their communities, their people and providing access to financial services to all.

US Bank's foundation and the employees support so much of the work of United Way and not just because it's good for business. It is always because it's good for community. They have sponsored events, matched giving by their employees and provided much time for advocacy and volunteering for their employees. We have worked on improving facilities of nonprofit organizations through both financial and physical labor. We have worked to increase high school completion over 8 years, and it has improved by more than 25%! We have worked deeply to reduce suicides in our county which has 3 times the national average rate. And they were profoundly helpful when we had a disastrous wildfire. We have done all this with their help, their investment, and their wisdom.

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future. We fully support the proposed transaction and believe it will have a positive impact on the community.

Regards,

A handwritten signature in blue ink, appearing to read "Dee Anne Everson", is written over the typed name.

Dee Anne Everson  
CEO/Executive Director



March 2, 2022

Federal Reserve Bank of Minneapolis  
Attention Chris P. Wangen, Assistant Vice  
President  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

Board of Governors  
Attention Ann E. Misback, Secretary of the  
Board  
20th Street and Constitution Avenue NW  
Washington DC 20551-0001

SUBJECT: Support for US Bank

To Whom it May Concern,

On behalf of Working Wardrobes, I am writing to express our gratitude and support for the partnership US Bank provides to the Orange County community. Specifically, US Bank has partnered with our nonprofit to provide workforce development services to individuals in the community who are challenged to overcome barriers to employment. At Working Wardrobes, we do everything in our power to help men, women, young adults, and Veterans overcome difficult challenges so they can achieve the dignity of work. Our clients become workforce ready by participating in career training, job placement assistance and wardrobing services, all provided to them with the utmost dignity and respect. With US Bank's financial support, and their employees dedicated volunteerism and generosity, we are able to help thousands of community members each year with a hand up, not a handout. What makes US Bank stronger helps enrich our community. Guided by their values to do the right thing, put people first, and draw strength from diversity, we support their efforts to acquire Union Bank and become an even larger entity able to positively impact the lives of more community members.

Respectfully,

A handwritten signature in black ink that reads "Bonni Pomush".

Bonni Pomush  
CEO  
Working Wardrobes  
[bonnip@workingwardrobes.org](mailto:bonnip@workingwardrobes.org)  
714-210-2460



RECEIVED

DEC 08 2021

SRC DIVISION  
FRB MPLS

December 1, 2021

Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

RE: U.S. Bancorp acquisition of MUFG Union Bank's core regional banking franchise from Mitsubishi UFJ Financial Group

Mr. Wangen,

It is my pleasure to write about the support U.S. Bank provides to Jamboree Housing Corporation and our community. We have had a relationship with U.S. Bank since May, 2007. During that time, I have had the pleasure of working with numerous U.S. Bank employees and have a good understanding of their commitment to their communities, their people and providing access to financial services to all. I have also been struck by their efforts to operate in a transparent and ethical manner.

Since 2007, US Bank has financed 14 Jamboree communities, creating 1,200 apartment homes beginning with Mendocino in San Clemente. These communities provide affordable homes for seniors, families, veterans, formerly homeless individuals and those living with special needs. In addition to project financing, US Bank has provided Jamboree with EQ2 investments and lines of credit and has been instrumental in supporting our growth over the last twenty years. US Bank has also regularly supported their employees volunteering on Jamboree's Advisory Board and events.

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future.

Sincerely,

Laura Archuleta  
President and CEO  
Jamboree



March 2, 2022

Our mission at Court Appointed Special Advocates of Orange County (CASA OC) is to provide a powerful voice and a meaningful connection for children in the Orange County foster care system who have experienced abuse, neglect, and abandonment. Since 2007, U.S. Bank has consistently provided donations to CASA, contributing over \$150,000 towards helping us achieve this goal.

The bank has supported CASA OC in multiple ways, including financial support through their U.S. Bank Foundation. We have been the recipient of both restricted and unrestricted Grant funds. In addition, CASA OC has received contributions from employee pass-through gifts, often with employer matched funds from the bank. U.S. Bank regularly provides yearly sponsorship at the Friends of CASA Annual Holiday Luncheon, a CASA OC fundraising event. US Bank employees have also served on the CASA OC Governing Board, one of whom is currently a member at large on the audit committee.

Regan Dean Phillips, M.S.W., J.D.  
Chief Executive Officer  
CASA of Orange County

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**Larry Willberton, Secretary**  
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**Tom Thomas, Treasurer**  
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**Imee Albornoz**  
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Bishop Financial Group

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**Luis Cetina**  
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US Bank, VP, Branch Manager

**Megan Nehamen**  
Executive Director

**Bonnie Cole**  
Associate Director

Federal Reserve Bank of Minneapolis  
Chris P. Wangen, Assistant Vice President  
90 Hennepin Avenue, Minneapolis  
Minnesota 55480-0291

February 24, 2022

To Whom It May Concern:

We write this letter on behalf of Foothill Family Shelter, a transitional shelter in the Inland Empire. The mission of Foothill Family Shelter is to assure children and adults a future by helping them acquire skills that will enable them to maintain a home, job and at the same time develop the necessary self-esteem to function as a successful stable adult. We have been providing housing and hope since 1984 and have maintained our commitment to helping those less fortunate for over 38 years.

Community partners play a vital role in the success and sustainability of our agency. Our partnership with US Bank was developed several years ago and has brought great value since its inception. This multifaceted relationship has broadened our scope of work, diversified funding and allowed for team engagement. The partnership has evolved over the years and has focused on foundation grants to support program and operating expenses, volunteer service projects, financial literacy and Board participation.

As a small, private organization these support networks are essential in an effort to sustain our services. The need is greater than our capacity but with leveraged resources and an ongoing commitment from US Bank, we will continue carrying our mission and changing lives.

Thank you,

A handwritten signature in purple ink, appearing to read "Megan Nehamen", is written over a horizontal line.

Megan Nehamen  
Executive Director



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DEC 08 2021

Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

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Ann E. Misback  
Secretary of the Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington DC 20551-0001

Office of the Comptroller of the Currency  
The Director of Large Bank Licensing  
Email: [LargeBanks@occ.treas.gov](mailto:LargeBanks@occ.treas.gov)  
Mail: 340 Madison Avenue, Fifth Floor, New York, NY 10173

RE: U.S. Bancorp acquisition of MUFG Union Bank's core regional banking franchise from Mitsubishi UFJ Financial Group

Mr. Wangen and Ms. Misback,

It is my pleasure to write about the support U.S. Bank provides to Mercy Housing, Inc and the communities around the country where we have developed and own affordable housing residential properties. We have had a relationship with U.S. Bank for over 30 years and, during that time, we have had the pleasure of working with numerous U.S. Bank employees and have a good understanding of their commitment to their communities, their people and providing access to financial services to all. I have also been struck by their efforts to operate in a transparent and ethical manner.

The following should provide you with a good idea of the support U.S. Bank provides to Mercy Housing:

- \$10 million unsecured line of credit which helps to finance the pre-development costs of an almost \$4 billion pipeline of affordable housing projects with over 9,000 units of homes for those in desperate need of housing. Our pipeline is supporting new affordable housing development in 15 states and most of the largest and most expensive housing markets in America.
- Over \$90 million in banking services not to support our affordable housing properties but also to support our corporate operating entities.
- \$215 million in Low Income Housing Tax Credit investments and almost \$40 million in construction and permanent lending for on affordable housing properties in our portfolio.
- \$5 million in low-cost lending to support lending activity in Mercy Community Capital, Mercy's Community Development Financial Institution (CDFI). MCC provides low-cost financing to support affordable housing development by smaller organizations in 44 states.

Mercy Housing

1600 Broadway, Suite 2000, Denver, Colorado 80202-4929 o | 303.830.3300 f | 303.830.3301 TTY | 800.877.8973 or 711 [mercyhousing.org](http://mercyhousing.org)

Mercy Housing is sponsored by communities of Catholic Sisters

LIVE IN HOPE

U.S. Bank is highly regarded in our affordable housing community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future.

Regards,

A handwritten signature in black ink, appearing to read "Ismael Guerrero". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ismael Guerrero, CEO  
Mercy Housing, Inc



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DEC 15 2021

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Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

and

Ann E. Misback  
Secretary of the Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington DC 20551-0001

The Director of Large Bank Licensing  
Email: [LargeBanks@occ.treas.gov](mailto:LargeBanks@occ.treas.gov)  
Mail: 340 Madison Avenue, Fifth Floor, New York, NY 10173

RE: U.S. Bancorp acquisition of MUFG Union Bank's core regional banking franchise from Mitsubishi UFJ Financial Group

Mr. Wangen or Ms. Misback,


It is my pleasure to submit a letter of support for U.S. Bancorp's (U.S. Bank) acquisition of MUFG Union Bank's core regional banking franchise. New Partners has had a relationship with U.S. Bank since 2019. During that time, I have had the pleasure of working with numerous U.S. Bank employees and have a good understanding of their commitment to their communities, their people and providing access to financial services to all.

New Partners, a not-for-profit company, was founded in 2017 with the mission to provide energy savings to vulnerable families in the Washington D.C. area. Today, we produce and distribute 100% of the economic benefits of clean, renewable energy from our solar arrays throughout the District of Columbia to more than 200 low-income families, offsetting over 450 tons of carbon emissions.

In 2019, New Partners and U.S. Bank partnered to install five solar projects, four rooftop systems and a canopy system. These systems have, and will, provide clean energy savings to families across the region in addition to the D.C. School District. Partnership with U.S. Bank supports our mission of Environmental Justice and contributes to making the benefits of renewable energy and the green economy available to all. Our impact can be measured both by how we benefit the environment and by how we benefit the community.

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future.

Regards,

  
Jeffrey S. Lesk  
President

New Partners Community Solar Corp.

NEW PARTNERS COMMUNITY SOLAR  
799 9<sup>TH</sup> ST NW, WASHINGTON, DC 20001  
NPSOLAR.ORG

December 2, 2021

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Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

**DEC 15 2021**

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**December 2020**

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Peoples Bank  
Regence BlueCross BlueShield  
Rogue Credit Union  
TribalOne  
US Bank  
Zeal

RE: U.S. Bancorp's proposal to acquire MUFG Union Bank, National Association

Dear Mr. Wangen,

Southern Oregon Regional Economic Development, Inc. (SOREDI) is the regional non-profit economic development agency serving Southern Oregon for nearly 35 years. U.S. Bank is a long-standing executive underwriter member of SOREDI, helping us provide complimentary business services to companies who seek to launch, relocate or expand in our region.

U.S. Bank is highly valued in our community for its business support and philanthropic investments. During my tenure of over 20 years with this agency, members of U.S. Bank have served on our board of directors, numerous committees, and as a sponsor of our quarterly industry tours that provide complimentary seats to local educators. SOREDI also enjoys a banking relationship with U.S. Bank, with several active accounts.

I have had the pleasure of working with numerous U.S. Bank employees and have a good understanding of their commitment to their communities, work ethic, and dedication to providing efficient and effective bank services. Our primary branch in Medford also provided complimentary space for a business incubator in the past and is a frequent supporter and attendee at various SOREDI facilitated events in the broader community.

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to continuing to work with the combined organization in the future.

Sincerely,



Colleen Padilla, Executive Director  
[colleen@soredi.org](mailto:colleen@soredi.org) | (541) 601-6918

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Amy's Kitchen  
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KOGAP Enterprises, Inc.  
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Lava Lanes  
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Morgan Lodging, LLC  
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Southern Oregon Sanitation  
Southern Oregon University  
Space, LLC  
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**OLIVER L. BAINES, III**  
President/CEO  
obaines@cvmntc.com

1401 Fulton Street, Suite 610  
Fresno, California 93721-1646

**office** (559) 264-5000  
**direct** (559) 905-4907  
**fax** (559) 549-9739

November 30, 2021

Chris P. Wangen  
Assistant Vice President  
FEDERAL RESERVE BANK OF MINNEAPOLIS  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

Re: Letter of Support for U.S. Bank - Acquisition of MUFG Union Bank's  
Core Regional Banking Franchise from Mitsubishi UFJ Financial Group

Mr. Wangen,

Please accept this letter as my support for U.S. Bancorp's (U.S. Bank) acquisition of MUFG Union Bank's core regional banking franchise. CVNMTC has had a relationship with U.S. Bank since 2010 and with me since 2019. During that time, I have had the pleasure of working with numerous U.S. Bank employees and have a good understanding of their commitment to diverse and low-income communities and the people living in those communities. U.S. Bank is committed to ensuring that everyone has access to the financial services they need.

Our most recent project with U.S. Bank in 2020 included financing a medical campus in one of the most underserved communities in all of the Central Valley – the AMOR Wellness Center in Mendota, California. We are currently in early discussions for a new project with multiple clinics to serve the medical, dental, and mental health needs of under-served low-income communities. In addition to the excellent financing partnership, U.S. Bank donated \$1,000 to CVNMTC to help us continue to directly impact people and neighborhoods throughout the Central Valley.

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. We are proud to partner with them and look forward to working with the combined organization in the future.

Sincerely,



Oliver L. Baines, III  
President/CEO

28 Feb. 2022

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U.S. Small Business Administration

MUFG Union Bank, N.A.

The Walt Disney Company

Jason Almonte, [LargeBanks@occ.treas.gov](mailto:LargeBanks@occ.treas.gov)

Director for Large Bank Licensing

Office of the Currency

US Treasury Department

Chris P. Wangen, [mpls.src.mergersandacquisitions.smb@mpls.frb.org](mailto:mpls.src.mergersandacquisitions.smb@mpls.frb.org)

Assistant Vice President

Federal Reserve Bank of Minneapolis

Dear Mr. Almonte and Mr. Wangen:

There's a reason why California is the 5th largest economy (2021) in the world. We embrace and respect cultures and diversity. We are very concerned with the merger of U.S. Bank and Union Bank.

Majority, if not all, of the mergers will lead to a reduction in workforce, which leads to less service, and less branches. It also means less access to capital for small minority owned businesses .

Union Bank has a long history in the Japanese American community that dates back to 1952. They stood along and helped rebuild many of the small businesses, families and community based organizations after the "internment camps." They continue to have a strong investment in the Asian community as they are also the founding sponsors of our organization in 1976. We hope that this level of trust and commitment will not be diminished if the merger goes through.

We would NOT support the merger unless the bank made a firm commitment to supply diversity. Without a strong initiative, we believe it will impact economic growth and vitality in our state's small businesses. They should have:

- Stronger outreach
- An increase in personal and staff in supplier diversity
- Higher goals in doing business with the number of minority owned businesses
- Measurement outcomes both in Tier 1 and Tier 2
- Annual meeting with community representatives to discuss result, improve where possible and the commitment to be better



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STEM Center USA

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DrKumo

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Culture Series

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Metropolitan Water District  
NBCUniversal  
Northrop Grumman  
Southern California Edison  
Southern California Gas Company  
Turner Construction Company  
U.S. Bank  
U.S. Small Business Administration  
MUFJ Union Bank, N.A.  
The Walt Disney Company

We want to celebrate large corporations' successes where the majority of the population are minorities in this state. We encourage them to embrace and be part of the people of California.

Sincerely,

Dennis Huang  
Executive Director

*The Asian Business Association is a premier non-profit organization that has been proactively assisting Asian American small businesses gain access to economic opportunities and advancement since 1976. With over 1200 members, we represent the views of Asian American business owners to local, state and federal government officials in order to promote and improve the business climate.*

STATE CAPITOL  
P.O. BOX 942849  
SACRAMENTO, CA 94249-0055  
(916) 319-2055  
FAX (916) 319-2155

E-MAIL  
Assemblymember.Chen@assembly.ca.gov



DISTRICT OFFICE  
3 POINTE DRIVE, SUITE 313  
BREA, CA 92821  
(714) 529-5502  
FAX (714) 529-5548

December 2, 2021

Chris P. Wangen, Assistant Vice President  
Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue  
Minneapolis, Minnesota 55480-0291

Ann E. Misback  
Secretary of the Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington DC 20551-0001

Email: [MA@mpls.frb.org](mailto:MA@mpls.frb.org)

RE: U.S. Bancorp's proposal to acquire MUFG Union Bank, National Association

Mr. Wangen and Ms. Misback,

It is my pleasure to submit a letter of support for U.S. Bancorp's (U.S. Bank's) proposal to acquire MUFG Union Bank, National Association. I represent the 55<sup>th</sup> Assembly District in California, which includes the communities of Los Angeles, Orange and San Bernardino counties and includes the cities of Brea, Chino Hills, Diamond Bar, La Habra, Industry, Placentia, Rowland Heights, Walnut, West Covina and Yorba Linda. I also serve as Vice Chair of the Assembly Committee on Banking and Finance, which covers the policy issues of financial institutions, real property finance, consumer finance, and corporate securities law.

As an elected official in California, I have worked with U.S. Bank in my district as well as on policy issues in Sacramento. During that time, my staff and I have worked with U.S. Bank employees and have a good understanding of their commitment to their customers, their employees, their communities, and providing access to financial services to all.

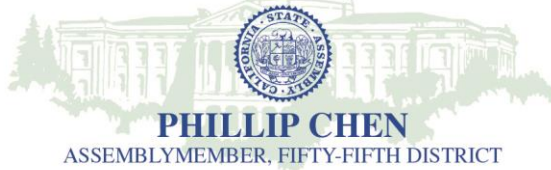
One such example of this commitment is an affordable housing project in my district where U.S. Bank National Association provided a large community development investment. U.S. Bank partnered with Mercy Housing to bring a high quality, service enriched, and affordable apartment development for United States Military Veterans who are homeless and or disabled. Placentia Veterans Village (1945 East, Veterans Wy, Placentia, CA 92870) was completed in 2020 and offers 50 units as well as financial and health assistance to residents.

STATE CAPITOL  
P.O. BOX 942849  
SACRAMENTO, CA 94249-0055  
(916) 319-2055  
FAX (916) 319-2155

**E-MAIL**

Assemblymember.Chen@assembly.ca.gov

Assembly  
California Legislature



DISTRICT OFFICE  
3 POINTE DRIVE, SUITE 313  
BREA, CA 92821  
(714) 529-5502  
FAX (714) 529-5548

U.S. Bank is highly regarded in our community for the work they do every day and for the services they provide. I am proud to partner with them and look forward to continuing to work with the combined organization in the future. I fully support the proposed transaction and believe it will have a positive impact on my community.

Regards,

A handwritten signature in black ink that reads "Phillip Chen". The signature is written in a cursive, flowing style.

Phillip Chen  
California State Assemblymember  
Assembly District 55

December 8, 2021

Jerome Powell, Chairman  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue N.W.  
Washington, D.C. 20551  
Via email: [MA@mpls.frb.org](mailto:MA@mpls.frb.org)

Michael Hsu, Acting Comptroller  
Office of the Comptroller of the Currency  
400 7th St SW,  
Washington, DC 20219  
Via email: [Largebanks@occ.treas.gov](mailto:Largebanks@occ.treas.gov)

*Re: Opposition to the applications by U.S. Bancorp and U.S. Bank to acquire MUFG Union Bank, N.A., San Francisco, California, a direct wholly-owned national bank subsidiary of MUFG Americas Holdings Corporation, call for public hearings and extension of the comment period.*

Dear Chairman Powell and Acting Comptroller Hsu,

In light of the substantial impact that this proposed merger will have on California communities without a significant commitment to California communities, Ventura County Community Development Corporation at this time opposes the applications by U.S. Bancorp and U.S. Bank to acquire MUFG Union Bank, N.A., San Francisco, California, a direct wholly-owned national bank subsidiary of MUFG Americas Holdings Corporation.

The mission of VCCDC is “To strengthen and sustain vibrant communities by empowering individuals and families to build wealth through education and homeownership, with a primary focus on serving low-to-moderate-income clients”. At the heart of our work is the ability to help families gain control over their finances and achieve financial security, especially those who are underserved and have limited access to information or resources. Throughout our 20-year history, VCCDC has become a leader in the region for lending-assistance to the underserved and it has grown in response to community needs and market opportunities, all while providing the highest quality service that is aligned with industry best practices.

In addition, we call for public hearings on the merger to be held in Los Angeles, San Francisco, and Fresno. We further urge the regulators to extend the comment period through the end of the public hearings or through the end of calendar year, whichever comes later, to ensure that all impacted communities have a meaningful opportunity to provide comments to inform your deliberations.

### **Public Benefit Standard**

One of the key mandates of the Federal Reserve System is to promote the public interest.





The Bank Holding Company Act and the Bank Merger Act prohibit the Board from approving a proposal that would substantially lessen competition or tend to create a monopoly in any banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the communities to be served. Probable effect is referring to the impact on the bank(s) ability to meet the convenience and credit needs of communities.<sup>1</sup>

The Bank Merger Act and the Bank Holding Company Act, direct the federal banking agencies to consider four main factors including evaluating a proposed merger for the transaction's probable effect on the public interest. The statutes authorize the agencies to reject a merger proposal if any one of these factors weighs against approval.<sup>2</sup>

In the case of the US Bank proposed acquisition of Union Bank, and the loss of Union Bank and it's CRA activity, it is clear that currently the application reflects that the merger will have a negative impact on the bank's ability to meet the credit needs of the community it serves.

The Federal Reserve is also required to consult with the Department of Justice on this merger's impacts and potential anti-competitive effects on low income communities and communities of color. We request that the analysis and screen of this acquisition by the Federal Reserve and Department of Justice be made available to the public prior to public hearings so that the public can comment and weigh in on the analysis.

### **Comment Period**

The regulatory deadline for comment is too short. While California community groups are beginning constructive dialogue with U.S. Bank regarding a Community Benefits Agreement (CBA) that addresses community credit needs in California to ensure that any combined bank increases reinvestment activity beyond that of both banks by 50%, there has not been sufficient time to make meaningful progress. As the deadline for comment has come and gone, we are compelled to file these comments. We urge the regulators to revise bank application and CRA rules to allow for longer comment periods in order to facilitate more constructive dialogue between community groups and financial institutions. And we urge the regulators to extend the comment period here.

We thank U.S. Bank for beginning such discussions, and for making its CEO and key staff available to listen to over 40 California nonprofit organizations describe community credit needs and concerns. We also thank the Bank for reviewing and considering the letter dated November 8, 2021, signed by over 60 California community groups, urging the Bank to finalize strong commitments to our communities. We urge continued, productive dialogue and negotiations for a Community Benefits Agreement (CBA) with the Bank for the good of California communities.

### **Community Benefits Agreement**

Looking at past performance and prospective activity, we do have serious community reinvestment, consumer, and anti-competitive concerns relating to the proposed merger. A

<sup>1</sup> see 12 U.S.C. § 1842(c); 12 U.S.C. § 1828(c).

<sup>2</sup> <https://corpgov.law.harvard.edu/2019/09/17/modernizing-bank-merger-review/>

strong CBA is needed to ensure any pro forma bank will: keep open all branches in LMI neighborhoods and neighborhoods of color in our state; extend mortgages to all qualified borrowers and communities; support the many very small, women and BIPOC-owned small businesses serving our communities; retain all front line and reinvestment staff currently employed by both banks; offer lower-priced consumer loans to bank customers; end overdraft fees; support the broadband needs of California's diverse communities; and maintain appropriate Information Technology and operational risk controls, amongst other concerns. A strong commitment on these fronts is necessary to prevent public harm and ensure public benefit as required by law.

California community groups are concerned that the loss of Union Bank, a large and impactful stakeholder in housing and community development efforts, will have an outsized impact on our state. Many groups have had strong relationships with Union Bank's community reinvestment and community development staff and are concerned that these relationships will be lost. Additionally, both banks have been active in helping to meet the state's critical affordable housing challenges. A combined bank will likely have less appetite for low income housing tax credit investments, and nonprofit affordable housing developers will see fewer bids at less competitive pricing for their projects, which could have severe and devastating impacts on our LMI communities.

In fact, the White House recently issued a statement noting "Excessive consolidation raises costs for consumers, restricts credit for small businesses, and harms low-income communities."<sup>3</sup>

### **Branches**

A major concern is that this merger will mean branch closures. This is always a concern during a bank merger. Here, two large banks propose to merge a combined network of nearly 750 branches in the state. U.S. Bank has a poor record when it comes to closing branches in our state. According to National Community Reinvestment Coalition (NCRC) analysis,<sup>4</sup> U.S. Bank closed 28 branches in the Los Angeles MSA alone between 2017 and 2020, and had a much worse rate of closing branches in neighborhoods than the industry combined.

At the state level, the U.S. Bank branch closure picture is arguably worse. From 2017 to 2020, U.S. Bank closed over a quarter of all of its branches in the state. According to NCRC analysis, during this four-year period, U.S. Bank closed 175 full-service branch and retail offices in California, falling from 643 CA branches to 468 CA branches. The Bank closed 92 branches between June 30, 2020, and June 30, 2021. Looking at the closures from the start of the pandemic (3/1/2020), there was a net closure of 254 branches in the state. A bank that just closed over 90 branches in the state right before acquiring 280 more seems poised to shutter many more branches.

<sup>3</sup><https://www.whitehouse.gov/briefing-room/presidential-actions/2021/07/09/executive-order-on-promoting-competition-in-the-american-economy/>

<sup>4</sup> Branch analysis comes from the NCRC Branch Locator tool, available to NCRC members: <https://ncrc.org/research-brief-bank-branch-closure-update-2017-2020/>

Even nationally, U.S. Bank's record of branch closures is concerning. According to NCRC analysis, while all banks oversaw a 5% decrease in branches nationwide between 2017 and 2020, for U.S. Bank the decrease was twice as much, with a nearly 12% decrease in branches. None of the top nine biggest banks in the country had a larger decrease in branch presence than U.S. Bank except for Truist, which went through its own mega-merger in 2019. Overall, U.S. Bank closed 368 branches nationwide during this four-year period. Nationally U.S. Bank closed more branches than any other bank since the start of the pandemic, with 524 closings reported between 3/1/20 and 9/14/21, and with 295 of those closures occurring in the 4<sup>th</sup> quarter of 2020 alone.<sup>5</sup>

## **Jobs**

In addition, the OCC must consider not only the impact on consumers, but also how consolidation under US Bank would impact communities through elimination and degradation of frontline bank worker jobs. These roles sustain local communities, determine customer satisfaction, and ensure bank health by connecting branches to the economies they serve.

## **Home Lending in California**

US Bank falls below the industry standards on multiple categories of mortgage lending, including lending to Black, Latine, Native American, and low-income borrowers. In fact, U.S. Bank's lending to low and moderate income borrowers is nearly half that of the industry as a whole. US Bank is also below its peers in applications and originations to low and moderate income census tracts. In addition, US Bank falls below the industry standard for FHA loans which can be an entry point to homeownership for borrowers who may not qualify for conventional financing. This is of concern to communities given the housing challenges in California and the competition in the market.

More specifically, in originations to Black borrowers as a percentage of all originations, US Bank is lending at half the rate of its peers (1.5% for US Bank compared to 2.9% for peers). For Latine borrowers, US Bank is at 10.6% of loans, compared to 16.9% for its peers. The only area where U.S. Bank exceeds its peers in originations is to Asian borrowers, where US Bank is at 20.4% while its peers are at 15.6%. We encourage the regulators to analyze disaggregate lending to Asian borrowers to ensure there aren't disparities amongst different groups.

We are particularly concerned that US Bank is also below its peers in originations in majority BIPOC census tracts. Most glaring is its originations in 80-100% majority BIPOC census tracts where it falls at 11.4% of originations, while its peers are at 16.5%.

We are concerned that many of these mortgage lending disparities are statistically significant and impact applications/outreach, denials, originations, and pricing decisions impacting BIPOC borrowers and neighborhoods. We urge the Bank and the regulators to investigate these disparities to ensure compliance with fair housing laws.

Union Bank performs much better in nearly all areas of home mortgage lending. It is concerning to think that a bank like US Bank would absorb a better performing bank into its lending culture that is rife with disparities.

<sup>5</sup> NCRC research and analysis of pandemic related branch closures prepared for an upcoming report.

## **Public Hearings**

We urge regulators to hold public hearings in Los Angeles, San Francisco, and Fresno, extend the comment period until the end of such hearings, and reject this merger proposal unless U.S. Bank commits to a strong Community Benefits Agreement that is negotiated with community groups and which has mechanisms in place to ensure compliance.

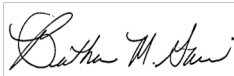
We submit as an attachment, a proposed CBA that has been submitted to the Bank.

Without a strong Community Benefits Agreement, we believe that the bank applicants have not demonstrated that they have sufficiently met community credit needs, that they will meet the convenience and needs of communities going forward, or that this merger will provide a public benefit.

If you have any questions about this letter, or would like to discuss the matter further, please contact at 805-273-7800 or [bgarcia@vccdc.org](mailto:bgarcia@vccdc.org).

Thank you for your consideration of our views.

Sincerely,



Bertha M. Garcia  
Executive Director

cc: Paulina Gonzalez-Brito, Executive Director, California Reinvestment Coalition  
Maxine Waters, Chair, HFSC  
Sherrod Brown, Chair, Senate Banking Committee  
Jesse Van Tol, CEO, National Community Reinvestment Coalition

March 4, 2022

To Whom It May Concern:

I am writing this letter in support of the U.S. Bank acquisition of Union Bank.

Valley companies and their employees are ESSENTIAL to achieving the community goals, which we, at Valley of the Sun United Way (VSUW), are committed. To that end, U.S. Bank has been a longstanding and important partner for us.

For over a decade, U.S. Bank and its employees have supported our community through an employee giving campaign, last year raising nearly \$100,000, through employee and corporate giving. In our market, over the last ten years, employees and the company have invested nearly \$1M through their employee giving campaign.

In addition to the generous participation through giving, U.S. Bank and its employees are highly engaged through volunteerism. U.S. Bank employees have attended nearly 60 volunteer events with VSUW. These include ongoing commitments such as sponsoring local elementary classrooms with volunteers to assist with Vello, virtual tutoring program, where a caring U.S. Bank employee is matched with a 1st-3rd grade student for reading support on a weekly basis.

U.S. Bank employees have also been a part of the volunteer leadership of our Board of Directors since 2014, with the volunteer commitment of several market leaders. Most recently, Daniel Wani, U.S. Bank Private Wealth Management Market Leader for Arizona and Nevada serves on our Board of Directors, and Public Policy Committee of the Board. Additionally, it is an honor for me to serve alongside Mary Martuscelli, President Western Region, on Greater Phoenix Leadership, a volunteer member organization dedicated to improving the greater Phoenix area and the State of Arizona by bringing together talent, resources and leadership to create action on priority issues.

We remain grateful for U.S. Bank's commitment to community. With your approval, we are confident this acquisition will allow U.S. Bank to expand its good work even further.

Sincerely,



Carla Vargas Jasa  
President & CEO  
Valley of the Sun United Way

# William Michael Cunningham

Economist and Impact Investing Researcher



Monday February 14, 2022

Mr. Michael J. Hsu  
Acting Comptroller of the Currency  
100 F Street, NE  
Washington, D.C. 20549-1090

Dear Mr. Hsu,

We understand that "The Office of the Comptroller of the Currency (OCC) has identified the effects of climate change and the transition to a low carbon economy as presenting emerging risks to banks and the financial system." The OCC is inviting public feedback on a set of "draft principles..for the safe and sound management of exposures to climate-related financial risks.."

Given the fact that incompetence, anti-Black discrimination and exclusionary practices based on race are currently operational in investment and finance, including at the OCC and other regulatory bodies, we decline to directly address the questions raised, having done so over the past 30 years. Additional specific input would be futile. We note, however, Mr. Cunningham (WMC) has long been concerned with the failure of bank and financial institution regulatory agencies to protect the public interest. We base this on the following:

- We stated, on February 5, 2015, in testimony to the Norwegian Ministry of Finance (<http://www.creativeinvest.com/NorwayTestimonyFeb52015.pdf> ) and on April 22, 2015 in testimony to the Government of the United Kingdom:

*"As the market value of environmental, social and governance factors continues to grow, companies and investment managers will engage in fraudulent practices related to these factors. These practices will range from simple falsification of environmental, social and governance records to more sophisticated, but no less fraudulent methods related to environmental, social and governance ratings."*

On September 22, 2015 automaker Volkswagen admitted that "'defeat devices' used to cheat emissions testing were installed in 11 million vehicles worldwide."

- WMC designed the first mortgage security backed by Targeted Energy Efficient Mortgages in June 2006.  
<https://www.creativeinvest.com/EnergyEfficientMortgageMBSJune2006.pdf>

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# William Michael Cunningham

Economist and Impact Investing Researcher



- On July 3, 1993, WMC wrote to SEC Commissioner Mary Schapiro to notify the Commission about a certain, specific investing "scam." A timely warning was not issued to the investing public and members of the public were damaged. See: <https://www.creativeinvest.com/SECNigerianLetter.pdf>
- WMC designed the first mortgage security backed by home mortgage loans to low- and moderate-income persons and originated by minority-owned institutions. (See: Security Backed Exclusively by Minority Loans, at <https://www.creativeinvest.com/mbsarticle.html> )
- In October, 1995, the Washington Gas Light (WGL) Company retained WMC to create mortgage-backed securities (MBS) consisting of one to four family residential home loans originated by minority-owned financial institutions serving areas of high social need. Mr. Cunningham developed a completely original approach that involved geocoding and mapping, for the first time, the location of every loan in an MBS pool and tying that location to social data. A sample map WMC created in 1997 for this process is attached as Appendix A.
- On April 30, 1997, in Case 97-1256 at the US Court of Appeals for the DC Circuit, Mr. Cunningham opposed the merger of Citigroup and Travelers and the elimination of the Glass-Steagall Act.
- In November, 1997 and, again in December, 2003, WMC wrote to the Division of Market Regulation at the Securities and Exchange Commission, on behalf of WMC and Creative Investment Research to request that CIR be considered a nationally recognized statistical rating organization ("NRSRO"). WMC requested this status only with respect to rating securities issued by financial institutions owned by women and minorities. WMC never received a reply from the Commission. We have attached a copy of a letter sent to Ms. Nazareth, Director, Division of Market Regulation, Securities and Exchange Commission, as Appendix B.
- In October 1998, in a petition to the United States Court of Appeals for the District of Columbia Circuit in opposition to the Citigroup/Travelers merger, we cited evidence that growing financial market malfeasance greatly exacerbated risks in financial markets, reducing the safety and soundness of large financial institutions. We went on to note that:

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# William Michael Cunningham

Economist and Impact Investing Researcher



*"The nature of financial market activities is such that significant dislocations can and do occur quickly, with great force. These dislocations strike across institutional lines. That is, they affect both banks and securities firms. The financial institution regulatory structure is not in place to effectively evaluate these risks, however. Given this, the public is at risk."*

On July 25, 2012, the New York Times reported that Sanford I Weill, former chairman and chief executive of defendant Citigroup "called for a wall between a bank's deposit-taking operations and its risky trading businesses. In other words, he would like to resurrect the regulation (Glass-Steagall) that he once fought."

- On June 15, 2000, we testified before the House Financial Services Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises (GSE's) of the US Congress. We suggested that the GSE's (Fannie Mae and Freddie Mac) be subject to a thorough "Social Audit." A Social Audit is an examination of the performance of an enterprise relative to certain social objectives. It also includes a review of ethical practices at the firm. Had they been subject to this audit, certain flaws in their operation which led to their failure, including ethical shortcomings, may have been revealed earlier. See:

<https://www.creativeinvest.com/fnma/>

- In 2001, Mr. Cunningham helped create the first wide scale home mortgage loan modification project. See: Property Flipping Remediation Yields Investment-grade Security at: <http://www.creativeinvest.com/remediation.pdf> and <https://www.creativeinvest.com/PropertyFlipping.pdf>

- On December 22, 2003, statistical models we created using the Fully Adjusted Return® Methodology predicted the financial crisis of 2008. See page 6: <http://www.sec.gov/rules/proposed/s71903/wmccir122203.pdf>

- On Monday, April 11, 2005, we testified before Judge William H. Pauley III in the U.S. District Court for the Southern District of New York on behalf of investors at a fairness hearing regarding the \$1.4 billion-dollar Global Research Analyst Settlement.

- In 2005, we served as an expert witness for homeowners in a case against PMI Group, Credit Suisse First Boston, Moody's, Standard and Poor's, Fairbanks Capital Corporation, Select Portfolio Servicing, US Bank National Association, as

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# William Michael Cunningham

Economist and Impact Investing Researcher



Trustee of CSFB ABS Series 2002-HEI, et. al., in the New Jersey Superior Court Law Division - Monmouth County. Our expert witness testimony held corporate parties responsible for facilitating predatory lending practices. Had this single case been successful, we believe the financial crisis of 2008 would not have occurred.

- On Monday, April 11, 2005, WMC testified before Judge William H. Pauley III in the U.S. District Court for the Southern District of New York on behalf of the public at a fairness hearing regarding the \$1.4 billion-dollar Global Research Analyst Settlement. See: <https://creativeinvest.com/fairness.html>
- On December 22, 2005, Mr. Cunningham met with Ms. Elaine M. Hartmann of the Division of Market Regulation at the U.S. Securities and Exchange Commission. At that meeting, he issued a strongly worded warning that system-wide economic and market failure was a growing possibility.
- On February 6, 2006, statistical models created by WMC using the Fully Adjusted Return ® Methodology signaled the probability of system-wide economic and market failure. (See page 2: <http://www.sec.gov/rules/proposed/s71005/wcunningham5867.pdf> )
- On June 18, 2009, WMC testified before the House Ways and Means Select Revenue Measures Subcommittee at a joint hearing with the Subcommittee on Domestic Monetary Policy and Technology of the Financial Services Committee concerning ways to improve the New Markets Tax Credit Program. See: <https://www.creativeinvest.com/nmtctestimony.html> and <https://financialservices.house.gov/media/file/hearings/111/printed%20hearings/111-47.pdf> )
- On January 25, 2012, WMC submitted a "Friend of the Court" brief in a case before the United States Court of Appeals for the Second Circuit (Case 11-5227). As a friend to the Court, Mr. Cunningham provides an independent, objective and unbiased view in support of broad public interests. His education and experience uniquely positioned him to provide objective, independent research and opinions concerning the issues central to the case.
- On August 13, 2015, Mr. Cunningham provided testimony on the Department of Labor's Fiduciary Rule. Online at <https://youtu.be/kOGS-DdLYe0>

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# William Michael Cunningham

Economist and Impact Investing Researcher



- Our June 11, 2016 forecast predicted the election of Donald J. Trump. See: *Why Trump Will Win*. <https://www.linkedin.com/pulse/why-trump-win-william-michael-cunningham-am-mba/>

- Following the election, our December 26, 2016 forecast stated:

*"Under any conceivable scenario, the current situation is very bad, and I mean toxic, for democratic institutions in general and for people of color specifically. Bottom line: our Fully Adjusted Return Forecast indicates that, over time, **things will get much, much worse.....**"*

See: Trumpism. <https://www.linkedin.com/pulse/trumpism-william-michael-cunningham-am-mba/>

- As we predicted on January 27, 2022, the Russian Federation and the Bank of Russia have agreed on a future regime..in which cryptocurrencies are recognized as an analogue of currencies, and not digital financial assets (DFA)." See: <https://youtu.be/n1i4J8df0t0>

- Mr. Cunningham has been concerned with using new financial technologies to maximize social and financial return. See: Bitcoin and Blockchain Explained IN 30 MINUTES FOR FREE. <https://www.udemy.com/course/bitcoin-explained/>

- Mr. Cunningham was in the pool of Corporate Governance Advisors and Diversity Investing Advisors to CalPERS. He is currently under contract for Portfolio Assistance (Non-Fiduciary) Investment Consulting Spring-Fed Pool 2020 to the fund. See: <http://www.creativeinvest.com/Calpers1.pdf>  
<http://www.creativeinvest.com/Calpers2.pdf> and  
<http://www.creativeinvest.com/Calpers3.pdf>

- Creative Investment Research was one of the first signatories to the UN Global Principles for Responsible Investment (www.unpri.org). See: <http://www.creativeinvest.com/PRINews2009land.jpg>

Mr. Cunningham has a long track record of analyzing and offering solutions as part of his response to proposed regulatory agency rules:

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# William Michael Cunningham

Economist and Impact Investing Researcher

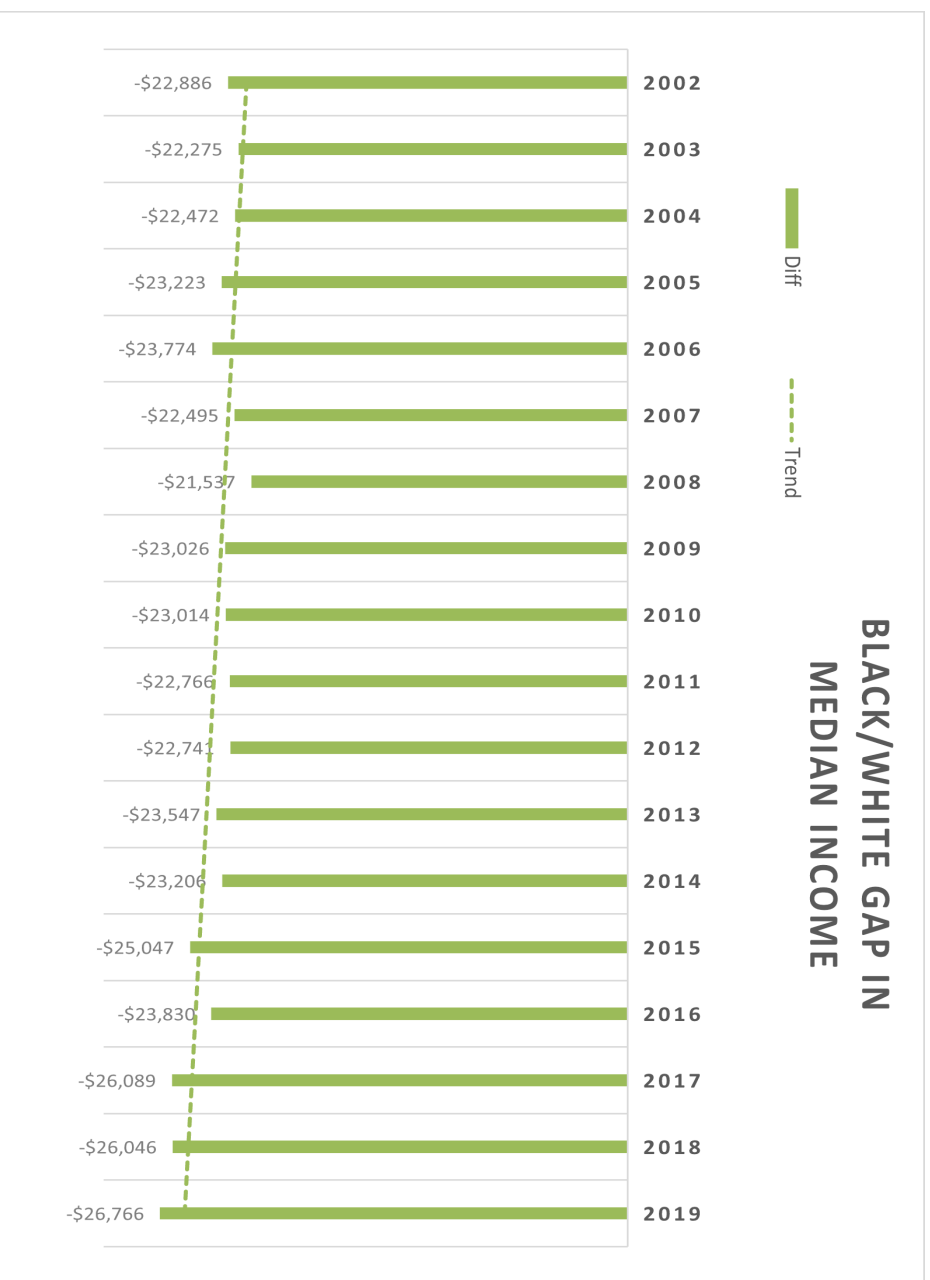


- October 04, 2006. Roundtable discussions relating to the use of eXtensible Business Reporting Language (XBRL). [File No. 4-515]. <https://www.sec.gov/news/press/4-515/wcunningham7465.pdf> Page 17.
- Our 2003 comments on proposed proxy voting rules that would, under certain circumstances, require companies to include in their proxy materials security holder nominees for election as director. <https://www.sec.gov/rules/proposed/s71903/wmccir122203.pdf>
- See: Comments on Proposed Rule: Internet Availability of Proxy Materials Release Nos. 34-52926 IC-27182 File No. S7-10-05. Confirmed that system-wide economic and market failure was a growing possibility. (See page 2: <http://www.sec.gov/rules/proposed/s71005/wcunningham5867.pdf> )
- Shareholder Proposals Relating to the Election of Directors. Release No. 34-56161 File No. S7-17-07 <https://www.sec.gov/comments/s7-16-07/s71607-495.pdf>
- We have requested that the U.S. Securities and Exchange Commission (SEC) develop mandatory rules for public companies to disclose high-quality, comparable, decision-useful information concerning BLM Pledge fulfillment. See: <https://www.sec.gov/rules/petitions/2021/petn4-774.pdf>

As this record shows, over the past 30 years, Mr. Cunningham has sought to protect the public by working with private sector and Federal regulatory agencies, including the Federal Reserve Board (FRB), the Securities and Exchange Commission (SEC), the Federal Deposit Insurance Corporation (FDIC), the Financial Crisis Inquiry Commission (FCIC), the U.S. Department of Justice (DOJ), the Consumer Financial Protection Bureau (CFPB), the Federal Housing Finance Agency (FHFA), the Department of Commerce (Minority Business Development Agency) and the US Treasury, as an employee or as a contractor. Despite his education and experience, all offers to provide consulting services and all employment applications have been denied (due to age, racial and class discrimination.) Further attempts to work with these institutions would be futile. This leaves Mr. Cunningham no option but to file this comment in order to have his independent, objective technical knowledge and experience given consideration. Mr. Cunningham's interest in this matter stems from his role as an economist and an expert in marketplace innovation and ethics and rests upon his status as a citizen of the United States.

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Our economic models clearly predict the outcome of this and related regulatory efforts. Detailing and describing these outcomes would serve no purpose other than



to enrich a set of non-African American individuals and entities while simultaneously damaging the public. While we decline to do so, note the following: As Mr. Cunningham has demonstrated, inadequate consideration of the public interest damaged the public and investors.<sup>1</sup> Current regulatory practices protect the monetary interest of a small set of non-African American persons, fail to protect the general public, and damage the Country's long term economic prospects.

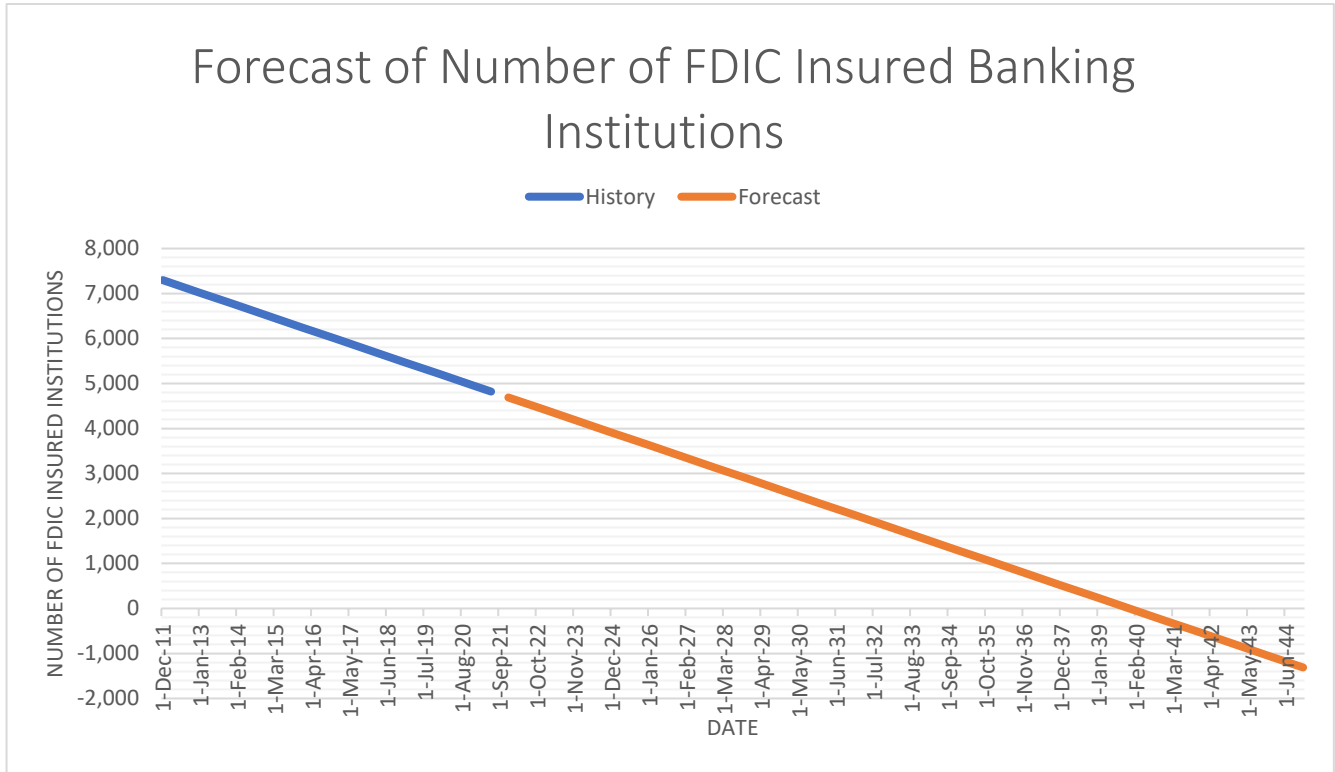
These regulatory failings have real implications for the public.

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<sup>1</sup> For example, see: Fed Unveils Stricter Trading Rules Amid Fallout From Ethics Scandal. Jeanna Smialek, Oct. 21, 2021. The New York Times. Online at: <https://www.nytimes.com/2021/10/21/business/federal-reserve-trading-ethics.html> and Bankers Cast Doubt On Key Rate Amid Crisis [@WSJ](https://www.wsj.com/articles/SB120831164167818299?reflink=desktopwebshare_twitter_via)



Regulators may have abdicated their responsibility to consider the public interest, if that interest includes maintaining a fair, competitive financial services industry. Our forecast indicates that by 12/31/2039, if current trends continue in a linear manner, the number of FDIC insured institutions will be approximately 1-2.



Note that, with growing competition from fintech firms and alternatives, like bitcoin, this may imply the wholesale exit of banking institutions from the OCC, FDIC and Federal Reserve systems.

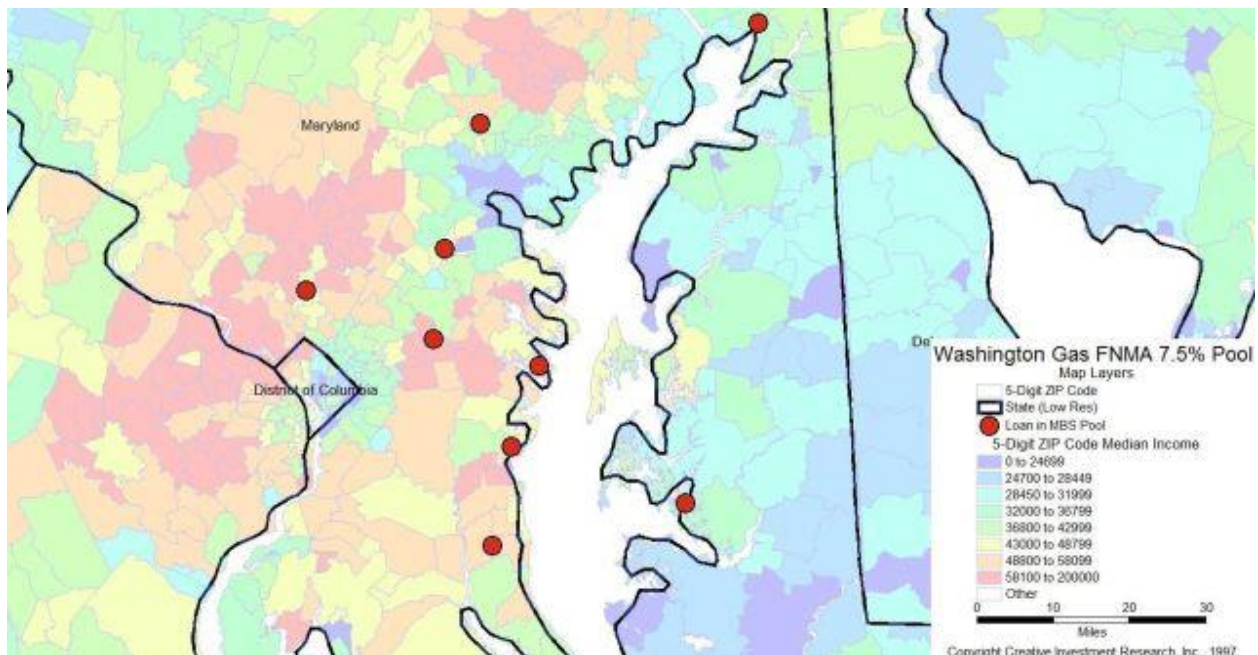
This would not be in the public interest.

## Appendix A

William Michael Cunningham manages an investment advisory and research firm, Creative Investment Research, founded in 1989 to expand the capacity of capital markets to provide capital, credit and financial services in minority and underserved areas and markets.

We have done so by creating new financial instruments and by applying existing financial market technology to underserved areas. The Community Development Financial Institution Fund of the US Department of the Treasury certified the firm as a Community Development Entity on August 29, 2003. The Small Business Administration certified the firm as an 8(a)-program participant on October 19, 2005. (We did not receive any benefit or revenue due to our participation in the 8(a) program.)

In 1991, Mr. Cunningham created the first systematic bank analysis system using social and financial data, the Fully Adjusted Return® methodology. In 1992, he developed the first CRA securitization, a Fannie Mae MBS security backed by home mortgage loans originated by minority banks and thrifts.



# William Michael Cunningham

Economist and Impact Investing Researcher



In 2001, he helped create the first predatory lending remediation/repair MBS security.<sup>2</sup>

Also see:

- BLACK LIVES MATTER: CORPORATE AMERICA HAS PLEDGED \$1.678 BILLION SO FAR. June 10, 2020.  
<https://www.blackenterprise.com/black-lives-matter-corporate-america-has-pledged-1-678-billion-so-far/>
- BLACK WOMENOMICS Maternal Mortality Reparation Facility  
<https://blackwomenomics.com/>
- CHILD TAX CREDIT <https://www.childtaxcredit.net/>
- FIFTEEN DOLLAR MINIMUM WAGE <https://fifteendollarminimumwage.com/>
- THE FAIRNESS ECONOMY <https://thefairnesseconomy.com/>
- The Crisis in Black Housing  
<https://drive.google.com/file/d/11jFtWfQY5RpdBpw0s6stHhawY0iero6/view>

2

Pool	Client	Originator	Social Characteristics
FN374870	Faith-based Pension Fund	National Mortgage Broker	Mortgages originated by minority and women-owned financial institutions serving areas of high social need.
FN296479			
FN300249			
GN440280	Utility Company Pension Fund	Minority-owned financial institutions	
FN374869			
FN376162			
FN254066	Faith-based Pension Fund	Local bank	Predatory lending remediation

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## Appendix B

December 8, 2005

Ms. Elaine M. Hartmann  
Division of Market Regulation  
U.S. Securities and Exchange Commission  
450 5th Street, NW  
Washington, DC 20549

Dear Ms. Hartmann,

Creative Investment Research (CIR) has requested that the Division of Market Regulation not recommend enforcement action to the U.S. Securities and Exchange Commission if CIR is recognized as a Nationally Recognized Statistical Rating Organization (NRSRO) for purposes of applying Rule 15c3-1 under the Securities and Exchange Act of 1934, as amended and codified at 17 C.F.R. 240.15c3-1 with respect to rating short term debt vehicles issued by women and minority owned financial institutions.

As part of the NRSRO recognition process, we have provided you and your staff with information regarding our qualifications, including confidential, nonpublic information on our trade secret protected Fully Adjusted Return ® methodology.

Thank you.

Sincerely,

William Michael Cunningham  
CEO and Social Investment Advisor

Sample page below





Creative Investment Research, Inc. Minority Bank & Thrift Report

Page No.:71

Dryades Saving Bank

233 Carondelet St  
New Orleans

LA 70130

Phone: (504) 581-5891  
Fax: (504) 598-7233

Route #: 265070516

Certificate #: 1470512650

INSTTYPE: Savings Bank

Branches: 4

Employees: 54

Ethnic Group: Black

Community Reinvestment Act Rating:

Latest Rating: Outstanding

Rating t-1: Outstanding

Rating t-2: Satisfactory

Rating t-3: Satisfactory

Management

President: Virgil Robinson  
CFO: Frank J Oliveri  
Loan Officer: Tomorr LeBeouf  
Operations Officer: Hedy Hebert

Fully Adjusted Return (TM): 173

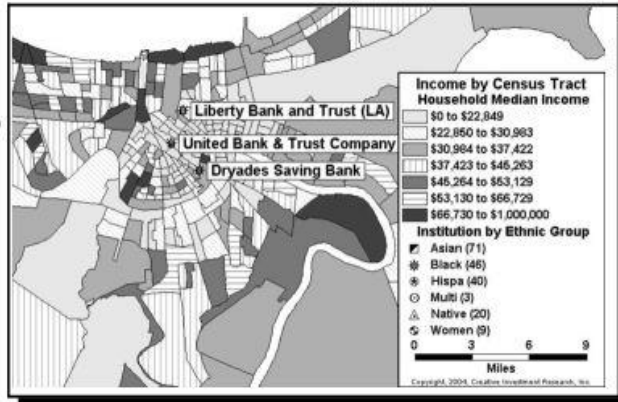
Index of social and financial performance.  
Range 300 to 0. (Higher is better.)

Regulatory and Business Status

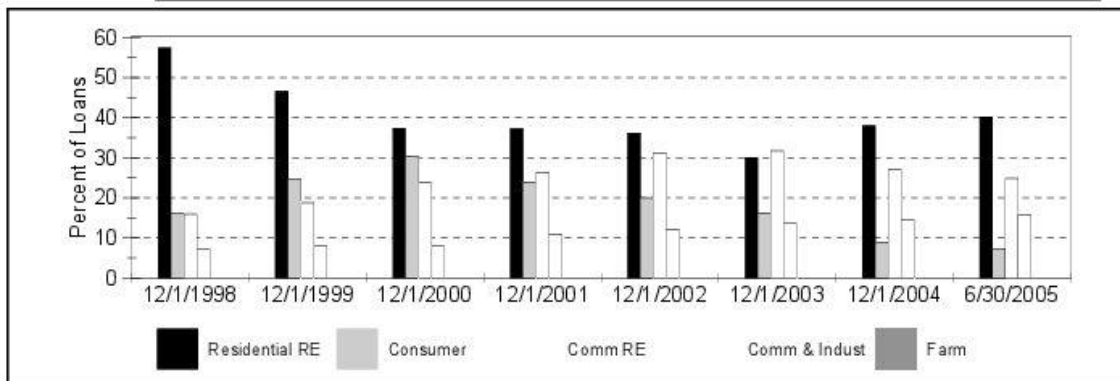
Trading Status: Not Publicly Traded  
Insurance Type: Savings Association Insurance Fund(SAIF)  
Holding Company: Dryades Bancorp, Inc.

Social Data

COUNTY: Orleans  
Unemployment, %, 7/1/2005: 5.60  
Population, 7/1/04: 462,269  
Population change, % 2000 to 2004: -4.6 %  
Offices of FDIC-Insured Inst, 8/22/05: 108  
Minority population, % of total in County: 73.4 %  
Per Capital personal income, 2003: \$30,152  
Minority firms in County, % of total, 1997: 28.6 %  
Women-owned firms in County, % of total, 1997: 26.6 %



Year	12/1/1998	12/1/1999	12/1/2000	12/1/2001	12/1/2002	12/1/2003	12/1/2004	6/30/2005
Assets	\$88,946	\$95,937	\$105,717	\$122,844	\$123,349	\$92,773	\$103,456	\$111,051
GrLns	\$68,952	\$74,217	\$82,735	\$76,801	\$61,982	\$56,390	\$62,766	\$66,165
Deposits	\$79,132	\$83,939	\$87,046	\$116,073	\$114,874	\$75,938	\$86,965	\$94,535
Equity	\$6,112	\$5,886	\$5,779	\$5,832	\$7,119	\$8,484	\$7,046	\$6,978
Salaries	\$2,697	\$3,039	\$3,151	\$3,132	\$2,921	\$2,793	\$2,839	\$1,428
Net Inc.	\$365	\$292	\$3	(\$44)	\$302	\$1,733	(\$427)	(\$4)
Net Ch	0.14	0.16	0.61	0.43	0.30	2.16	0.66	1.35
Offs%	0.56	0.82	1.42	1.03	1.50	2.83	2.23	1.34
NonPerfLns	0.44	0.32	0.00	-0.04	0.23	1.71	-0.42	-0.01
%	6.21	4.85	0.05	-0.75	4.66	20.00	-5.35	-0.11
ROA								
ROE								



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November 16, 2021

**Comments concerning an application to acquire a Bank Holding Company subject to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.)**

<p>US. Bancorp, Minneapolis, Minnesota;</p>	<p>to acquire MUFG Union Bank, National Association, San Francisco, California, a direct wholly-owned national bank subsidiary of MUFG Americas Holdings Corporation, New York, New York, and more.</p>	<p>Bank acquisition and merger proposals filed under section 3 or sections 3 and 4 of the Bank Holding Company Act</p>	<p>Federal Reserve Bank of Minneapolis Chris Wangen, Assistant Vice President, 90 Hennepin Avenue, Minneapolis, MN 55480-0291 via email to <a href="mailto:MA@mpls.frb.org">MA@mpls.frb.org</a></p>
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We understand that the companies above:

“seek System approval to acquire a bank holding company, a savings and loan holding company, bank or savings and loan association or a nonbanking company in a transaction that is subject to the Bank Holding company Act of 1956 (12 U.S.C. 1841 et seq.), the Change in Bank Control Act (12 U.S.C. 1817 (j)), the Home Owners' Loan Act (12 U.S.C.1467a), Regulations Y, LL, MM, or other applicable statutes and regulations.”

The Bank has stated that:

“MINNEAPOLIS and NEW YORK – September 21, 2021 – U.S. Bancorp (NYSE: USB) today announced that it has entered into a definitive agreement to acquire MUFG Union Bank’s core regional banking franchise from Mitsubishi UFJ Financial Group (NYSE: MUFG) in a transaction that will bring together two premier organizations with a focus on being the leader in serving customers and communities in California, Washington and Oregon.

With the acquisition, U.S. Bank will gain more than 1 million loyal consumer customers and about 190,000 small business customers on the West Coast in addition to approximately \$58 billion in loans and \$90 billion in deposits based on MUFG Union Bank’s June 30, 2021 balance sheet. The combination will improve U.S. Bank’s deposit position in California from 10 th to 5th and will significantly increase its customer base in California.

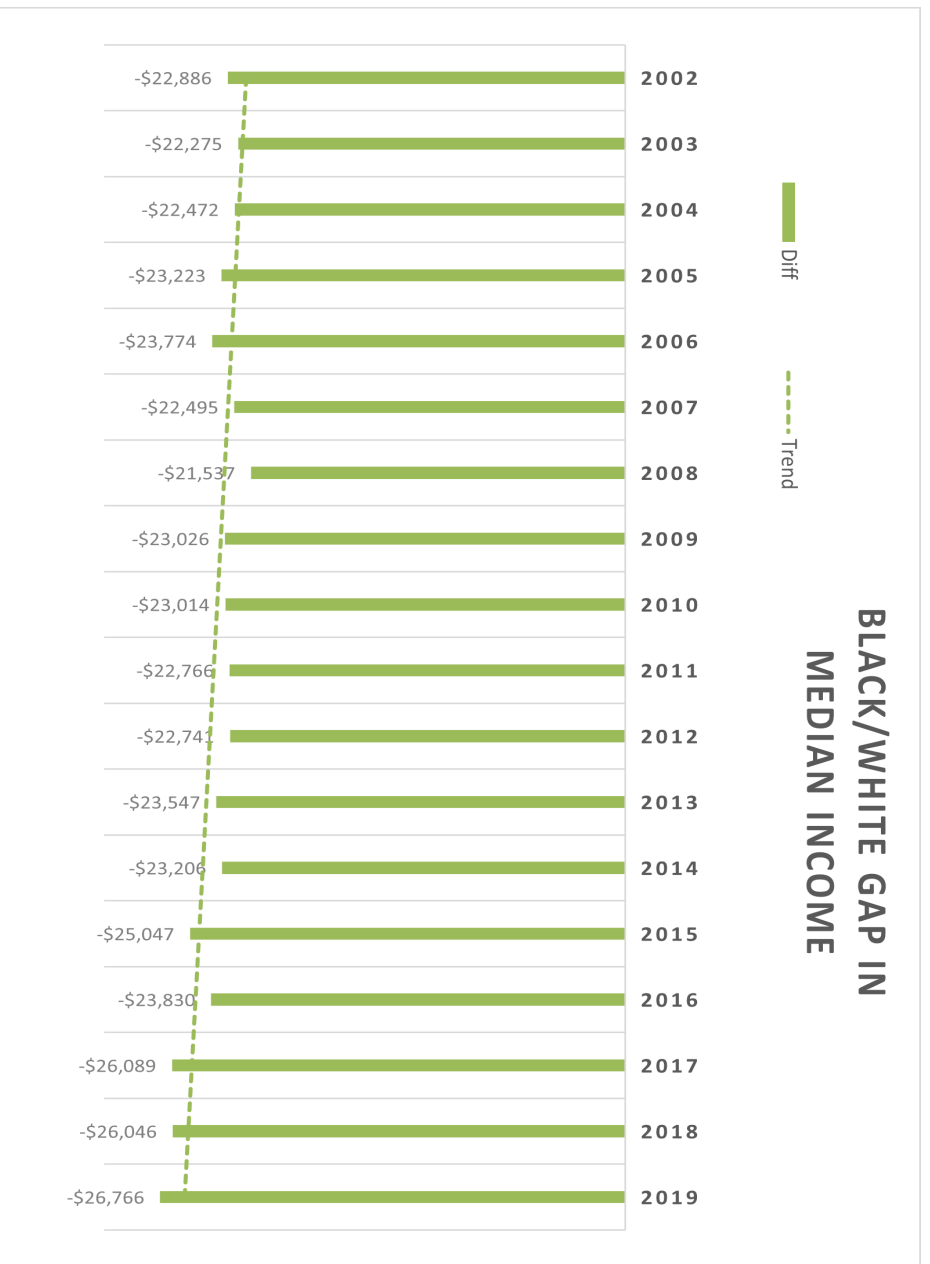
This increased scale will make the U.S. Bank brand a stronger player in these markets, which will increase competition with California’s three largest banks. This will provide benefits for both customers

and the communities served by the combined organization through improved technology, products and customer choice.”

For the reasons listed below, we request the Federal Reserve Board carefully review the information submitted and deny this application.

### Applicant Considerations

While we understand U.S. Bancorp’s contention that “This increased scale will make the U.S. Bank brand a stronger player in these markets, which will increase competition with California’s three largest banks. This will provide benefits for both customers and the communities served by the combined organization through improved technology, products and customer choice” there is no objective, fully independent data to support this contention, thus, we consider these statements false.



Source: Creative Investment Research from data provided by the U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements (CPS ASEC).

Given broad and continuing social<sup>1</sup> and environmental volatility, these statements should be evaluated in full. False statements<sup>2</sup> are a *prima facie* reason to deny an application.

We reference<sup>3</sup> the following:

Ninth Circuit Rules in Favor of Wells Fargo, Against African Americans <https://www.prlog.org/12887315-ninth-circuit-rules-in-favor-of-wells-fargo-against-african-americans.html>

Firm Helps facilitate \$1.7 Billion for Black Lives Matter <https://www.american.edu/news/20200825-washington-semester-program.cfm>

Corporate Donations to Black Lives Matter total \$67 Billion. Cash Disbursed So Far Estimated to be \$652 million. <https://www.prlog.org/12874879-corporate-donations-to-black-lives-matter-total-67-billion.html>

Through our impact investing vehicle, the Maternal Mortality Reparation Facility for Black Women, we can help repair the mortality gap currently damaging black and brown women, and, by extension, the communities they belong to. <https://www.prlog.org/12876083-maternal-mortality-reparation-facility-for-black-women.html>

We have developed an investment vehicle that deals with homelessness and another that deals with HIV/AIDS. <https://www.impactinvesting.online/2018/11/william-michael-cunningham-on-impact.html>

## The Board and Ethical Issues

According to the New York Times, “Robert S. Kaplan traded millions of dollars’ worth of oil and gas stocks and other individual company shares last year while he was head of the Federal Reserve Bank of Dallas.. His colleague, Eric S. Rosengren, bought and sold securities tied to real estate — which are sensitive to Fed policy — in 2020 while running the Federal Reserve Bank of Boston.”<sup>4</sup>

These issues raise questions concerning the holdings of other Board policymakers and staff. We request the Board make public information concerning any and all holdings in U.S. Bancorp (NYSE: USB) and/or Mitsubishi UFJ Financial Group (NYSE: MUFG) by any Board policymakers or staff.

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<sup>1</sup> We also note that “New Zealand central bank to consider impact of monetary policy on housing.” <https://reut.rs/3smXPYU>

<sup>2</sup> See the Appendix below, “Opposition to the Morgan Guaranty Trust Company Merger at the Federal Reserve Board.” May 16, 1996.

<sup>3</sup> We do not seek, nor will we accept, any funding or assistance from US Bank concerning these innovations. This document is not submitted to subject the bank to “CRA blackmail” by protesting bank applications. In point of fact, we are not protesting this application. We are, however, protesting lax regulatory enforcement, a violation of 12 CFR 25.18. The items we have developed are examples of what *can* be done and are confirmation of the lack of support for an “Outstanding” CRA rating. After all, if we, an impoverished African American firm, can have such an impact, one might expect a much larger, non-minority firm to have even greater impact. They do not.

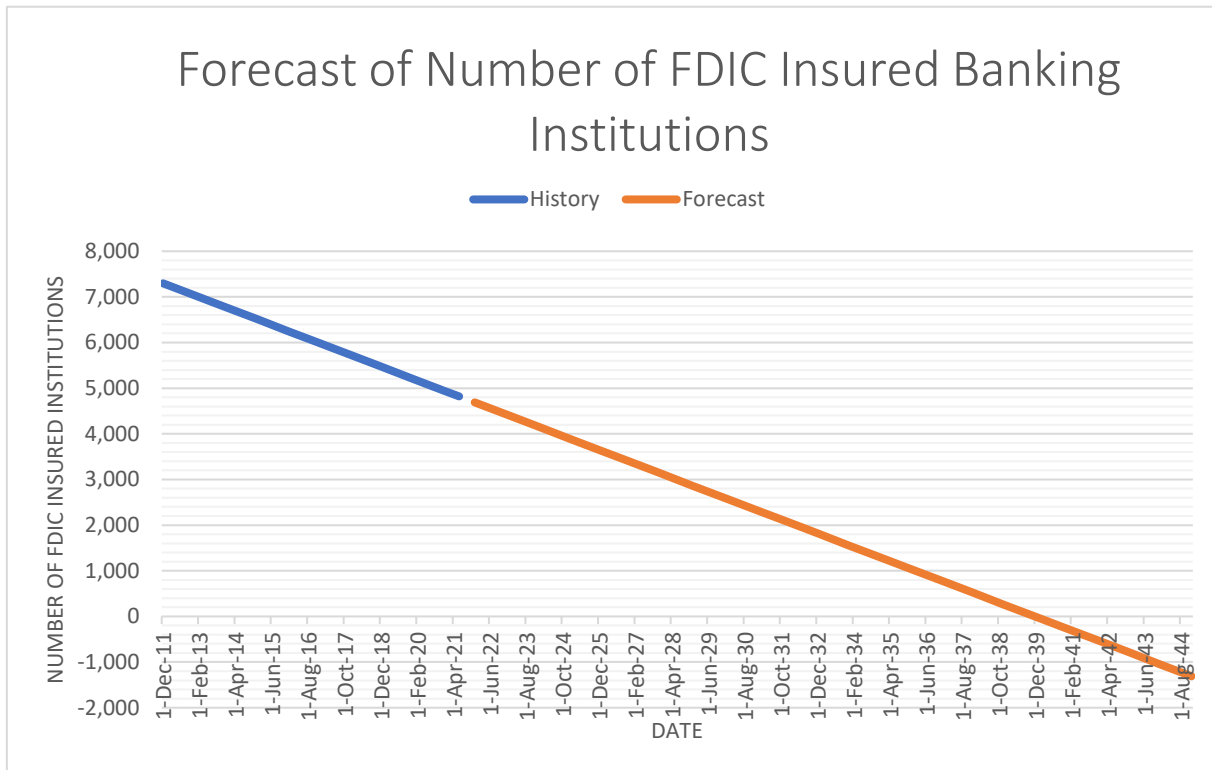
<sup>4</sup> *Fed Unveils Stricter Trading Rules Amid Fallout From Ethics Scandal*. Jeanna Smialek, Oct. 21, 2021. The New York Times. Online at: <https://www.nytimes.com/2021/10/21/business/federal-reserve-trading-ethics.html>

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Given these facts, we question the Board’s ability, without an independent, empowered and objective ethics advisor, to fairly and ethically<sup>5</sup> evaluate the public interest regarding this proposed transaction.<sup>6</sup>

### The Board and Industry Concentration Issues

These ethical failings have real implications for the industry and for the public. The Board may have abdicated its responsibility to consider the public interest, if that interest includes maintaining a



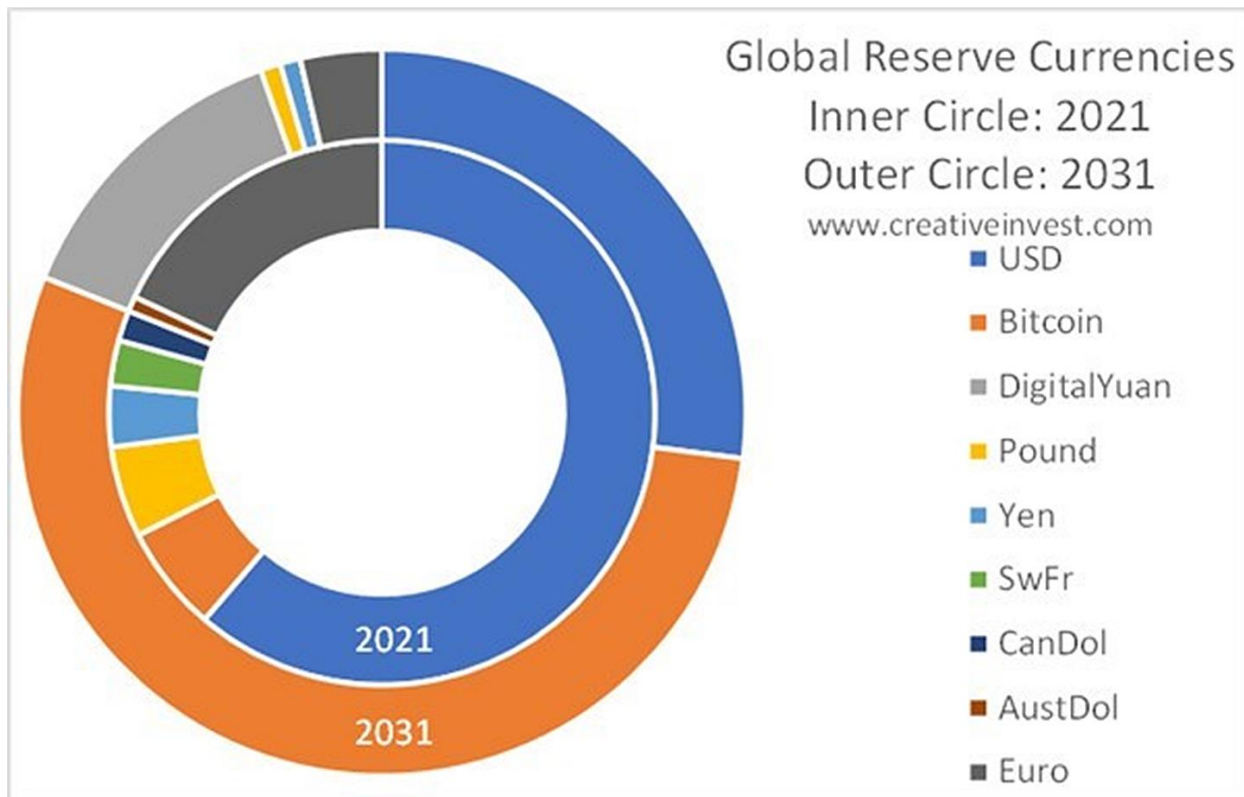
competitive industry. Our forecast indicates that by 12/31/2039, if current trends continue in a linear manner, the number of FDIC insured institutions will be approximately 1-2. Note that, with growing competition from fintech firms and alternatives, like bitcoin, this may imply the wholesale exit of banking institutions from both the FDIC and Federal Reserve systems.

This would not be in the public interest.

<sup>5</sup> *The Eight Commitments of Ethical Culture from the Philadelphia Ethical Society*. Online at: <https://www.impactinvesting.online/2021/09/the-eight-commitments-of-ethical.html>

<sup>6</sup> As we noted in *Regulators, Legislators and Marketplace Ethics*, recent history suggests an increasing number of policymakers and regulators may be abusing their position for personal gain. (See: <https://www.linkedin.com/pulse/regulatory-participants-legislators-marketplace/> )

We predicted such an eventuality in our research report, *Blockchain, Cryptocurrency and the Future of Monetary Policy* (See: <https://www.prlog.org/12785779-blockchain-cryptocurrency-and-the-future-of-monetary-policy.html> )



## The Board and Environmental Issues

We note that the Board has no mechanism currently to consider environmental issues when evaluating applications, this in a year determined by NASA to be one of the warmest on record<sup>7</sup>.

Recent legislation introduced in the House “would force the Federal Reserve to break up banks if they do not reduce the carbon emissions they finance, in line with the Paris climate accord. The bill, called the Fossil Free Finance Act, orders the Fed to take unprecedented steps meant to steer financial support away from oil, gas, coal and companies by unraveling banks who refuse to comply. The measure also covers financing the destruction of natural forests.” See:

<https://pressley.house.gov/sites/pressley.house.gov/files/Fossil%20Free%20Finance%20Act%20Bill%20Text.pdf>

<sup>7</sup> Jan 14, 2021. RELEASE 21-005. 2020 Tied for Warmest Year on Record, NASA Analysis Shows.

<https://www.nasa.gov/press-release/2020-tied-for-warmest-year-on-record-nasa-analysis-shows>

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We refer regulators to our analysis of the Ocean Rescue Alliance innovation in the blue economy. See: [https://www.linkedin.com/posts/ocean-rescue-alliance\\_blue-economy-x-ocean-rescue-alliance-activity-6834163126926233600-iC7n](https://www.linkedin.com/posts/ocean-rescue-alliance_blue-economy-x-ocean-rescue-alliance-activity-6834163126926233600-iC7n)

We believe in the need to continue integrating, at the time of merger application, sustainable and creative pathways to fund restoration and conservation.

## **Summary: The Board Is Unable To Fairly Evaluate This Application And Should Deny The Request Until Such Time As It Is Able To Do So**

Given the fact that incompetence, discrimination and exclusionary practices based on race are prevalent in investment and finance, including at regulatory bodies, we decline to directly address the issue noted, having done so over the past 40 years. We note our comments by reference to the following:

1. See: Social Performance Indicators for Banks, 2002.  
<https://www.creativeinvest.com/SocialPerformanceIndicatorsfortheFinanceIndustry.pdf>
2. "Environmental Issues and Stock Returns" quantifies the impact environmental issues have on company stock prices. <https://www.eventbrite.com/e/how-environmental-issues-impact-stockreturns-tickets-2029288657>
3. We stated, on February 5, 2015, in testimony to the Norwegian Ministry of Finance (<http://www.creativeinvest.com/NorwayTestimonyFeb52015.pdf>) and on April 22, 2015 in testimony to the Government of the United Kingdom (<https://www.creativeinvest.com/UKConsultationonChangestoInvestmentRegulationsApril222015.pdf>):

*"As the market value of environmental, social and governance factors continues to grow, companies and investment managers will engage in fraudulent practices related to these factors. These practices will range from simple falsification of environmental, social and governance records to more sophisticated, but no less fraudulent methods related to environmental, social and governance ratings."*

On September 22, 2015 automaker Volkswagen admitted that defeat devices used to cheat emissions testing were installed in 11 million vehicles worldwide.

4. We outlined an approach to these questions in Comments on the Environmental, Social and Governance Reporting Guide. Government of Hong Kong. September 18, 2015.  
<https://www.creativeinvest.com/HongKongESGReporting.pdf>
5. We tied ESG to the competitive position of the U.S. capital markets. As we noted on Oct. 5, 2006, foreshadowing the rise of cryptocurrencies: "competitive advantage with respect to capital access is available to any country with significant economic potential and a modest telecommunications infrastructure." <https://www.sec.gov/comments/4-526/4526-1.pdf>
6. On January 15, 2010, during a discussion on Race, Class and the Environmental Movement, we explored solutions for health/wealth disparities, the structure/metrics of injustice, and ideas for advancing equity. See: <https://www.prlog.org/10490189-race-class-and-the->

[environmentalmovement.html](#) and <https://drive.google.com/file/d/1LUCWzdGTyh92SqiUXjsiZ-ugM4eFGab/view?%20usp=sharing>

7. Anti-Predatory Lending Investment Vehicle: Proposed Solution to the "Mortgage" Crisis.  
<https://www.creativeinvest.com/antipredatory.html>
8. First CRA Targeted Mortgage Backed Security (MBS).  
<https://www.creativeinvest.com/mbsarticle.html>
9. First Socially Responsible Investing Portfolio Devoted to Diversity Launched, 2006.  
<https://www.creativeinvest.com/FirstInvestingPortfolioDevotedtoDiversity.pdf>

Sincerely,

*/William Michael Cunningham/*

William Michael Cunningham

See: 1.) Appendix (below) and 2.) Letter dated Monday, April 15, 1996 to Mr. William Wiles, Federal Reserve Board, 20th & Constitution Ave., N.W., Washington, DC 20551 (JPMFRB2AWORD.pdf attached via email).



Appendix. See: <https://www.creativeinvest.com/JPMorgan1996PressRelease.pdf>

# PRESSRELEASE

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Creative Investment Research, Inc. • 1321 Rittenhouse Street, NW • Washington, DC 20011-1105 • 202-722-5000 • Fax: 202-785-4682

For Immediate Release

Date: May 16, 1996

Contact: William Michael Cunningham

Phone: 202-722-5000

Fax: 202-785-4682

## Morgan Guaranty Trust Merger Protest

Washington, D.C.—Creative Investment Research released today the text of a statement filed with the Federal Reserve Board protesting the approval of a merger application submitted by Morgan Guaranty Trust. The Federal Reserve Board approved the merger on April 29, 1996. The Fed, in a press release, stated:

“Morgan Guaranty Trust Company of New York, New York, New York (‘Morgan Guaranty’), a state member bank, has applied under section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) (the ‘Bank Merger Act’) to merge with J.P. Morgan Delaware, Wilmington, Delaware ( ‘Morgan Delaware’ ), with Morgan Guaranty surviving the merger.

...Based on the foregoing and all the facts of record, the Board has determined that these applications should be and hereby are, approved.”

We have requested the Board review this merger. We focus on the Board staff review of the CRA activity of Morgan Guaranty Trust Company of New York. This review does not discuss the banks' securities activities. We feel the review was quite limited in scope. The Board has the authority and ability to review other information it deems relevant. The applicant's parent, J.P. Morgan & Co. Inc., received Board approval under section 4(c)(8) of the Bank Holding Company Act and section 25.21(a) of the Board's Regulation Y 12 C.F.R. 225.21(a), to engage, through wholly owned subsidiaries, in underwriting and dealing in, on a limited basis, certain securities that member banks, prior to the approval of that

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application, could not underwrite and deal in. This is an exemption from Section 20 of the Glass-Steagall Act (Section 20 exemption).

We claim this Section 20 exemption requires the staff to more broadly analyze the banks' activities in meeting the credit need of the community. We feel this includes reviewing the CRA-related activities of Morgan Guaranty Trust Company of New York and J.P. Morgan Securities Inc. (JPMSI). In addition, we feel this review necessitates an examination designed to uncover any discriminatory business lending practices. This would include inspecting the gender and ethnic makeup of the government entities/regions or owners of firms using the following services provided by the applicant.

- a. Municipal Revenue Bonds/Securities
- b. Mortgage related securities
- c. Commercial Paper
- d. Consumer - receivable related securities("CRR's")

Activities in at least one of the above functional areas have been defined by the Federal Reserve Board (in an Order Approving Application to Engage in Commercial Paper Placement to a Limited Extent (Federal Reserve Bulletin, Feb. 1987, p. 148)) as "so functionally and operationally similar to the role of a bank that arranges a loan participation or syndication that banking organizations are particularly well suited to perform the commercial paper placement function."

A copy of the grounds for review follows.

August 26, 1996 (Revised & Resubmitted by Facsimile on August 28, 1996)

Mr. William Wiles  
Secretary  
Federal Reserve Board  
20th & Constitution Ave., N.W.  
Washington, D.C. 20551

Dear Mr. Wiles:

I am writing with respect to three proposals (Docket Numbers R-0841, R-0701, and R-0932) recently announced by the Federal Reserve Board. The Board, in a July 31, 1996 press release stated:

"The Federal Reserve Board today requested comment on three proposals to modify the conditions under which section 20 subsidiaries of bank holding companies may underwrite and deal in securities.

The first proposal would increase the amount of revenue that a section 20 subsidiary may derive from underwriting and dealing in securities from 10 percent to 25 percent of its total revenue. Comment on this proposal is requested by September 30, 1996.

The second proposal would amend or eliminate three of the prudential limitations, or fire walls, imposed on the operations of the section 20 subsidiaries:

- \* the prohibition on director, officer and employee interlocks between a section 20 subsidiary and its affiliated banks or thrifts (the interlocks restriction);
- \* the restriction on a bank or thrift acting as an agent for, or engaging in marketing activities on behalf of, an affiliated section 20 subsidiary (the cross-marketing restriction); and
- \* the restriction on the purchase and sale of financial assets between a section 20 subsidiary and its affiliated bank or thrift (the financial assets restriction).

The third proposal would clarify, in an accounting change to the revenue limit, that the Board will not consider interest income earned on securities that a member bank could hold for its own account toward a section 20 subsidiary 5 revenue limit.

Comment on the second and third proposals is requested by September 3, 1996."

William Michael Cunningham and Creative Investment Research, Inc., for the reasons outlined below, oppose the first two proposed rule changes. We respectfully request the Board not make these changes and reconsider these two proposals in light of the attached comments.

Sincerely,

William Cunningham

**Docket No. R-0841**

Revenue Limit on Bank Ineligible Activities of Subsidiaries of Bank Holding Companies Engaged in Underwriting and Dealing in Securities.

We oppose this proposal. The proposal would increase the amount of revenue that a section 20 subsidiary may derive from underwriting and dealing in securities from 10 percent to 25 percent of its total revenue. According to the July 31, 1996 Press Release:

"Section 20 of the Glass-Steagall Act provides that a member bank may not be affiliated with a company that is 'engaged principally' in underwriting and dealing in securities. In 1987, the Board first allowed bank affiliates to engage in underwriting and dealing in bank-ineligible securities -- that is, those securities that a member bank would not be permitted to underwrite or deal in -- when the Board approved an application by three bank holding companies to underwrite and deal in commercial paper, municipal revenue bonds, mortgage-backed securities, and consumer-receivable-related securities. In 1989, the Board allowed five section 20 subsidiaries to underwrite and deal in all debt and equity securities, subject to more rigorous fire walls.

Currently, thirty-nine nonbank subsidiaries of bank holding companies are authorized to engage in underwriting and dealing activities that are not authorized for a member bank. Fourteen of these so-called section 20 subsidiaries have authority to underwrite and deal in commercial paper, municipal revenue bonds, mortgage-backed securities, and consumer receivable related securities.

Twenty-two section 20 subsidiaries have authority to underwrite and deal in all debt and equity securities, and three may underwrite and deal in all debt securities. Over the past nine years, the Board has had substantial experience in supervising the activities and operations of those companies. In the Board's experience, the section 20 subsidiaries have operated in a safe and sound manner without adverse effects on their affiliated banks or the public, and have provided additional competition in the securities markets."

**Opposition Point One**

We take issue with the statement that "the section 20 subsidiaries have operated in a safe and sound manner without adverse effects on their affiliated banks or the public, and have provided additional competition in the securities markets." We agree that the Board has gained substantial experience over the past nine years in supervising the activities and operations of section 20 subsidiaries. There is, however, ample recent evidence suggesting that financial market imperfections will impair the ability of the Section 20 subsidiaries to continue to operate in a safe and sound manner without adverse effects on their affiliated banks or the public. We refer the Board to the following incidents:

1. In the most serious indication to date that securities market problems have significantly damaged the public, the National Association of Security Dealers was found by the U.S. Securities and Exchange Commission to be "failing to police wrongdoing the NASDAQ Stock market, the second largest stock market in the world." The Washington Post (August 8, 1996. Page A1.) We note that "twenty-two section 20 subsidiaries have authority to underwrite and deal in all debt and equity securities."

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2. According to the Washington Post (August 10, 1996. Page D2), a Massachusetts jury "convicted a former partner of Lazard Freres & Co. on 58 of 61 counts of fraud and corruption in connection with his work on municipal bond issues for the District government, the U.S. Postal Service and other clients." We note that "fourteen of these so-called section 20 subsidiaries have authority to underwrite and deal in municipal revenue bonds." We also note that significant explorations concerning fraud and corruption in the municipal bond markets are ongoing.

3. According to the Washington Post (August 10, 1996. Page A1), the Securities and Exchange Commission "filed a civil securities complaint against Bennett Funding Group, Inc. of Syracuse, N.Y. alleging that the company was a 'massive, ongoing Ponzi scheme,' perhaps the largest such scheme in U.S. history, with liabilities exceeding \$1 billion."

4. According to the Washington Post (August 20, 1996. Page C2.), one financial institution granted a Section 20 exemption, Banker's Trust, experienced severe problems in the derivatives market. Clients, such as Gibson Greetings and Proctor & Gamble, claim the company misled them about the value of derivative investments.

5. According to the Washington Post (August 22, 1996. Page D8), another financial institution granted a Section 20 exemption, Citicorp, was fined \$25,000 and ordered to surrender \$300,000 by the National Association of Security Dealers for failing to ensure that 19 brokers completed computer-based training under NASD continuing education requirements.

6. According to the Washington Post (August 28, 1996. Page D1), several securities brokers were suspended because they hired others to impersonate them and take the main securities licensing examination, the Series 7 test.

This is a cursory sample of recent newspaper articles concerning securities market malfeasance drawn from one newspaper (The Washington Post) in one month (August 1996.) An extensive review would reveal more incidents. While U.S. security markets are broadly well functioning, these irregularities call into question the appropriateness of increasing, at this time, the amount of revenue that a section 20 subsidiary may derive from underwriting and dealing in securities.

### **Opposition Point Two**

In an earlier letter to the Board, we protested the approval of a merger application submitted by Morgan Guaranty Trust, the beneficiary of a Section 20 exemption. The Board approved the merger on April 29, 1996. In that protest, we suggested Section 20 exemptions require Board staff to more broadly analyze activities of banking organizations granted Section 20 exemptions in meeting the credit needs of the community. We feel this includes reviewing the social and community impact of the securities activities of Section 20 subsidiaries. Recent advancements in information technology make this a reasonable suggestion. The creation of an investment test under new Community Reinvestment Act guidelines suggests that the Board agrees this can be done efficiently. Our research indicates that tools to conduct this type of "social and financial return analysis" can be readily developed. (See, for example,

the Creative Investment Research "Fully Adjusted Return" Trademark applications pending methodology.)

In our earlier protest, we stated our belief that the grant of a section 20 exemption does not relieve the Board from an obligation to review and uncover any discriminatory business lending practices on the part of these firms.

This includes inspecting the gender and ethnic makeup of firms using the following services provided by section 20 subsidiaries:

- a. Municipal Revenue Bonds/Securities
- b. Mortgage related securities
- c. Commercial Paper
- d. Consumer - receivable related securities ("CRR's")

Activities in at least one of the above functional areas have been defined by the Federal Reserve Board (in An Order Approving Application to Engage in Commercial Paper Placement to a Limited Extent (Federal Reserve Bulletin, Feb. 1987, p. 148)) as "so functionally and operationally similar to the role of a bank that arranges a loan participation or syndication that banking organizations are particularly well suited to perform the commercial paper placement function."

In our view, Section 20 subsidiaries should be required to provide all credit services in a nondiscriminatory manner. Further, it is our belief that the tenor of the times require measures to compel Section 20 subsidiaries to provide credit in this manner.

The Federal Reserve noted, in a 1989 study, (in Changes in Family Finances from 1983 to 1989: Evidence from the Survey of Consumer Finances (Federal Reserve Bulletin, Jan. 1992, p. 1)) a widening income gap. That study indicated: "The small rise in the median values of income and net worth and the simultaneous substantial rise in the mean values indicate that the distributions of income and net worth became more concentrated between 1983 and 1989."

***It is our belief that current tensions in certain parts of the country are a result of, in part, this widening income gap. We feel the increased concentration of wealth has contributed to and encouraged the development of, in certain individuals and groups, a "bunker," or militia mentality that has a negative impact on the country, including its capital markets. Recent events in Oklahoma City and at the 1996 Atlanta Olympic Games provide additional evidence concerning this observation***

Certain organizations, like Section 20 subsidiaries, have been the beneficiaries of an unprecedented increase in financial market activity. Section 20 subsidiaries must be encouraged to apply their skills to deliver main line services to all, prudently but in a nondiscriminatory manner. Applying a "CRA-like" standard to the activities of these Section 20 subsidiaries, we believe, will help even the distribution of income and wealth, and contribute to domestic political and economic stability.

**Docket No. R-0701**

Review of Restrictions on Director and Employee Interlocks, Cross-Marketing Activities and the Purchase and Sale of Financial Assets.

We oppose this proposal. According to the July 31, 1996 Press Release:

"The Board is providing a second opportunity for public comment on proposed revisions to three of the prudential limitations established in its decisions under the Bank Holding Company Act and section 20 of the Glass-Steagall Act permitting a nonbank subsidiary of a bank holding company to underwrite and deal in securities. The Board is proposing to ease or eliminate the following restrictions on these so-called section 20 subsidiaries: the prohibition on director, officer and employee interlocks between a section 20 subsidiary and its affiliated banks or thrifts (the interlocks restriction); the restriction on a bank or thrift acting as agent for, or engaging in marketing activities on behalf of, an affiliated section 20 subsidiary (the cross-marketing restriction); and the restriction on the purchase and sale of financial assets between a section 20 subsidiary and its affiliated bank or thrift (the financial assets restriction)."

We refer the Board to Opposition Point One above as the main reason for our concern.

In addition, we believe the cross-marketing provisions of this proposal provide significant risks to the public. We refer the Board to a recent study by the Office of the Comptroller of the Currency, U.S. Treasury Department, "Mutual Fund Shareholders: Characteristics, Investor Knowledge, and Sources of Information" by Gordon Alexander, Jonathan Jones and Peter Nigro. The study reported that:

"...respondents earning less than \$75,000 are significantly less likely to know that money market mutual funds are not insured. Panel B of Table 34 shows that roughly one quarter (27.5%) of those who thought that money market mutual funds are insured believe that these funds are insured by the FDIC. There are no significant differences in beliefs by age."

Cross marketing activities of Section 20 subsidiaries are likely to include the sale of money market mutual funds.

It is our belief that, unless the Federal Reserve Board is designated a "Super-regulator," with broad responsibility for overseeing the activities of banks, thrifts, pension funds, insurance companies, mutual fund companies, brokerage firms and investment banks, the approval of this proposal will result in significant public harm. We note our belief that recent advancements in financial and computer technology require the creation of such a "Super-regulator."



US Bank    US Bancorp

# US Bank/Union Bank

MUFG    Union Bank



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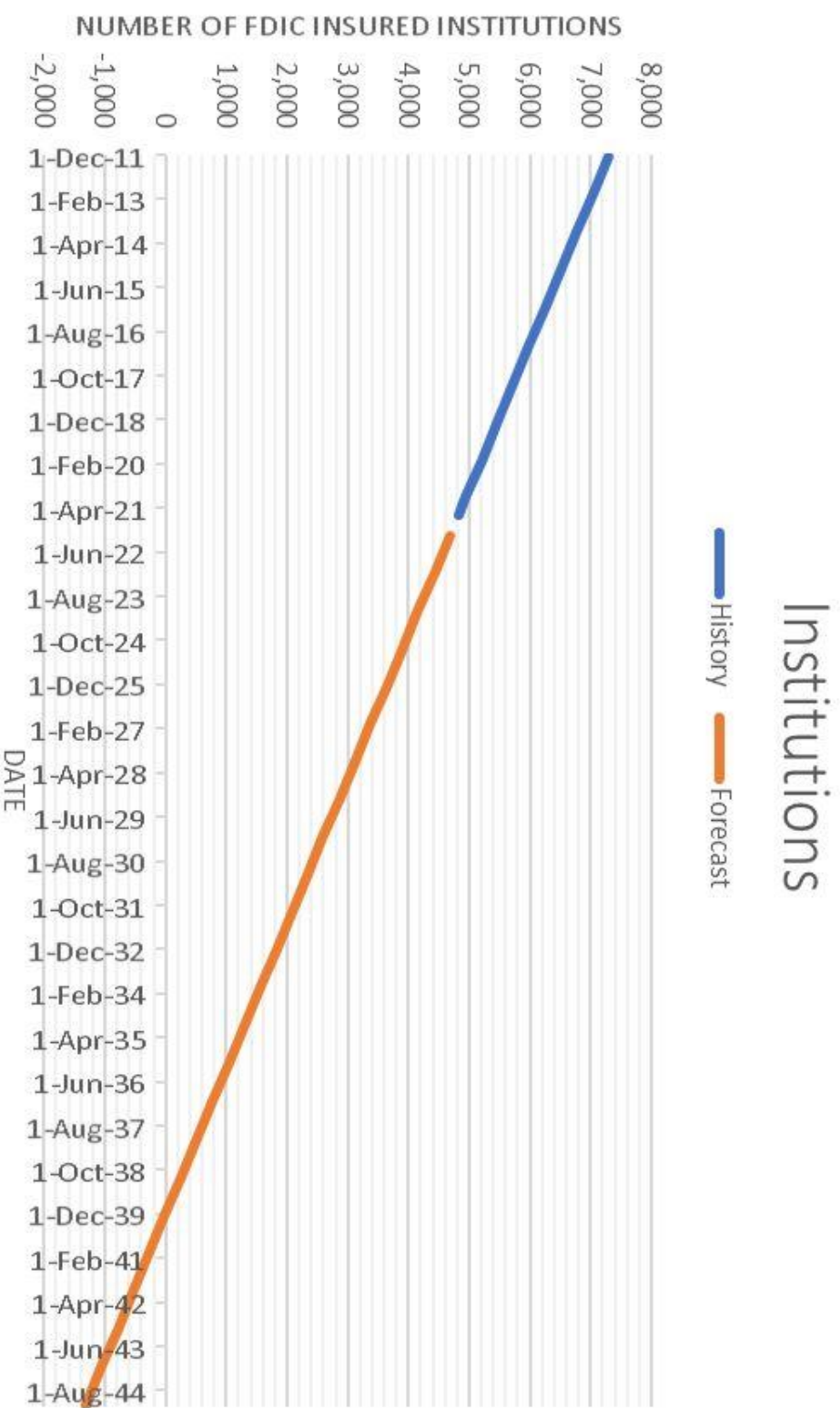
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Adjunct Faculty Member  
Georgetown University  
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# Forecast of Number of FDIC Insured Banking Institutions



## Violation of 12 U.S. Code § 1842 (c) (1)

Merger results in MONOPOLY CONCENTRATION

- The acquisition would be in furtherance of a combination to monopolize the business of banking in the merged bank's service area and nationally, as evidenced by these charts.
- 
- 
- 

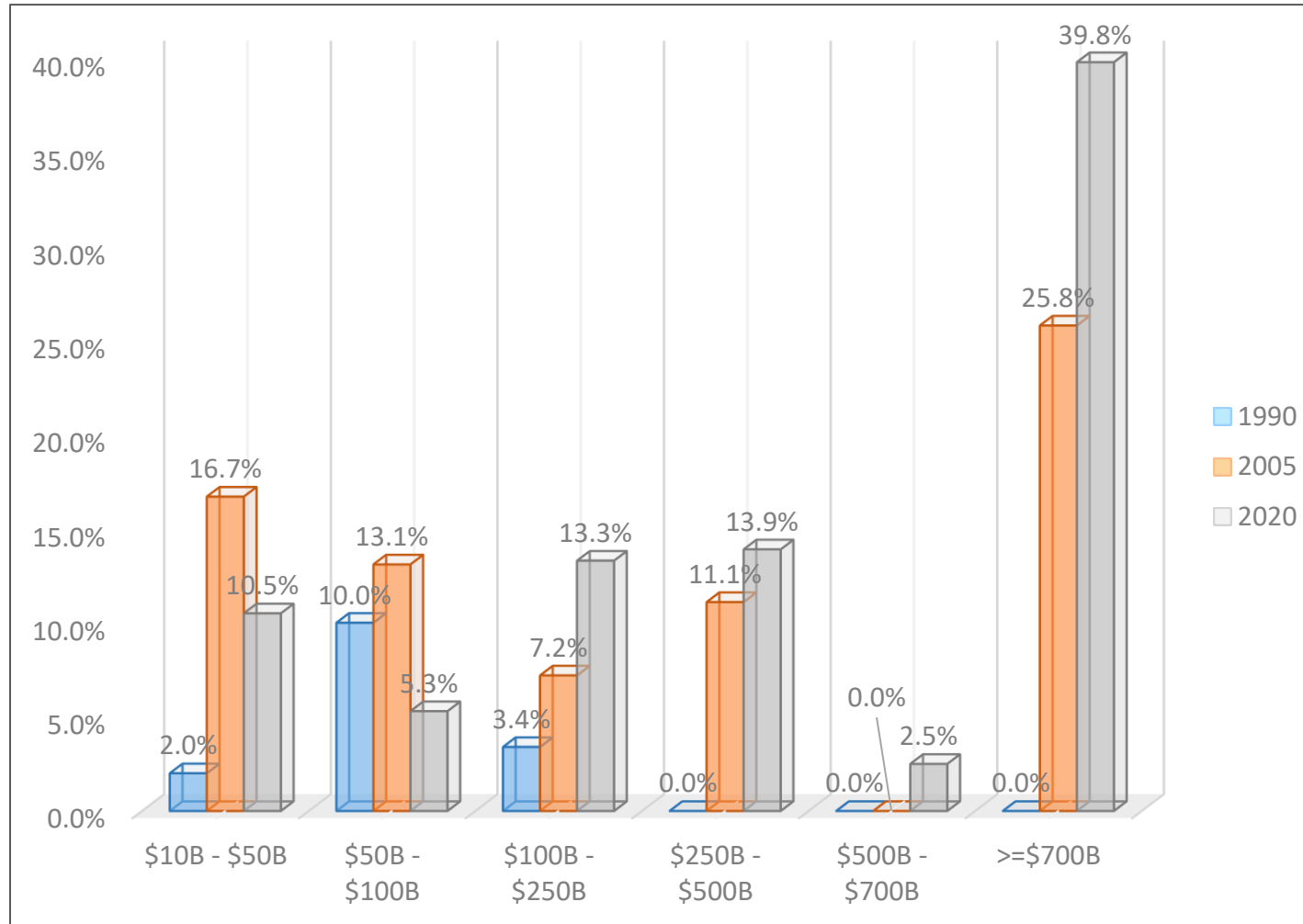


# PERCENTAGE OF INDUSTRY ASSETS HELD BY INSURED DEPOSITORY INSTITUTIONS BY ASSET SIZE

PROOF OF INCREASED INDUSTRY CONCENTRATION

REGULATORY FAILURE

Banks with assets of more that \$700 billion grew to dominate the industry from 1990 to 2020.





## **Violation of 12 U.S. Code § 1842 (c) (2)**

The Board has excluded certain authentic African American viewpoints, as indicated by the racist pettiness in scheduling these remarks last, relying on opinions from token industry participants and “community” organizations funded by banking entities (Community Reinvestment Fund, USA and the National Community Reinvestment Coalition), which has accelerated gentrification, are self-interested, biased, ethnically and ethically compromised, managed by and representing the interests of non-Black individuals.

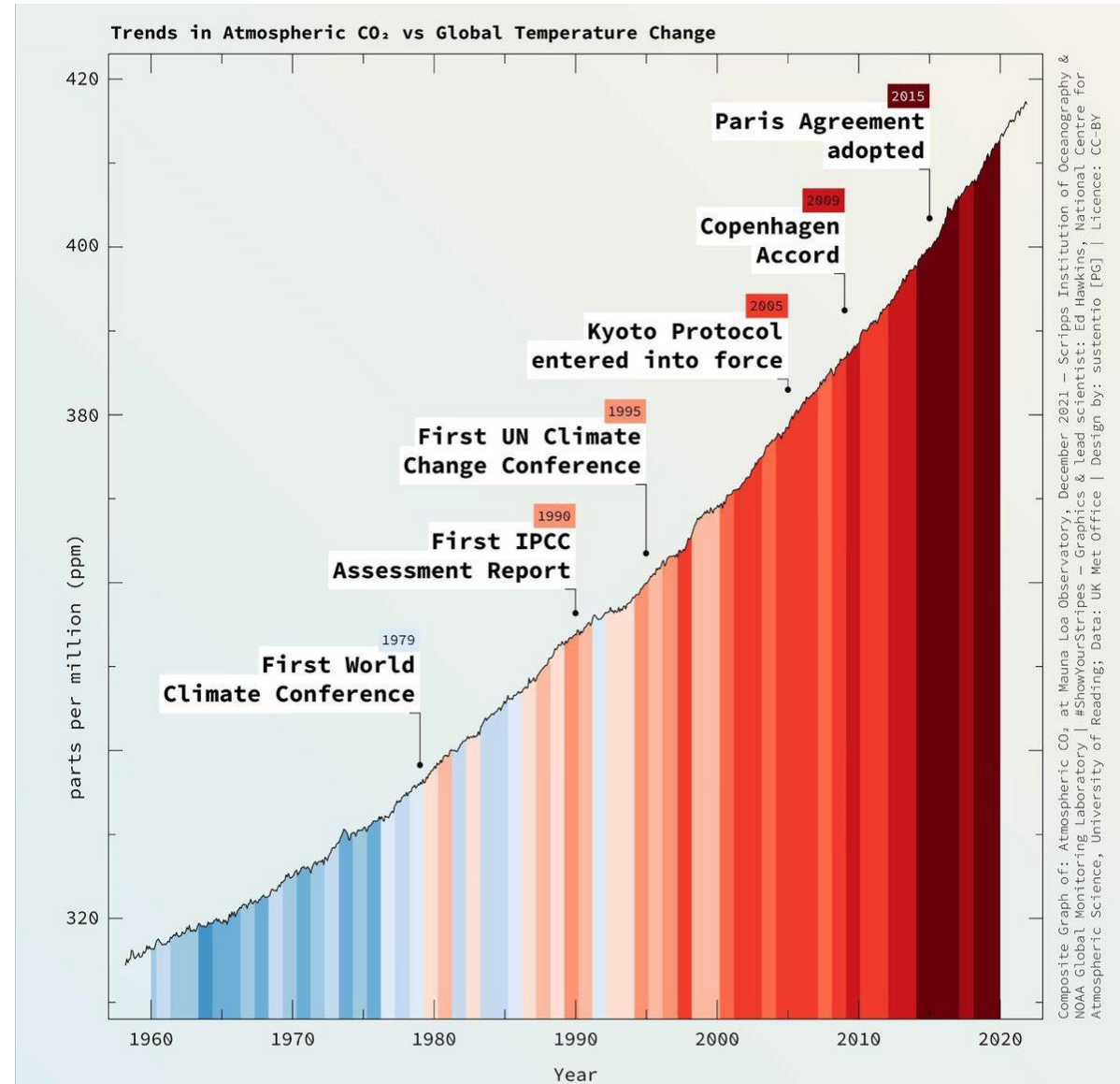


# Violation of 12 U.S. Code § 1842 (c) (2)

## Environmental Factors

Risk to climate unexamined

The Federal Reserve has not “identified the effects of climate change” and the impediments to a low carbon economy transition that the merger will impose on society and the service area.



# Violation of 12 U.S. Code § 1842 (c) (3)

## Supervisory Factors

FED UNABLE  
TO SUPERVISE

- The Fed is unable to regulate in the public interest, and, therefore, cannot appropriately supervise the resulting merged entity. The merged entity is thus unable to provide the Board with assurances that timely, accurate information on US Bank's operations and activities will be utilized in a manner consistent with the law's intent, since the Board itself may misuse whatever information is provided



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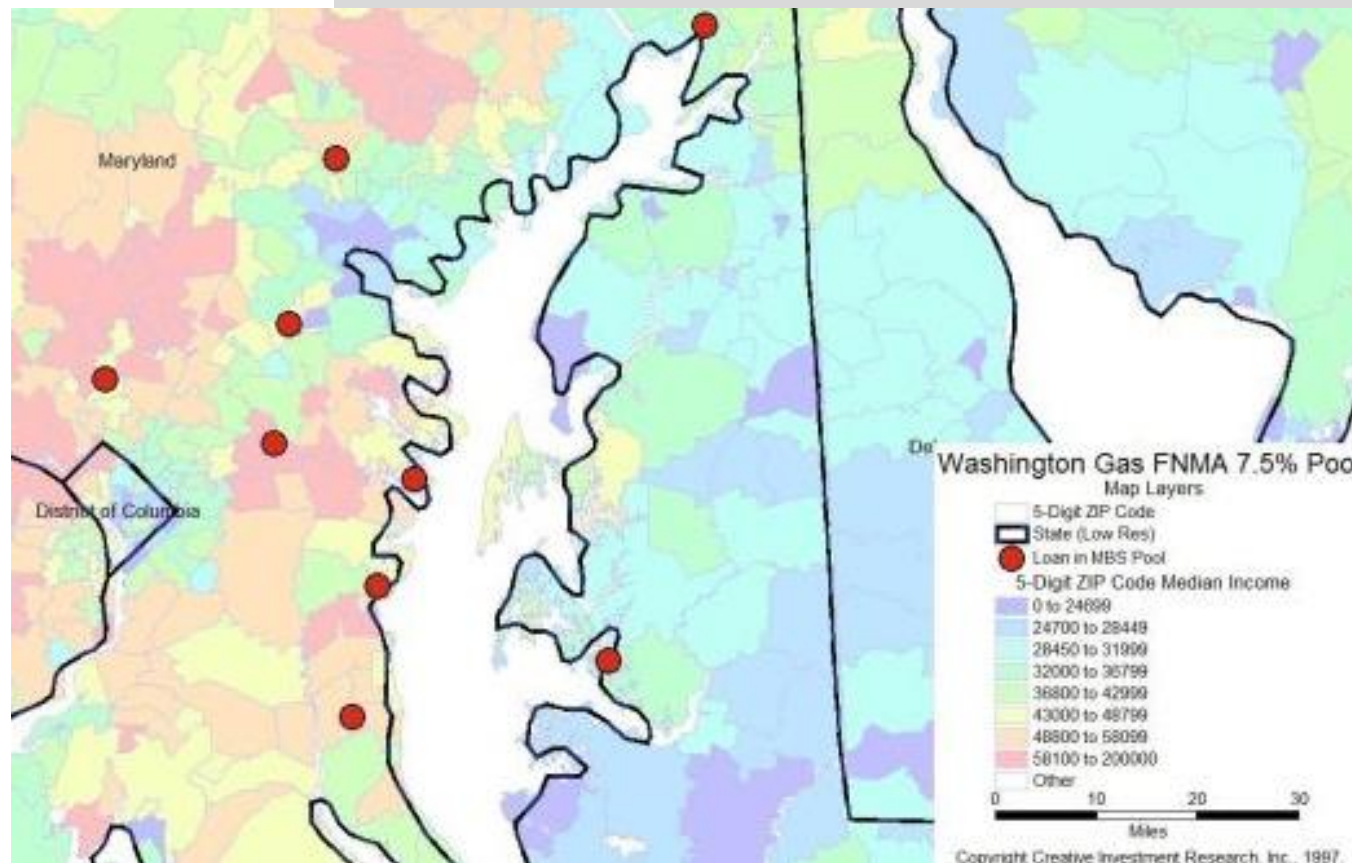
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# About us

We are one of the most experienced Environmental, Social and Governance (ESG), Corporate Social Responsibility (CSR), and impact investing firms.

Our work has focused on long-term changes that will affect and influence the economy, financial system, society and environment at large:



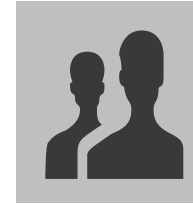
# WHAT WE DO

WE BELIEVE IN GOOD



## IMPACT INVESTING

We designed the first mortgage security backed by home mortgage loans to low- and moderate-income persons and originated by minority-owned institutions. (See: Security Backed Exclusively by Minority Loans, at <https://www.creativeinvest.com/mbsarticle.html>)



## \$67 BILLION FOR BLM

Helped facilitate \$1.7 Billion for Black Lives Matter  
<https://www.american.edu/news/20200825-washington-semester-program.cfm> Corporate Donations to Black Lives Matter total \$67 Billion.  
<https://www.prlog.org/12874879-corporate-donations-to-black-lives-matter-total-67-billion.html>



## SCAM WARNING

On July 3, 1993, WMC wrote to SEC Commissioner Mary Schapiro to notify the Commission about a certain, specific investing "scam." A timely warning was not issued to the investing public and members of the public were damaged. See: <https://www.creativeinvest.com/SECNigerianLetter.pdf>



## ECONOMIC FORECASTS

Our June 11, 2016 forecast predicted the election of Donald J. Trump. See: Why Trump Will Win. <https://www.linkedin.com/pulse/why-trump-win-william-michael-cunningham-am-mba/> Our December 26, 2016 forecast stated: "Bottom line: our Fully Adjusted Return Forecast indicates that, over time, things will get much, much worse....." See: Trumpism. <https://www.linkedin.com/pulse/trumpism-william-michael-cunningham-am-mba/>

We stated, on February 5, 2015, in testimony to the Norwegian Ministry of Finance

(<http://www.creativeinvest.com/NorwayTestimonyFeb52015.pdf>)

and on April 22, 2015 in testimony to the Government of the United Kingdom:

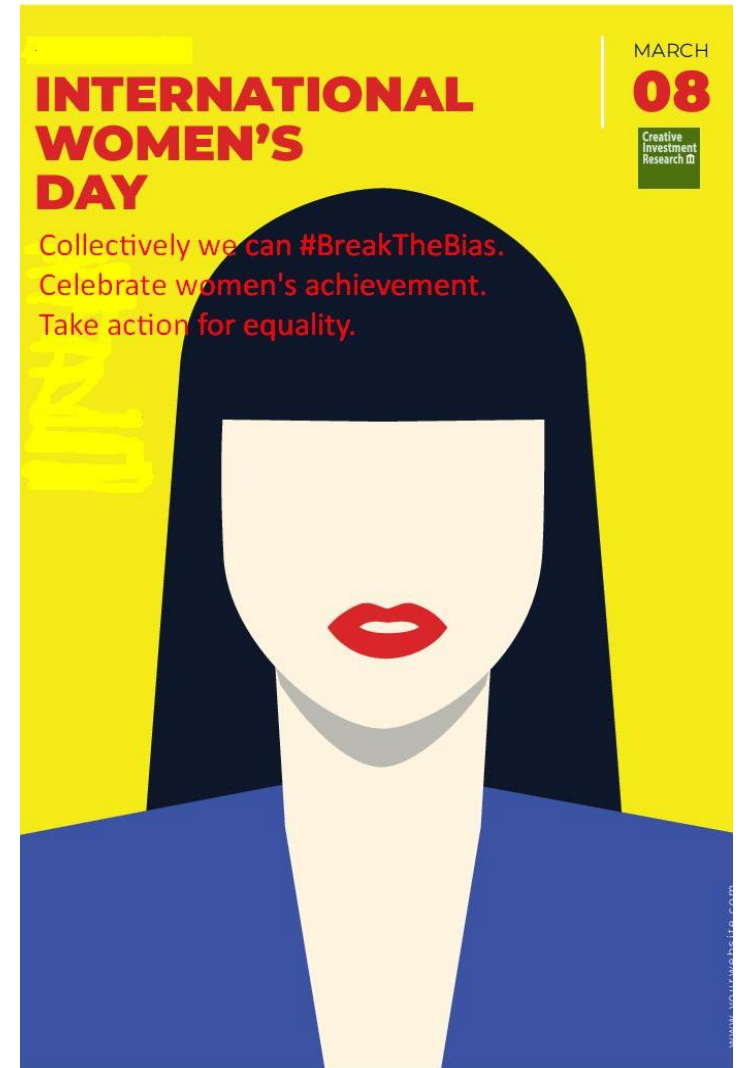
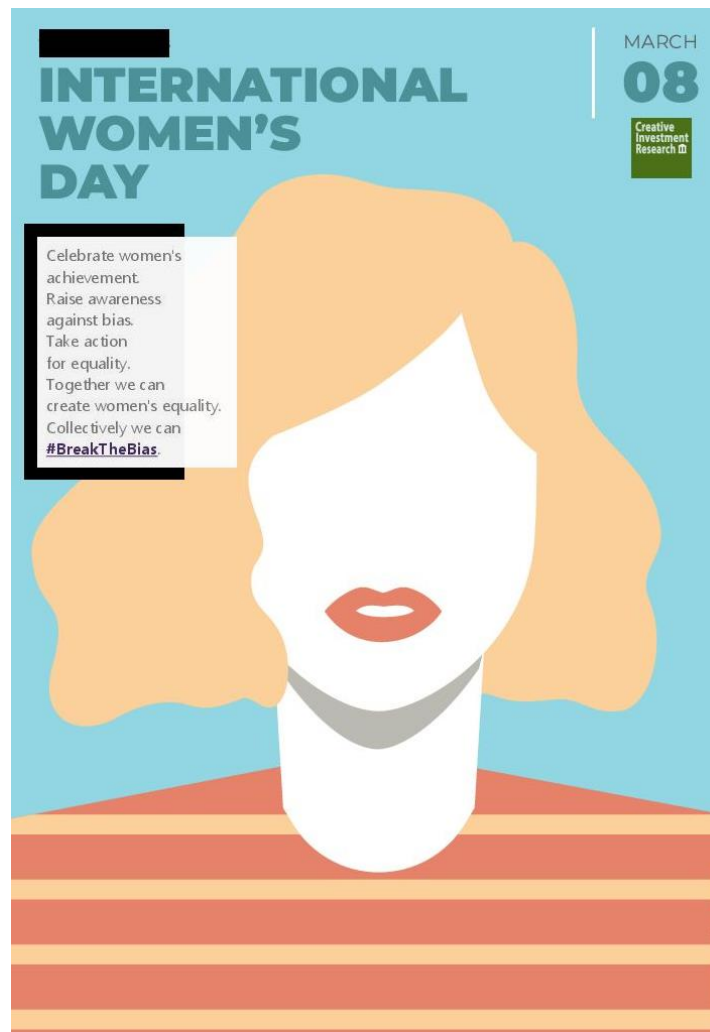
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Research** 

“As the market value of environmental, social and governance factors continues to grow, companies and investment managers will engage in fraudulent practices related to these factors. These practices will range from simple falsification of environmental, social and governance records to more sophisticated, but no less fraudulent methods related to environmental, social and governance ratings.”

On September 22, 2015 automaker Volkswagen admitted that “‘defeat devices’ used to cheat emissions testing were installed in 11 million vehicles worldwide.”

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**THANK YOU**



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[wevonline.org](http://wevonline.org)

March 1, 2022

To: Chris P. Wangen Assistant Vice President  
Federal Reserve Bank of Minneapolis

I am writing in support of the acquisition of MUFG Union Bank by U.S. Bank.

Women's Economic Ventures (WEV) is a Community Development Financial Institution and Women's Business Center that has served Santa Barbara and Ventura Counties since 1991. In my role as the organization's Founder and CEO and a member of the California Reinvestment Coalition, I was involved in negotiating MUFG Union Bank's CRA commitments relating to its acquisition of Santa Barbara Bank & Trust in 2012. From 2012 – 2015, I served on the Bank's Community Advisory Board.

MUFG Union Bank made and honored significant community reinvestment commitments to our region. The Bank's support of organizations like WEV didn't stop at the end of their commitment, but continues to this day with initiatives like WE CAN, which supports Women's Business Centers throughout the state of California, COVID recovery and operating support.

MUFG Union Bank provided key support for WEV's Thrive in Five® program through its innovative multi-year technical assistance initiative.

WEV developed Thrive in Five® to solve one of the biggest challenges in our field: helping women-owned businesses grow. According to the U.S. Census, 71% of woman-owned businesses were generating less than \$25,000 in annual sales and only 10% had employees. Our working thesis was that a case management model that provided significant one-on-one business counseling and accountability combined with peer support, access to capital and ongoing training over a long period, would result in the kind of business growth we were looking for.

Union Bank's three-year technical assistance grant provided us with the resources to operate, expand and measure the outcomes of the Thrive in Five program, proving our thesis to be true. Participating businesses reported an average of \$190,000 in annual sales revenues and four jobs created. Union Bank's visionary leadership in providing a significant, multi-year grant, enabled WEV to develop and test an innovative program model that has significant economic impact on the program's participants and on our community. WEV received a second award to further expand the program and our Spanish language services.

As a member of MUFG Union Bank's Community Advisory Board, I was provided with a wealth of opportunities to become more informed about sources of capital, banking, diversity, and a variety of community development initiatives – both from bank personnel and from my peers in the economic and housing development sectors. The Bank was unique in seeking out community representatives to inform its Community Service Action Plan (CSAP).

U.S. Bank has not had a significant footprint in our region, but since its entry into the California market, has provided support for small business development organizations including WEV. My prior experience with MUFG Union Bank assures me that the merger of these two institutions will strengthen and expand their community development impact.

Sincerely,

A handwritten signature in black ink, appearing to read "Marsha Bailey". The signature is fluid and cursive, with a long horizontal stroke at the end.

Marsha Bailey  
Founder & CEO Emerita



*Our voices. Our future.*

February 25, 2022

Federal Reserve Bank of Minneapolis

Chris P. Wangen, Assistant Vice President

90 Hennepin Avenue

Minneapolis, Minnesota 55480-0291

Chris,

I am writing to provide written comments on the proposal by U.S. Bancorp to acquire MUFG Union Bank, National Association and to merge MUFG Union Bank, National Association with and into U.S. Bank National Association.

I've had the pleasure on honor to have a productive and meaningful partnership with the team at U.S. Bancorp. This partnership goes back 8 years as I have led community based organizations to create economic opportunity in the Twin Cities region in Minnesota.

The partnership has gone beyond philanthropic funding and extends into how we impact the systems that create negative experiences for many in our community. A great example of the deepening of our partnership in the wake of the murder of George Floyd on May 25<sup>th</sup>, 2020. This traumatic event has amplified the strain of the challenges we've all have attempted to solve in our region for many years. The U.S. Bancorp team has been highly involved in being a leader to drive the necessary systematic change by investing in solutions that will bring the private sector and community together to create collective impact. This investment was a catalyst to bring other corporations together to create catalytic initiatives such as [United by Black, Powered by all](#) and the [Minnesota Business Coalition for Racial Equity](#).

The leadership of U.S. Bancorp has demonstrated that it wants to be a leader in how to evolve a company culture to be more inclusive as well as embedded into the communities it serves. Investments in the future of the workforce, community building, and how banking will evolve to be responsive to all can be seen on the ground in our Region.

Thank you,

Marcus Owens

Executive Director, AALF