

US BANCORP \DE\
Form DEF 14A
March 08, 2016

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

U.S. Bancorp

(Name of Registrant as Specified In Its Charter)

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(3) Filing Party:

(4) Date Filed:

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March 8, 2016

Fellow Shareholders:

U.S. Bancorp is in the business of "*making possible happen*." Every single day. 67,000 committed bankers. We make possible happen for our shareholders, our customers, our communities, and each other. It is what our brilliant red shield represents: *The Power of Possible*.

We make possible happen for our shareholders by delivering consistent, predictable, repeatable, industry-leading financial results. And, by returning capital and running a trustworthy and reputable banking business, our shareholders know that we will do it well and we will do it right. That's why we were named one of the World's Most Ethical Companies in 2015 by the Ethisphere Institute the largest U.S.-based bank to ever make the list. And, we returned to Ethisphere's list in 2016.

I am extremely proud of the remarkable financial performance that U.S. Bancorp delivered in 2015 and the value we created for our shareholders. Remarkable, because it was a year underscored by persistent and historically low interest rates, modest economic growth, increasing regulatory requirements, and rapidly evolving customer needs and expectations. More than any year in recent history, 2015 required strong management focus and conviction as we balanced decisions about operating efficiencies with opportunities for investing in future growth.

U.S. Bancorp rose to that challenge, delivering record net income and record diluted EPS for the year and returned 72 percent of our 2015 earnings back to shareholders through dividends and share buybacks. In addition, our return on average assets (ROA), return on average equity (ROE), and efficiency ratio continue to lead the industry.

At U.S Bancorp, leadership starts with our exceptional Board of Directors. I am grateful for their dedication and guidance. They provide us with the confidence and courage to make the best decisions and they represent our shareholders' interests in every action we take. I am also grateful for our Managing Committee, who provide their industry-leading expertise to every decision and turn day-to-day management into moments for everyday excellence.

I hope to see you at our 2016 annual meeting of shareholders on Tuesday, April 19, 2016, in Denver. Whether or not you plan to attend the meeting, please vote as promptly as possible to make sure your vote is counted. Every shareholder vote is important.

Sincerely,

Richard K. Davis
Chairman and Chief Executive Officer

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March 8, 2016

Fellow Shareholders:

It is a great honor to serve as the Lead Director of our Board of Directors, a position I have held since January 2014. As Lead Director, I am focused on the obligations that our Board owes to you, our shareholders. One of the Board's most important obligations is to oversee the work our company does to deliver excellent financial results and to return capital to our investors, always making sure that this work is done responsibly and with the utmost integrity.

My duties as Lead Director are detailed in the attached proxy statement, and they include setting the agenda for our Board meetings, approving information sent from management to the Board, and meeting independently with representatives of various regulatory bodies that oversee our company and its operations. I also have regular contact with the CEO and other members of the Managing Committee, and I advise the chairs of our Board committees regarding the in-depth policy work those committees undertake.

We are continuously evaluating and improving our corporate governance practices, which are described in the proxy statement. After listening carefully to the views of our shareholders, the Board was pleased to adopt a proxy access bylaw recently with a "3/3/20/20" structure. This bylaw gives a shareholder or group of up to 20 shareholders that has held at least 3% of our company's stock for at least three years the ability to nominate up to 20% of the Board (but at least two directors) and have those nominees appear in our proxy statement, subject to notice and other specific requirements. We believe that the bylaw we adopted represents a balanced approach to a very complex issue and effectively serves the interests of all of our shareholders.

Our Board maintains its commitment to excellence through rigorous annual assessments and thoughtful selection of Board candidates who have a great diversity of skills, experiences and viewpoints. We elected three new directors in the past year – Warner L. Baxter, Marc N. Casper and Karen S. Lynch – each of whom brings fresh perspectives and new areas of expertise to our Board. We also said good-bye to Jerry W. Levin when he stepped down from the Board last May, and we will recognize Joel W. Johnson and Patrick T. Stokes when they retire at the annual meeting. Jerry, Joel and Pat have all been dedicated stewards of our shareholders' interests for many years, and we are grateful for their service.

I want to emphasize to all our shareholders that the Board is committed to the highest levels of ethics and integrity. U.S. Bancorp Chairman and CEO, Richard K. Davis, was named to the Ethisphere Institute's 100 Most Influential People in Business Ethics in 2015. This is a tremendous recognition, and we are proud of Richard and his personal commitment to integrity. We are even more proud of the 67,000 men and women who embrace this culture of integrity every day and work tirelessly to create value for shareholders, customers, and our communities – the right way.

It is a privilege to work with my fellow directors on behalf of our shareholders, and I look forward to continuing to serve you during 2016.

Sincerely,

Arthur D. Collins, Jr.
Lead Director

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800 Nicollet Mall
Minneapolis, Minnesota 55402
651.466.3000

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF U.S. BANCORP

Date and Time: Tuesday, April 19, 2016, at 11:00 a.m., local time

Place: Sheraton Denver Downtown Hotel
Grand Ballroom
1550 Court Place
Denver, CO 80202

Items of Business:

1. The election of 14 directors named in the proxy statement
2. The ratification of the selection of Ernst & Young LLP as our independent auditor for the 2016 fiscal year
3. An advisory vote to approve the compensation of our executives disclosed in this proxy statement
4. A shareholder proposal seeking the adoption of a policy requiring that the Chairman of the Board be an independent director
5. A shareholder proposal seeking the adoption of a policy requiring senior executives to retain a significant percentage of shares acquired as equity compensation
6. Any other business that may properly be considered at the meeting or any adjournment of the meeting

Record Date: You may vote at the meeting if you were a shareholder of record at the close of business on February 23, 2016.

Voting by Proxy: It is important that your shares be represented and voted at the meeting. You may vote your shares by Internet or telephone by no later than 11:59 p.m., Eastern time, on April 18, 2016 (or April 14, 2016, for shares held in the U.S. Bank 401(k) Savings Plan), as directed in the proxy materials. If you received a printed copy of the proxy materials, you may also complete, sign and return the enclosed proxy card or voting instruction form by mail. Voting in any of these ways will not prevent you from attending or voting your shares at the meeting. We encourage you to vote by Internet or telephone to reduce mailing and handling expenses.

Internet Availability of Proxy Materials:

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on April 19, 2016: Our proxy statement and 2015 Annual Report are available at www.proxyvote.com.

By Order of the Board of Directors

James L. Chosy
Secretary

March 8, 2016

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Proxy Summary

Proxy Summary

This summary highlights information described in more detail elsewhere in this proxy statement. It does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. For more complete information about our company's 2015 performance, please review our 2015 Annual Report on Form 10-K.

2016 Annual Meeting of Shareholders

Date and Time: Tuesday, April 19, 2016, at 11:00 a.m. local time

Place: Sheraton Denver Downtown Hotel
Grand Ballroom
1550 Court Place
Denver, CO 80202

Record Date: February 23, 2016

Voting Matters and Board Recommendations

Proposal		Board Recommendation	For More Information
Proposal 1	The election of 14 directors named in the proxy statement	"FOR" all nominees	Page 5
Proposal 2	The ratification of the selection of Ernst & Young LLP as our independent auditor for the 2016 fiscal year	"FOR"	Page 61
Proposal 3	An advisory vote to approve the compensation of our executives disclosed in this proxy statement	"FOR"	Page 62
Proposal 4	A shareholder proposal seeking the adoption of a policy requiring that the Chairman of the Board be an independent director	"AGAINST"	Page 63
Proposal 5	A shareholder proposal seeking the adoption of a policy requiring senior executives to retain a significant percentage of shares acquired as equity compensation	"AGAINST"	Page 65

How to Cast Your Vote

The Board of Directors of U.S. Bancorp is soliciting proxies for use at the annual meeting of shareholders to be held on April 19, 2016, and at any adjournment or postponement of the meeting. The proxy materials were first made available to shareholders on or about March 8, 2016.

Your vote is important! Please cast your vote and play a part in the future of U.S. Bancorp.

Even if you plan to attend our annual meeting in person, please cast your vote as soon as possible by:

Internet

www.proxyvote.com

Telephone

Mail

The voting deadline is 11:59 p.m., Eastern time, on April 18, 2016 (or April 14, 2016, for shares held in the U.S. Bank 401(k) Savings Plan). For details on how to cast your vote, see "Questions and Answers about the Annual Meeting and Voting."

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Director Nominees

Name	Age	Director Since	Primary Occupation	Committee Memberships	Independent
Douglas M. Baker, Jr.	57	2008	Chairman and Chief Executive Officer, Ecolab Inc.	G (Chair), RM, E	
Warner L. Baxter	54	2015	Chairman, President and Chief Executive Officer, Ameren Corporation	A, CR	
Marc N. Casper	47	2016	President and Chief Executive Officer, Thermo Fisher Scientific, Inc.	A, CR	
Arthur D. Collins, Jr. Lead Director	68	1996	Retired Chairman and Chief Executive Officer, Medtronic, Inc.	C, G, E	
Richard K. Davis	58	2006	Chairman and Chief Executive Officer, U.S. Bancorp	E (Chair), RM	CEO