ZIONS BANCORPORATION /UT/
Form 11-K
June 25, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K
[X]ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended December 31, 2011

OR

[ ]TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from ___________ to ___________

COMMISSION FILE NUMBER 001-12307

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ZIONS BANCORPORATION PAYSHELTER 401(K) AND
EMPLOYEE STOCK OWNERSHIP PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

ZIONS BANCORPORATION
One South Main, 15th Floor
Salt Lake City, Utah 84133

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Financial Statements and Supplemental Schedules

Zions Bancorporation Payshelter 401(k) and
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As of December 31, 2011 and 2010 and for the
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with Report of Independent Registered Public Accounting Firm

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Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Financial Statements and Supplemental Schedules

As of December 31, 2011 and 2010 and for the
Year Ended December 31, 2011

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Report of Independent Registered Public Accounting Firm

The Benefits Committee
Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

We have audited the accompanying statements of net assets available for benefits of Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan ("the Plan") as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2011 and 2010, and the changes in its net assets available for benefits for the year ended December 31, 2011, in conformity with US generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2011, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management. The information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Salt Lake City, Utah
June 25, 2012

Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Statements of Net Assets Available for Benefits

	December 31, 2011	December 31, 2010
Assets		
Investments at fair value:		
Zions Bancorporation common stock	$ 127,042,009	$ 169,796,093
Common collective trust	83,875,153	78,306,033
Shares of registered investment companies	316,428,303	314,819,540
Real estate joint venture	206,507	207,625
	527,551,972	563,129,291
Receivables:		
Participant and employer contributions	12,711,736	886,939
Notes receivable from participants	14,705,025	13,710,158
	27,416,761	14,597,097
Net assets reflecting all investments at fair value	554,968,733	577,726,388
Adjustment from fair value to contract value for fully benefit-responsive investment contracts in common collective trust	(2,037,887)	(773,219)
Net assets available for	$ 552,930,846	$ 576,953,169

benefits

See accompanying notes to financial statements.

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Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2011

Additions to/(deductions from) net assets attributable to:		
Investment income (loss):		
Net depreciation in fair value of investments	$	(73,604,649)
Interest and dividends		10,894,584
Contributions:		
Participant		41,212,367
Employer		32,449,874
Rollovers		3,409,118
Benefits paid directly to participants		(38,383,617)
Net decrease		(24,022,323)
Net assets available for benefits:		
Beginning of year		576,953,169
End of year	$	552,930,846

See accompanying notes to financial statements.

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Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2011

1. Description of Plan

The following description of the Zions Bancorporation Payshelter 401(k) and Employee Stock Ownership Plan ("the Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a single employer defined contribution plan designed to provide retirement benefits for eligible employees under a pretax salary reduction arrangement with a specified employer matching contribution and a discretionary noncontributory profit sharing feature. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). From time to time, the Plan has been restated and amended. Fidelity Management Trust Company ("Fidelity") is the trustee of the Plan. Zions Bancorporation ("the Company") is the Plan sponsor. The Company's Benefits Committee ("the Benefits Committee") administers the Plan.

Eligibility

Participation in the Plan is voluntary. Any nonexcluded employee (as defined in the Plan provisions) at least 21 years of age is eligible to participate. To be eligible for the noncontributory profit sharing feature, participants must meet other criteria, including 1,000 hours of service.

Contributions

Participants may contribute from 1% to 5% of their pretax annual compensation for which the Company provides a matching contribution of 100% for the first 3% of the participant's compensation and 50% for the remaining 2%. Overall, participants may contribute up to 80% of their pretax annual compensation subject to the annual maximum allowed participant contribution, which was $16,500 for 2011. Under applicable law, participants attaining the age of 50 during or prior to 2011 are eligible to make catch-up contributions.

Contributions by the Company under the noncontributory profit sharing feature are discretionary. Contribution rates may range up to 6% of participants' compensation based on the Company's return on average common equity, as defined, for the Plan year.

Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

These contributions are approved and made subsequent to the end of the Plan year. For the 2011 Plan year, the Company approved and contributed $11,644,063 under this profit sharing feature, which was contributed in February 2012 and included in employer contributions for the year ended December 31, 2011.

Forfeitures used to offset Company contributions were $129,496 in 2011. The amount of forfeitures outstanding was $104,099 and $134,001 at December 31, 2011 and 2010, respectively.

The Plan allows for Roth 401(k) contributions consistent with the requirements of Sec.402A of the Internal Revenue Code ("the Code"). Such contributions include rollovers from other Roth deferral accounts as described in Code Sec.402A(e)(1) and only to the extent the rollovers are permitted under Code Sec.402(c). Roth contributions are treated as elective deferrals at the option of the participant for all purposes under the Plan, including determination and allocation of the Company's matching contributions.

The Plan allows rollovers by participants from nonaffiliated qualifying plans.

Participant Accounts

Each participant's fund account is credited with the participant's contributions and allocations of the Company's contributions and Plan earnings. Investment income or loss is allocated based on the investment shares held in the participant's account in relation to the total investment shares of the Plan.

Vesting and Payment of Benefits

Participant and Company matching contributions plus investment earnings are immediately vested. Company contributions under the noncontributory profit sharing feature vest according to the following schedule:

Years of vesting service	Percent vested
Less than 2	None
2	20%
3	40%
4	60%
5 or more	100%

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Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Nonvested amounts forfeited by terminated participants are used first to reduce the Company's nonelective contributions. If Company nonelective contributions are not made during a given Plan year, any amounts forfeited may be used at the Company's election to reduce the Company's matching contribution, offset administrative expenses, allocate directly to participants' accounts, or any combination of the foregoing. Participants are 100% vested if employed by the Company when normal retirement age is attained. Benefits are paid upon death, disability, retirement, or termination of employment, or may be paid earlier subject to Plan provisions. Benefits are paid in shares of stock, cash, or a combination of the two, depending on the participant's investment options.

Investment Options

Participant contributions can be directed subject to Plan provisions into various Plan investment options, including the Company's common stock. The Company's matching contributions and amounts contributed under the noncontributory profit sharing feature are invested in the Company's common stock. Participants may immediately diversify up to 100% of their existing investments in the Company's common stock to other Plan investments. However, a three-year service period is required before participants can diversify their investments in the Company's common stock resulting from the Company's profit sharing contributions.

Participant Loans

Participants may borrow from their fund accounts in amounts from $1,000 up to the lesser of $50,000 or 50% of their vested account balance, as defined. Loan terms cannot exceed five years, or ten years if used for the purchase of a primary residence. The loans are secured by the balance in the participants' accounts and are repaid at a specified rate of interest through direct payroll deductions.

Plan Termination

Although the Company has not expressed any intent to do so, it has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If the Plan were terminated, each participant would become 100% vested and would receive a distribution of assets equal to the value of the participant's account.

Zions Bancorporation Payshelter 401(k) and
Employee Stock Ownership Plan

Notes to Financial Statements (continued)

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are prepared using the accrual basis of accounting. Certain prior period amounts have been reclassified to conform to the current period presentation.

Investment Valuation and Income Recognition

Investments are reported at fair value as further described in Note 4. The statements of net assets available for benefits include an adjustment from fair value to contract value for the Plan's investment in a common collective trust. This investment is through participation in the Fidelity Managed Income Portfolio II – Class 2 fund, which includes investment contracts that are fully benefit-responsive. As such, contract value is considered the more relevant measurement because participants would receive this value if they were to initiate permitted transactions under the terms of the Plan. Contract value of the common collective trust represents contributions plus earnings, less participant withdrawals and administrative expenses.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date.

Notes Receivable from Participants

Notes receivable from participants represent participant loans recorded at their unpaid principal balance plus any accrued interest. Interest income on notes receivable from participants is recorded when earned. The amount for 2011 was $654,060 and was included in interest and dividends in the statement of changes in net assets available for benefits. Related fees are expensed when incurred and included as administrative expenses in benefits paid directly to participants in the statement of changes in net assets available for benefits. No allowance for credit losses was recorded at December 31, 2011 or 2010. If a participant ceases to make loan repayments and the Benefits Committee deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Administrative Expenses

The Company currently pays the administrative expenses; however, the Plan may pay these expenses as determined by the Benefits Committee.

Zions Bancorporation Payshelter 401(k) and
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Notes to Financial Statements (continued)