



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

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 19, 1996

Ms. Deborah B. Goldberg
Assistant Secretary
U.S. Bank of Idaho
P.O. Box 2200
Portland, OR 97208-2200

Dear Ms. Goldberg:

Acting pursuant to authority delegated by the Board, and after considering the record of this application in light of the relevant statutory factors, I have approved the application of U.S. Bank of Idaho, Boise, Idaho ("Bank"), for a reduction of capital in the form of a dividend of \$, and for declaration of such dividend, in connection with its proposed issuance of \$ of subordinated debt to its parent holding company, U.S. Bancorp, Portland, Oregon.

The Board's approval is subject to Bank's obtaining all other requisite regulatory approvals for the reduction in capital and the declaration of the dividend, and to consummation of the transaction within three months after the date of this letter, unless such period is extended by the Board, or by the Federal Reserve Bank of San Francisco acting pursuant to delegated authority.

This approval is further subject, pursuant to 12 U.S.C. § 59, to the affirmative vote of two-thirds of the shares of each class of Bank's stock outstanding.

The Board's approval of the reduction in capital and declaration of the dividend is in reliance on and specifically conditioned on Bank's compliance with all commitments made in connection therewith. For purposes of this action, these commitments and conditions are considered conditions imposed in writing by the Board in connection with its findings and decisions, and, as such, may be enforced in proceedings under applicable law.

Very truly yours,

A handwritten signature in cursive script, reading "William W. Wiles".

William W. Wiles
Secretary of the Board

INFORMATION SUBJECT TO EXEMPTION (b) (4)
OF THE FREEDOM OF INFORMATION ACT HAS BEEN
DELETED. WRITTEN APPEAL OF DELETIONS CAN BE
MADE WITHIN TEN DAYS TO THE SECRETARY OF THE
BOARD.