

US BANCORP \DE\
Form DEF 14A
March 03, 2005
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 x

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

U.S. BANCORP

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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800 Nicollet Mall
Minneapolis, Minnesota 55402
(651) 466-3000

March 11, 2005

Dear Shareholders:

You are cordially invited to join us for our 2005 annual meeting of shareholders, which will be held on Tuesday, April 19, 2005, at 11:00 a.m., Mountain Time, in The Grand Ballroom at the Grand Hyatt Denver, 1750 Welton Street, Denver, Colorado. For your convenience, a map showing the downtown location of the Grand Hyatt Denver is provided on the back of the accompanying proxy statement. Holders of record of our common stock as of February 28, 2005, are entitled to notice of and to vote at the 2005 annual meeting.

The Notice of Annual Meeting of Shareholders and the proxy statement that follow describe the business to be conducted at the meeting. We also will report on matters of current interest to our shareholders.

The proxy statement contains two shareholder proposals which your Board of Directors believes are not in the best interests of our shareholders. Your Board urges you to vote against these proposals.

We hope you will be able to attend the meeting. However, even if you plan to attend in person, please vote your shares promptly to ensure they are represented at the meeting. You may submit your proxy vote by telephone or internet as described in the following materials or by completing and signing the enclosed proxy card and returning it in the envelope provided. If you decide to attend the meeting and wish to change your proxy vote, you may do so automatically by voting in person at the meeting.

If your shares are held in the name of a broker, trust, bank or other nominee, you will need proof of ownership to be admitted to the meeting, as described under "How can I attend the meeting?" on page 4 of the proxy statement.

We look forward to seeing you at the annual meeting.

Sincerely,

Jerry A. Grundhofer
Chairman and Chief Executive Officer

800 Nicollet Mall
Minneapolis, Minnesota 55402
(651) 466-3000

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date and Time: Tuesday, April 19, 2005, at 11:00 a.m. Mountain Time

Place: Grand Hyatt Denver
The Grand Ballroom
1750 Welton Street
Denver, Colorado 80202

- Items of Business:**
1. The election of five directors, each for a three-year term.
 2. The ratification of the selection of Ernst & Young LLP as our independent auditor for the fiscal year ending December 31, 2005.
 3. A proposal to amend our restated certificate of incorporation to eliminate the supermajority voting provisions.
 4. A shareholder proposal urging our Board of Directors to adopt a compensation policy for senior executives emphasizing performance-based restricted stock.
 5. A shareholder proposal urging our Board of Directors and Audit Committee to adopt a policy that prohibits our independent auditor from performing any services for us other than audit and audit-related services.
 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 28, 2005.

Voting by Proxy: If you cannot attend the annual meeting in person, you may vote your shares by telephone or internet by no later than 10:59 p.m. Central Time on April 18, 2005 (as directed on the enclosed proxy card), or by completing, signing and promptly returning the enclosed proxy card by mail. We encourage you to vote by telephone or internet in order to reduce our mailing and handling expenses. If you choose to submit your proxy by mail, we have enclosed an envelope addressed to our transfer agent, Mellon Investor Services, for which no postage is required if mailed in the United States.

By Order of the Board of Directors

Lee R. Mitau
Secretary

March 11, 2005

PROXY STATEMENT

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**PROXY STATEMENT
2005 ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 19, 2005**

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, 2005, and at any adjournment of the meeting. This proxy statement and the enclosed proxy card are first being mailed or given to shareholders on or about March 11, 2005.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

What is the purpose of the meeting?

At our annual meeting, shareholders will act upon the matters outlined in the Notice of Annual Meeting of Shareholders. These include the election of directors, ratification of the selection of our independent auditor, amendment of our restated certificate of incorporation, and consideration of two shareholder proposals. Also, management will report on our performance during the last fiscal year and respond to questions from shareholders.

Who is entitled to vote at the meeting?

The Board has set February 28, 2005, as the record date for the annual meeting. If you were a shareholder of record at the close of business on February 28, 2005, you are entitled to vote at the meeting.

As of the record date, 1,853,368,993 shares of our common stock were issued and outstanding and, therefore, eligible to vote at the meeting.

What are my voting rights?

Holders of our common stock are entitled to one vote per share. Therefore, a total of 1,853,368,993 votes are entitled to be cast at the meeting. There is no cumulative voting.

How many shares must be present to hold the meeting?

In accordance with our bylaws, shares equal to at least one-third of the voting power of our outstanding shares of common stock as of the record date must be present at the meeting in order to hold the meeting and conduct business. This is called a quorum. Your shares are counted as present at the meeting if:

- you are present and vote in person at the meeting; or
- you have properly submitted a proxy card by mail, telephone or internet.

How do I vote my shares?

If you are a shareholder of record as of the record date, you can give a proxy to be voted at the meeting in any of the following ways:

- over the telephone by calling a toll-free number;
- electronically, using the internet; or
- by completing, signing and mailing the enclosed proxy card.

The telephone and internet voting procedures have been set up for your convenience. We encourage you to save corporate expense by submitting your vote by telephone or internet. The procedures have been designed to authenticate your identity, to allow you to give voting instructions, and to confirm that those instructions have been recorded properly. If you are a shareholder of record and you would like to submit your proxy by telephone or internet, please refer to the specific instructions provided on the enclosed proxy card. If you wish to submit your proxy by mail, please return your signed proxy card to us before the annual meeting.

If you hold your shares in street name, you must vote your shares in the manner prescribed by your broker or other nominee. Your broker or other nominee has enclosed or otherwise provided a voting instruction card for you to use in directing the broker or nominee how to vote your shares, and telephone and internet voting is also encouraged for shareholders who hold their shares in street name.

What is the difference between a shareholder of record and a street name holder?

If your shares are registered directly in your name, you are considered the shareholder of record with respect to those shares.

If your shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the shareholder of record with respect to those shares. However, you still are considered the beneficial owner of those shares, and your shares are said to be held in street name. Street name holders generally cannot vote their shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their shares using the method described above.

How do I vote if my shares are held in the U.S. Bancorp 401(k) Savings Plan?

If you hold any shares in the U.S. Bancorp 401(k) Savings Plan, your completed proxy card or telephone or internet proxy vote will serve as voting instructions to the plan trustee. However, your voting instructions must be received at least five days prior to the annual meeting in order to count. In accordance with the terms of the plan, the trustee will vote all of the shares held in the plan in the same proportion as the actual proxy votes submitted by plan participants at least five days prior to the annual meeting.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, it means that you hold shares registered in more than one account. To ensure that all of your shares are voted, sign and return each proxy card or, if you submit your proxy vote by telephone or internet, vote once for each proxy card you receive.

Can I vote my shares in person at the meeting?

If you are a shareholder of record, you may vote your shares in person at the meeting by completing a ballot at the meeting. Even if you currently plan to attend the meeting, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

If you are a street name holder, you may vote your shares in person at the meeting only if you obtain a signed letter or other proxy from your broker, bank, trust or other nominee giving you the right to vote the shares at the meeting.

If you are a participant in the U.S. Bancorp 401(k) Savings Plan, you may submit a proxy vote as described above, but you may not vote your 401(k) Savings Plan shares in person at the meeting.

What vote is required for the election of directors or for a proposal to be approved?

The affirmative vote of a majority of the voting power of our common stock present and entitled to vote at the meeting is required for the election of each director and for the approval of each proposal other than the proposal to amend our restated certificate of incorporation to eliminate its supermajority voting provisions. The affirmative vote of 80% of the outstanding shares of our common stock entitled to vote at the meeting is required for the approval of the amendments to our restated certificate of incorporation.

How are votes counted?

You may either vote **FOR** or **WITHHOLD** authority to vote for each nominee for the Board of Directors. You may vote **FOR**, **AGAINST** or **ABSTAIN** on the other proposals.

If you submit your proxy but abstain from voting or withhold authority to vote on one or more matters, your shares will be counted as present at the meeting for the purpose of determining a quorum. Your shares also will be counted as present at the meeting for the purpose of calculating the vote on the particular matter with respect to which you abstained from voting or withheld authority to vote.

If you abstain from voting on a proposal, your abstention has the same effect as a vote against that proposal. If you withhold authority to vote for one or more of the directors, this has the same effect as a vote against those directors.

If you hold your shares in street name and do not provide voting instructions to your broker or other nominee, your shares will be considered to be broker non-votes and will not be voted on any proposal on which your broker or other nominee does not have discretionary authority to vote under the rules of the New York Stock Exchange. Shares that constitute broker non-votes will be counted as present at the meeting for the purpose of determining a quorum, but will not be considered entitled to vote on the proposal in question. This effectively reduces the number of shares needed to approve the proposal, making it more likely that the proposal will be approved.

Who will count the vote?

Representatives of Mellon Investor Services, our transfer agent, will tabulate votes and act as independent inspectors of election.

How does the Board recommend that I vote?

You will vote on the following matters:

- Election of five directors: Joel W. Johnson, David B. O Maley, O dell M. Owens, M.D., M.P.H., Craig D. Schnuck and Warren R. Staley;
- Ratification of the selection of Ernst & Young LLP as our independent auditor for the fiscal year ending December 31, 2005; and
- A proposal to amend our restated certificate of incorporation to eliminate the supermajority voting provisions.

The Board of Directors recommends that you vote **FOR** each of the nominees to the Board of Directors, **FOR** the ratification of Ernst & Young LLP as our independent auditor for the fiscal year ending December 31, 2005, and **FOR** the proposal to amend our restated certificate of incorporation to eliminate the supermajority voting provisions.

You will also vote on the following shareholder proposals:

- A shareholder proposal urging our Board of Directors to adopt a compensation policy for senior executives emphasizing performance-based restricted stock; and
- A shareholder proposal urging our Board of Directors and Audit Committee to adopt a policy that prohibits our independent auditor from performing any services for us other than audit and audit-related services.

The Board of Directors recommends that you vote **AGAINST** the shareholder proposals.

What if I do not specify how I want my shares voted?

If you submit a signed proxy card or submit your proxy by telephone or internet and do not specify how you want to vote your shares, we will vote your shares:

- **FOR** all of the nominees for director;
- **FOR** the ratification of the selection of Ernst & Young LLP as our independent auditor for the fiscal year ending December 31, 2005;
- **FOR** the proposal to amend our restated certificate of incorporation to eliminate the supermajority voting provisions;
- **AGAINST** the shareholder proposal urging our Board of Directors to adopt a compensation policy for senior executives emphasizing performance-based restricted stock; and
- **AGAINST** the shareholder proposal urging our Board of Directors and Audit Committee to adopt a policy that prohibits our independent auditor from performing any services for us other than audit and audit-related services.

Can I change my vote after submitting my proxy?

Yes. You may revoke your proxy and change your vote at any time before your proxy is voted at the annual meeting. If you are a shareholder of record, you may revoke your proxy and change your vote by submitting a later-dated proxy by telephone, internet or mail, or by voting in person at the meeting. To request an additional proxy card, or if you have any questions about the annual meeting or how to vote or revoke your proxy, you should contact Mellon Investor Services at 1-888-778-1311.

If you are a participant in the U.S. Bancorp 401(k) Savings Plan, you may revoke your proxy and change your vote as described above, but only until April 14, 2005. If you hold your shares in street name, contact your broker or other nominee regarding how to revoke your proxy and change your vote.

Will my vote be kept confidential?

Yes. We have procedures to ensure that, regardless of whether shareholders vote by mail, telephone, internet or in person, all proxies, ballots and voting tabulations that identify shareholders are kept permanently confidential, except as disclosure may be required by federal or state law or as expressly permitted by a shareholder. We also have the voting tabulations performed by an independent third party.

How can I attend the meeting?

You may be asked to present valid picture identification, such as a driver's license or passport, before being admitted to the meeting. If you hold your shares in street name, you also will need proof of ownership to be admitted to the meeting. A recent brokerage statement or letter from your broker or other nominee are examples of proof of ownership.

Please let us know whether you plan to attend the meeting by marking the attendance box on the proxy card or responding affirmatively when prompted during telephone or internet voting.

Who pays for the cost of proxy preparation and solicitation?

We pay for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks or other nominees for forwarding proxy materials to street name holders. We have retained MacKenzie Partners, Inc. to assist in the solicitation of proxies for the annual meeting for a fee of approximately \$25,000, plus associated costs and expenses.

We are soliciting proxies primarily by mail. In addition, our directors, officers and regular employees may solicit proxies by telephone, facsimile or personally. These individuals will receive no additional compensation for their services other than their regular salaries.

Can I receive future proxy statements and annual reports electronically instead of receiving paper copies through the mail?

Yes. In fact, we encourage you to request electronic delivery of these documents if you are comfortable with the electronic format because it saves us the expense of printing and mailing the materials to you. If you are a shareholder of record or if your shares are held in our 401(k) Savings Plan, you may request and consent to electronic delivery of future proxy statements and annual reports by accessing the website melloninvestor.com/isd and accessing your account. If you do not see a prompt regarding consent to electronic delivery of materials, click on Consent Update under the Account Management option and follow the instructions. If your shares are held in street name, please contact your broker or other nominee and ask about the availability of electronic delivery.

How can I communicate with U.S. Bancorp's Board of Directors?

You can communicate with our Board of Directors by sending a letter addressed to the Board of Directors, non-management directors, presiding director or specified individual directors to:

The Office of the Corporate Secretary

U.S. Bancorp
BC-MN-H210
800 Nicollet Mall
Minneapolis, MN 55402

Any such letters will be delivered to the independent presiding director, or to a specified director if so addressed. Letters relating to accounting matters will be delivered to our Chief Risk Officer for handling in accordance with the Audit Committee's policy on investigation of complaints relating to accounting matters.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Our executive officers and directors are encouraged to own our common stock to further align management's and shareholders' interests. Our share ownership guideline for members of senior management is ownership of shares in an amount having a market value of a multiple of the individual's annual base salary, depending upon the individual's management level, to be achieved within three years of becoming subject to the guideline.

The following table shows how many shares of our common stock were beneficially owned as of February 7, 2005, by each of our directors, director nominees and executive officers named in the Summary Compensation Table in this proxy statement, and by all of our directors and executive officers as a group. To the best of our knowledge, no shareholder beneficially owned more than five percent of our common stock as of February 7, 2005. Unless otherwise noted, the shareholders listed in the table have sole voting and investment power with respect to the shares of common stock owned by them.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾⁽²⁾	Percent of Common Stock Outstanding
Linda L. Ahlers	105,015 (3)	*
Victoria Buyniski Gluckman	189,346 (3)(4)	*
Andrew Cecere	749,036 (5)	*
William L. Chenevich	808,207 (6)	*
Arthur D. Collins, Jr.	113,892 (3)	*
Peter H. Coors	117,044 (3)	*
Richard K. Davis	2,234,643 (7)	*
Jerry A. Grundhofer	7,746,029 (8)	*
Edward Grzedzinski	1,474,162 (9)	*
Joel W. Johnson	87,099 (3)	*
Jerry W. Levin	122,169 (3)	*
David M. Moffett	2,191,007 (10)	*
David B. O. Maley	236,182 (3)	*
O dell M. Owens, M.D., M.P.H.	150,107 (3)	*
Thomas E. Petry	307,947 (3)	*
Richard G. Reiten	75,413 (3)	*
Craig D. Schnuck	44,514 (3)(11)	*
Warren R. Staley	90,931 (3)	*
Patrick T. Stokes	87,238 (3)(12)	*
John J. Stollenwerk	159,982 (3)(13)	*
All directors and executive officers as a group (26 persons)	19,716,158 (14)	1.05 %

* Indicates less than 1%.

(1) Includes the following shares subject to options exercisable within 60 days: Ms. Ahlers, 85,618 shares; Ms. Buyniski Gluckman, 152,585 shares; Mr. Cecere, 604,268 shares; Mr. Chenevich, 706,018 shares; Mr. Collins, 98,615 shares; Mr. Coors, 99,448 shares; Mr. Davis, 2,039,120 shares; Mr. Grundhofer, 4,831,130 shares; Mr. Grzedzinski, 1,127,013 shares; Mr. Johnson, 76,104 shares; Mr. Levin, 83,049 shares; Mr. Moffett, 1,880,763 shares; Mr. O. Maley, 126,518 shares; Dr. Owens, 92,809 shares; Mr. Petry, 99,908 shares; Mr. Reiten, 49,233 shares; Mr. Schnuck, 21,265 shares; Mr. Staley, 80,321 shares; Mr. Stokes, 58,827 shares; and Mr. Stollenwerk, 92,678 shares.

(2) Some of our directors and officers have deferred cash compensation or stock option gains under our deferred compensation plans. Some of these deferred amounts will be paid out in shares of our common stock upon the director's or officer's retirement or other termination of employment or service with U.S. Bancorp. The number of shares to which the directors and officers would be entitled had their employment or service with U.S. Bancorp terminated as of February 7, 2005, is included in the table, as

follows: Ms. Ahlers, 2,389 shares; Ms. Buyniski Gluckman, 2,992 shares; Mr. Davis, 51,851 shares; Mr. Grundhofer, 2,052,376 shares; Mr. Moffett, 177,497 shares; Mr. O Maley, 5,068 shares; Dr. Owens, 50,862 shares; Mr. Petry, 194,803 shares; Mr. Reiten, 11,747 shares; Mr. Stokes, 10,116 shares; and Mr. Stollenwerk, 3,836 shares. The directors and officers have no voting or investment power as to these shares.

(3) Includes 6,436 restricted stock units that vest over four years and are distributable in an equivalent number of shares of our common stock if (a) the holder retires from our Board of Directors in accordance with our director retirement policy, (b) the holder's Board service is terminated without cause, or (c) the holder leaves service on the Board for any reason after 10 years of service. Only vested units are distributable when the holder's Board service ends under other circumstances. The holder has no voting or investment power over these units.

(4) Includes 13,500 shares held by United Medical Resources, Inc., of which Ms. Buyniski Gluckman is Chairman, President, Chief Executive Officer and sole shareholder.

(5) Includes 44,583 shares of restricted stock subject to future vesting conditions; 341 shares held by Mr. Cecere's wife, as to which Mr. Cecere has no voting or investment power; and 5,459 shares held in the U.S. Bancorp 401(k) Savings Plan.

(6) Includes 61,072 shares of restricted stock subject to future vesting conditions and 1,223 shares held in the U.S. Bancorp 401(k) Savings Plan.

(7) Includes 39,827 shares of restricted stock subject to future vesting conditions; 43,002 shares held in a trust of which Mr. Davis's wife is trustee and as to which Mr. Davis has no voting or investment power; 33,940 shares held in a trust of which Mr. Davis is trustee; and 7,640 shares held in the U.S. Bancorp 401(k) Savings Plan.

(8) Includes 21,558 shares held in the U.S. Bancorp 401(k) Savings Plan; 227,351 shares held by a family trust, as to which Mr. Grundhofer has shared voting and investment power; and 598,614 restricted stock units that are distributable in an equivalent number of shares of our common stock at certain times after Mr. Grundhofer's retirement, as to which he has no voting or investment power.

(9) Includes 24,063 shares held by Mr. Grzedzinski's wife, as to which Mr. Grzedzinski has no voting or investment power, and 7,099 shares held by Mr. Grzedzinski's child, as to which Mr. Grzedzinski has no voting or investment power.

(10) Includes 39,827 shares of restricted stock subject to future vesting conditions; 30,291 shares held by Mr. Moffett's wife, as to which he has no voting or investment power; and 268 shares held in the U.S. Bancorp 401(k) Savings Plan.

(11) Includes 7,057 shares held jointly by Mr. Schnuck and his wife, as to which he has shared voting and investment power, and 9,756 shares held in a trust of which Mr. Schnuck is trustee.

(12) Includes 11,859 shares held in a trust by Mr. Stokes's wife, as to which Mr. Stokes has no voting or investment power.

(13) Includes 3,337 shares held by Mr. Stollenwerk's children, as to which Mr. Stollenwerk has no voting or investment power; 8,911 shares held in a family trust, as to which Mr. Stollenwerk has no voting or investment power; 18,727 shares held by Mr. Stollenwerk's wife, as to which Mr. Stollenwerk has no voting or investment power; and 100 shares held by LMI Partnership, of which Mr. Stollenwerk is a general partner and as to which he has shared voting and investment power.

(14) Includes 70,866 shares held in the U.S. Bancorp 401(k) Savings Plan for the accounts of certain executive officers; 358,119 shares of restricted stock subject to future vesting conditions; 688,718 restricted stock units that are distributable in an equivalent number of shares of our common stock; 2,577,372 shares payable to certain directors and executive officers pursuant to our deferred compensation plan; and 14,628,572 shares subject to options exercisable within 60 days.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors to file initial reports of ownership and reports of changes in ownership of our securities with the Securities and Exchange Commission. Executive officers and directors are required to furnish us with copies of these reports. Based solely on a review of the Section 16(a) reports furnished to us with respect to 2004 and written representations from the executive officers and directors, we believe that all Section 16(a) filing requirements applicable to our executive officers and directors during 2004 were satisfied, except that Michael J. Doyle filed a late Form 4 in 2004 reporting six cashless stock option exercises in 2004 and Richard K. Davis reported late on Form 4 in 2004 a gift of shares that occurred in 2003.

PROPOSAL 1 ELECTION OF DIRECTORS

Our Board of Directors currently has 15 members and is divided into three classes of approximately equal size. The members of each class are elected to serve a three-year term with the term of office for each class ending in consecutive years. At this year's annual meeting, the terms of our Class I directors will expire. Linda L. Ahlers, John J. Stollenwerk and Thomas E. Petry will retire at the upcoming annual meeting. Ms. Ahlers is a Class I director with her term expiring at the upcoming annual meeting, Mr. Stollenwerk is a Class II director whose term would expire at the 2006 annual meeting, and Mr. Petry is a Class III director whose term would expire at the 2007 annual meeting. Notwithstanding the company's retirement age guideline, the Board believes that it is in the best interest of the company and its shareholders for Richard G. Reiten, a Class III director, to continue to serve on the Board for the remainder of his term, which expires at the 2007 annual meeting. The Board also determined that Mr. Reiten's service on the Board would not be impaired by his service on four other public company boards of directors.

In connection with these retirements, the Board has determined to decrease the number of directors in Class I from six to five, the number of directors in Class II from four to three, and the number of directors in Class III from five to four. Joel W. Johnson, David B. O'Maley, O'dell M. Owens, M.D., M.P.H., Craig D. Schnuck and Warren R. Staley are the current Class I directors who have been nominated for re-election to the Board to serve until the 2008 annual meeting or until their successors are elected and qualified. Each of the nominees has agreed to serve as a director if elected. Proxies may not be voted for more than five directors. If, for any reason, any nominee becomes unable to serve before the election, the persons named as proxies will vote your shares for a substitute nominee selected by the Board of Directors. Alternatively, the Board of Directors, at its option, may further reduce the number of directors constituting Class I directors.

The election of each nominee requires the affirmative vote of a majority of the common stock present and entitled to vote at the annual meeting.

The Board of Directors recommends a vote FOR election of the five nominated directors. Proxies will be voted for the election of the five nominees unless otherwise specified.

The nominees for election as directors and the directors whose terms of office will continue after the meeting have provided the following information about themselves. Dates listed for the nominees and continuing directors include service as directors of predecessor companies to U.S. Bancorp.

CLASS I DIRECTORS NOMINEES FOR TERMS ENDING IN 2008

JOEL W. JOHNSON: Age 61, director since 1999. Mr. Johnson is Chairman and Chief Executive Officer of Hormel Foods Corporation, a meat and food processing company. He joined Hormel in 1991 as Executive Vice President, Sales and Marketing, and was elected President in 1992. He served as President until May 2004. In 1993, Mr. Johnson assumed the title of Chief Executive Officer, and he was elected Chairman of the Board in 1995. Mr. Johnson also serves as a director of Ecolab, Inc. and Meredith Corporation.

DAVID B. O MALEY: Age 58, director since 1995. Mr. O Maley is Chairman, President and Chief Executive Officer of Ohio National Financial Services, Inc., an intermediate insurance holding company that markets insurance and financial products through its affiliates, and of certain of its affiliated companies including its ultimate parent company. Mr. O Maley has held these positions since 1994 and has been with Ohio National since 1992. Mr. O Maley also serves as a director of The Midland Company, Inc.

O DELL M. OWENS, M.D., M.P.H.: Age 57, director since 1991. Dr. Owens has been providing services as an independent consultant in medicine, business, education and work-site employee benefits since 2001, and he was elected Coroner of Hamilton County, Ohio in November 2004. Dr. Owens is also the President and Chairman of the Board for Project GRAD (Graduation Really Achieves Dreams), a national non-profit organization formed to improve inner-city education. Dr. Owens has served in this capacity since 2001. From 2002 to 2003, Dr. Owens served as President, Chief Executive Officer and a member of the Board of Trustees of RISE Learning Solutions, a national non-profit organization that uses technology to provide training for adults who care for children. From 1999 to 2002, Dr. Owens served as Senior Medical Director of United Healthcare Insurance Company of Ohio, a provider of healthcare coverage and related services.

CRAIG D. SCHNUCK: Age 56, director since 2002. Mr. Schnuck is Chairman and Chief Executive Officer of Schnuck Markets, Inc., a supermarket chain. Mr. Schnuck has served in his current position since 1991. He was elected President in 1984 and Chief Executive Officer in 1989. Mr. Schnuck also serves as a director of the DESCO Group.

WARREN R. STALEY: Age 62, director since 1999. Mr. Staley is Chairman and Chief Executive Officer of Cargill, Incorporated, an international marketer, processor and distributor of agricultural, food, financial and industrial products. He joined Cargill in 1969 and was elected President and Chief Operating Officer in 1998. He was named Chief Executive Officer in 1999 and Chairman in 2000. Mr. Staley also serves as a director of Target Corporation.

CLASS II DIRECTORS TERMS ENDING IN 2006

PETER H. COORS: Age 58, director since 1996. Mr. Coors is Vice Chairman of Molson Coors Brewing Company and Chairman of Coors Brewing Company, a subsidiary of Molson Coors Brewing Company, a producer, marketer and seller of malt-based beverages. He has been associated with Coors Brewing Company since 1970 and was named Chairman in 2000. He served as Vice Chairman and Chief Executive Officer of Coors Brewing Company and as Vice President of Adolph Coors Company from 1993 to 2000. Mr. Coors served as Chairman of Adolph Coors Company from 2000 until its February 2005 merger with Molson, Inc., which created Molson Coors Brewing Company. Mr. Coors also serves as a director of H.J. Heinz Company.

JERRY A. GRUNDHOFER: Age 60, director since 1993. Mr. Grundhofer is Chairman and Chief Executive Officer of U.S. Bancorp. He has served as Chief Executive Officer of U.S. Bancorp since the merger of Firststar Corporation and U.S. Bancorp in February 2001 and as Chairman since December 30, 2002. He also served as President from the time of the merger until October 2004. From 1993 until the merger, he served as Chairman, President and Chief Executive Officer of U.S. Bancorp predecessors Firststar Corporation and Star Banc Corporation. Mr. Grundhofer also serves as a director of Ecolab, Inc. and The Midland Company, Inc.

PATRICK T. STOKES: Age 62, director since 1992. Mr. Stokes is President, Chief Executive Officer and a director of Anheuser-Busch Companies, Inc., the holding company parent of Anheuser-Busch, Incorporated, and Chairman and Chief Executive Officer of Anheuser-Busch, Incorporated, a producer and distributor of beer. Mr. Stokes has been affiliated with Anheuser-Busch since 1969, was elected President of Anheuser-Busch, Incorporated in 1990, and has served in his current position since 2002. From 2000 to 2002, he served as Senior Executive Vice President of Anheuser-Busch Companies, Inc. Mr. Stokes also serves as a director of Ameren Corporation.

CLASS III DIRECTORS TERMS ENDING IN 2007

VICTORIA BUYNISKI GLUCKMAN: Age 53, director since 1990. Ms. Buyniski Gluckman is Chairman, President and Chief Executive Officer of United Medical Resources, Inc., a third-party administrator of employer healthcare benefits. She has held these positions since founding United Medical Resources in 1983. Ms. Buyniski Gluckman also serves as a director of Ohio National Financial Services, Inc.

ARTHUR D. COLLINS, JR.: Age 57, director since 1996. Mr. Collins is Chairman and Chief Executive Officer of Medtronic, Inc., a leading medical device and technology company. Mr. Collins joined Medtronic in 1992 and served as President from 1996 to 2002. He was elected Chief Executive Officer in 2001 and Chairman in 2002. Mr. Collins also serves as a director of Cargill, Incorporated.

JERRY W. LEVIN: Age 60, director since 1995. Mr. Levin is the retired Chairman and Chief Executive Officer of American Household, Inc. (formerly Sunbeam Corporation), a leading consumer products company. He held these positions from 1998 until January 2005. Mr. Levin also serves as a director of Ecolab, Inc.

RICHARD G. REITEN: Age 65, director since 1998. Mr. Reiten is the retired Chairman of Northwest Natural Gas Company, a distributor of natural gas. Mr. Reiten joined Northwest Natural Gas in 1996 as President, a position he held until 2001, and Chief Operating Officer, a position he held until 1997. He served as Chief Executive Officer of Northwest Natural Gas from 1997 to 2002 and served as Chairman from 2000 until February 2005. Mr. Reiten also serves as a director of Building Materials Holding Corporation, Idacorp, Inc., National Fuel Gas Company and Northwest Natural Gas Company.

CORPORATE GOVERNANCE

Our Board of Directors and management are dedicated to exemplary corporate governance. Good corporate governance is vital to the continued success of U.S. Bancorp and the entire financial services industry. Our Board of Directors has adopted the U.S. Bancorp Corporate Governance Guidelines to provide a framework for directors and management to effectively pursue U.S. Bancorp's objectives for the benefit of its shareholders. The Board annually reviews and updates these guidelines and the charters of the Board committees in response to evolving best practices and the results of annual Board and committee evaluations. The Board recently amended the Audit Committee charter, which is attached as Appendix A to this proxy statement. Our Corporate Governance Guidelines, as well as our Code of Ethics and Business Conduct, can be found at usbank.com by clicking on About U.S. Bancorp and then Corporate Governance. Shareholders may request a free printed copy of our Corporate Governance Guidelines and our Code of Ethics and Business Conduct from our investor relations department by contacting them at investorrelations@usbank.com or by calling (612) 303-0799.

Board Independence

Our Board of Directors has determined that each of our directors other than Jerry A. Grundhofer and Victoria Buyniski Gluckman has no material relationship with U.S. Bancorp and is independent. Each of our Audit, Governance and Compensation Committees is composed only of independent directors. In making the independence determinations, our Governance Committee and full Board of Directors reviewed all of our directors' relationships with U.S. Bancorp based primarily on a review of the responses of the directors to questions regarding employment, business, familial, compensation and other relationships with U.S. Bancorp and its management. Jerry Grundhofer is not independent because he is the current Chief Executive Officer of U.S. Bancorp. Victoria Buyniski Gluckman is not independent because during fiscal year 2004 and in prior years, U.S. Bancorp paid for services totaling more than \$100,000 to United Medical Resources, Inc., a company that is wholly owned by Ms. Buyniski Gluckman. This business relationship is further described below under the caption Certain Relationships and Related Transactions Other Transactions.

Our Board has adopted certain standards to assist it in assessing the independence of each of its directors. Absent other material relationships with U.S. Bancorp, a director of U.S. Bancorp who otherwise meets the independence qualifications of the New York Stock Exchange listing standards may be deemed independent by the Board of Directors if the lending relationships, deposit relationships, other banking relationships (such as depository, transfer, registrar, indenture trustee, trusts and estates, private banking, investment management, custodial, securities brokerage, cash management and similar services) and other commercial or charitable relationships between U.S. Bancorp and its subsidiaries, on the one hand, and an entity with which the director (or any of the director's immediate family members, as defined in the New York Stock Exchange listing standards) is affiliated by reason of being a director, officer or a significant shareholder thereof, on the other, meet the following criteria:

- such relationships are in the ordinary course of business of U.S. Bancorp and are on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons; and
- with respect to extensions of credit by U.S. Bancorp or its subsidiaries to such entity or its subsidiaries, (i) such extensions of credit have been made in compliance with applicable law, including Regulation O of the Board of Governors of the Federal Reserve and Section 13(k) of the Securities Exchange Act of 1934; and (ii) no event of default has occurred and is continuing beyond any cure period.

Board Meetings and Committees

The Board of Directors conducts its business through meetings of the Board and the following standing committees: Audit, Governance, Compensation, Credit and Finance, Community Outreach and Fair Lending, and Executive. Each of the standing committees has adopted and operates under a written charter. These charters can be found on our website at usbank.com by clicking on About U.S. Bancorp and then Corporate Governance. Shareholders may request a free printed copy of any of these charters from our investor relations department by contacting them at investorrelations@usbank.com or by calling (612) 303-0799.

The Board of Directors held seven meetings during fiscal year 2004. Each director attended at least 75% of the total meetings of the Board and Board committees on which the director served during the fiscal year, except Peter H. Coors, who attended 56% and Craig D. Schnuck, who attended 67% of such meetings.

Audit Committee

Members:	Warren R. Staley, <i>Chair</i>	Craig D. Schnuck
	Linda L. Ahlers	John J. Stollenwerk
	Richard G. Reiten	

The Audit Committee is responsible for assisting the Board of Directors in monitoring the quality and integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent auditor, and the performance of our internal audit function and independent auditor. The Audit Committee has sole authority to retain and terminate the independent auditor and is directly responsible for the compensation and oversight of the work of the independent auditor. The Audit Committee reviews and discusses with management and the independent auditor the annual audited and quarterly financial statements (including the disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations), reviews the integrity of the financial reporting processes, both internal and external, reviews the qualifications, performance and independence of the independent auditor, and prepares the Audit Committee Report included in the proxy statement in accordance with the rules and regulations of the Securities and Exchange Commission. The Audit Committee has adopted and operates under a written charter, which was amended in January 2005 and is included as Appendix A to this proxy statement. All of the Audit Committee members meet the existing independence and experience requirements of the New York Stock Exchange and the Securities and Exchange Commission. The Audit Committee charter generally prohibits Audit Committee members from serving on more than two other public company audit committees. The Chair of the Audit Committee serves on no other audit committees. Our Board of Directors has identified Warren R. Staley, our Audit Committee Chair, as an audit committee financial expert under the rules of the Securities and Exchange Commission. The Audit Committee held eight meetings in 2004, four of which were held by telephone conference. During each in-person meeting the Committee met in private session with the Chief Risk Officer and the Director of Internal Audit and in private session with our independent auditor, and met alone in executive session, without members of management present.

Governance Committee

Members:	Jerry W. Levin, <i>Chair</i>	David B. O'Maley
	Arthur D. Collins, Jr.	Thomas E. Petry
	Joel W. Johnson	Patrick T. Stokes

The Governance Committee reviews and makes recommendations to the Board regarding our corporate governance principles and processes, including policies related to director retention, resignation

and retirement. The Committee also manages the performance review process for our current directors, recommends new directors, recommends qualified members of the Board for membership on committees, assesses the independence of all Board members, reviews charters of all Board committees, reviews and evaluates succession plans for executive officers, oversees the evaluation of management, and makes recommendations to the Board regarding any shareholder proposals. All of the Governance Committee members meet the existing independence requirements of the New York Stock Exchange. The Governance Committee held five meetings in 2004. During each meeting the Committee held an executive session without members of management present.

Director Qualification Standards. Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareholders. In evaluating candidates for nomination as a director of U.S. Bancorp, the Governance Committee will consider criteria including current or recent experience as a chief executive officer of a public company or as a leader of another major complex organization; business and financial expertise; geography; experience as a director of a public company; gender and ethnic diversity on the Board; independence; and general criteria such as ethical standards, independent thought, practical wisdom and mature judgment. In addition, directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serving on the Board for an extended period of time. The Governance Committee believes it is necessary for one or more of the directors to possess the education or experience required to qualify as an audit committee financial expert.

Director Nominee Selection Process. The selection process for director candidates includes the following steps: (1) identification of director candidates by the Governance Committee based upon suggestions from current directors and executives and recommendations received from shareholders; (2) possible engagement of a director search firm; (3) interviews of candidates by the Chair of the Governance Committee and two other Governance Committee members; (4) reports to the Board by the Governance Committee on the selection process; (5) recommendations by the Governance Committee; and (6) formal nominations by the Board for inclusion in the slate of directors at the annual meeting. Director candidates recommended by shareholders are given the same consideration as candidates suggested by directors and executive officers. A shareholder seeking to recommend a prospective candidate for the Governance Committee's consideration should submit the candidate's name and sufficient written information about the candidate to permit a determination by the Governance Committee whether the candidate meets the director selection criteria set forth in our Corporate Governance Guidelines to the Secretary of U.S. Bancorp at the address listed on page 5 of this proxy statement.

Compensation Committee

Members:	David B. O. Maley, <i>Chair</i>	Thomas E. Petry
	Linda L. Ahlers	Patrick T. Stokes
	Peter H. Coors	John J. Stollenwerk

The Compensation Committee establishes our compensation policy, determines the compensation paid to our executive officers and non-employee directors, recommends executive incentive compensation plans and equity-based plans and approves other compensation plans and retirement plans. The Compensation Committee approves corporate goals related to the compensation of the chief executive officer, evaluates the chief executive officer's performance and compensates the chief executive officer based on this evaluation. All of the Compensation Committee members meet the existing independence requirements of the New York Stock Exchange. The Compensation Committee held eight meetings in 2004. During each meeting the Committee held an executive session without members of management present.

Credit and Finance Committee

Members: Arthur D. Collins, Jr., *Chair* O dell M. Owens, M.D., M.P.H.
Victoria Buyniski Gluckman Richard G. Reiten
Jerry A. Grundhofer Warren R. Staley
Jerry W. Levin

The Credit and Finance Committee is responsible for reviewing lending and credit policies, reviewing management's assessment of the balance of loan growth and credit risk and reviewing management's assessment of the adequacy of credit management information systems and allowance for loan and lease losses. The Committee is also responsible for reviewing and approving policies relating to interest rate sensitivity, liquidity and capital adequacy and will review interest rate sensitivity, liquidity, capital, securitizations, derivatives activity and investment portfolio position reports for compliance.