

US BANCORP \DE\  
Form DEF 14A  
March 08, 2004

**Table of Contents**

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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  x  
Filed by a Party other than the Registrant  o

Check the appropriate box:

- 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

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(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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4) Proposed maximum aggregate value of transaction:

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o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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4) Date Filed:

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**Table of Contents**

800 Nicollet Mall

Minneapolis, Minnesota 55402  
(651) 466-3000

March 11, 2004

Dear Shareholders:

You are cordially invited to join us for our 2004 annual meeting of shareholders, which will be held on Tuesday, April 20, 2004, at 11:00 a.m., Pacific Time, in the Bunker Hill Ballroom at The Omni Los Angeles Hotel at California Plaza, 251 South Olive Street, Los Angeles, California. For your convenience, a map showing the location of The Omni Los Angeles Hotel is provided on the back of the accompanying proxy statement. Holders of record of our common stock as of February 26, 2004, are entitled to notice of and to vote at the 2004 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 three shareholder proposals which your Board of Directors believe 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, President and Chief Executive Officer*

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**Table of Contents**

800 Nicollet Mall

Minneapolis, Minnesota 55402  
(651) 466-3000

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**Date and Time:** Tuesday, April 20, 2004, at 11:00 a.m. Pacific Time

**Place:** The Omni Los Angeles Hotel at California Plaza  
Bunker Hill Ballroom  
251 South Olive Street  
Los Angeles, California 90012

**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 U.S. Bancorp's independent auditors for the fiscal year ending December 31, 2004.
3. A shareholder proposal to replace our current system of compensation for senior executives.
4. A shareholder proposal to require shareholder approval of certain supplemental executive retirement benefits.
5. A shareholder proposal to require that any matter submitted to our shareholders be approved by a simple majority of all shares outstanding.
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 26, 2004.

**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 10:00 p.m. Central Time on April 19, 2004 (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, 2004

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**Table of Contents****PROXY STATEMENT****TABLE OF CONTENTS**

<b><u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING</u></b>	<b>1</b>
<u>What is the purpose of the meeting?</u>	1
<u>Who is entitled to vote at the meeting?</u>	1
<u>What are my voting rights?</u>	1
<u>How many shares must be present to hold the meeting?</u>	1
<u>How do I vote my shares?</u>	1
<u>What is the difference between a shareholder of record and a street name holder?</u>	2
<u>How do I vote if my shares are held in the U.S. Bancorp 401(k) Savings Plan?</u>	2
<u>What does it mean if I receive more than one proxy card?</u>	2
<u>Can I vote my shares in person at the meeting?</u>	2
<u>What vote is required for the election of directors or for a proposal to be approved?</u>	2
<u>How are votes counted?</u>	2
<u>How does the Board recommend that I vote?</u>	3
<u>What if I do not specify how I want my shares voted?</u>	3
<u>Can I change my vote after submitting my proxy?</u>	3
<u>Will my vote be kept confidential?</u>	4
<u>How can I attend the meeting?</u>	4
<u>Who pays for the cost of proxy preparation and solicitation?</u>	4
<u>Can I receive future proxy statements and annual reports electronically instead of receiving paper copies through the mail?</u>	4
<u>How can I communicate with U.S. Bancorp's Board of Directors?</u>	4
<b><u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u></b>	<b>5</b>
<b><u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u></b>	<b>7</b>
<b><u>PROPOSAL 1 ELECTION OF DIRECTORS</u></b>	<b>7</b>
<b><u>CLASS III DIRECTORS-NOMINEES FOR TERMS ENDING IN 2007</u></b>	<b>8</b>
<b><u>CLASS I DIRECTORS-TERMS ENDING IN 2005</u></b>	<b>9</b>
<b><u>CLASS II DIRECTORS-TERMS ENDING IN 2006</u></b>	<b>10</b>
<b><u>CORPORATE GOVERNANCE</u></b>	<b>12</b>
<u>Board Independence</u>	12
<u>Board Meetings and Committees</u>	12
<u>Executive Sessions of the Board</u>	15
<u>Director Compensation and Related Policies</u>	15
<b><u>EXECUTIVE COMPENSATION</u></b>	<b>17</b>
<u>Report of the Compensation Committee</u>	17
<u>Employment and Change-in-Control Agreements</u>	18
<u>Summary Compensation Table</u>	21
<u>Option Grants in Last Fiscal Year</u>	24
<u>Aggregated Option Exercises in Fiscal Year 2003 and Fiscal Year-End Option Values</u>	25
<u>Defined Benefit Pension Plans</u>	25
<u>Non-Qualified Retirement Plan</u>	27
<b><u>STOCK PERFORMANCE CHART</u></b>	<b>29</b>
<b><u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u></b>	<b>29</b>

**Table of Contents**

<u>Compensation Committee Interlocks and Insider Participation</u>	29
<u>Loans to Directors and Executive Officers</u>	29
<u>Other Transactions</u>	30
<u>AUDIT COMMITTEE REPORT AND PAYMENT OF FEES TO AUDITORS</u>	30
<u>Audit Committee Report</u>	30
<u>Audit Fees</u>	31
<u>Audit-Related Fees</u>	31
<u>Tax Fees</u>	31
<u>All Other Fees</u>	32
<u>Administration of Engagement of Independent Auditors</u>	32
<u>PROPOSAL 2 RATIFICATION OF SELECTION OF AUDITORS</u>	32
<u>PROPOSAL 3 SHAREHOLDER PROPOSAL TO REPLACE OUR CURRENT EXECUTIVE COMPENSATION SYSTEM</u>	33
<u>Shareholder Proposal</u>	33
<u>Board of Directors Recommendation</u>	34
<u>PROPOSAL 4 SHAREHOLDER PROPOSAL TO REQUIRE SHAREHOLDER APPROVAL OF CERTAIN SUPPLEMENTAL EXECUTIVE RETIREMENT BENEFITS</u>	35
<u>Shareholder Proposal</u>	35
<u>Board of Directors Recommendation</u>	36
<u>PROPOSAL 5 SHAREHOLDER PROPOSAL TO REQUIRE SIMPLE MAJORITY VOTING</u>	37
<u>Shareholder Proposal</u>	37
<u>Board of Directors Recommendation</u>	38
<u>SHAREHOLDER PROPOSALS FOR THE 2005 ANNUAL MEETING</u>	39
<u>ANNUAL REPORT TO SHAREHOLDERS AND FORM 10-K</u>	39
<u>OTHER MATTERS</u>	39
<u>U.S. Bancorp Audit Committee Charter</u>	Appendix A
<u>U.S. Bancorp Corporate Governance Guidelines</u>	Appendix B

**Table of Contents**

**PROXY STATEMENT**

**2004 ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON APRIL 20, 2004**

The Board of Directors of U.S. Bancorp is soliciting proxies for use at the annual meeting of shareholders to be held on April 20, 2004, 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, 2004.

**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 auditors, and consideration of three 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 26, 2004 as the record date for the annual meeting. If you were a shareholder of record at the close of business on February 26, 2004, you are entitled to vote at the meeting.

As of the record date, 1,919,898,973 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 1,919,898,973 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.

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**Table of Contents**

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 plans, the trustee will vote all of the shares held in the plans 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 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.

***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

**Table of Contents**

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.

***How does the Board recommend that I vote?***

The Board of Directors recommends that you vote:

**FOR** all of the nominees for director;

**FOR** the ratification of the selection of Ernst & Young LLP as U.S. Bancorp's independent auditors for the fiscal year ending December 31, 2004;

**AGAINST** the shareholder proposal to replace our current system of compensation for senior executives;

**AGAINST** the shareholder proposal to require shareholder approval of certain supplemental executive retirement benefits; and

**AGAINST** the shareholder proposal to require that any matter submitted to our shareholders be approved by a simple majority of all shares outstanding.

***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 U.S. Bancorp's independent auditors for the fiscal year ending December 31, 2004;

**AGAINST** the shareholder proposal to replace our current system of compensation for senior executives;

**AGAINST** the shareholder proposal to require shareholder approval of certain supplemental executive retirement benefits; and

**AGAINST** the shareholder proposal to require that any matter submitted to our shareholders be approved by a simple majority of all shares outstanding.

***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.

## **Table of Contents**

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 15, 2004. 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 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?***

U.S. Bancorp pays 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 or 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 U.S. Bancorp 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 web site [www.melloninvestor.com](http://www.melloninvestor.com) and accessing your account after clicking on Investor ServiceDirect®. 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 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.

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

Our executive officers and directors are encouraged to own U.S. Bancorp common stock to further align management's and shareholders' interests. U.S. Bancorp's guideline for members of senior management is share ownership 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 6, 2004, 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 6, 2004. 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 <sup>(1)(2)</sup>	Percent of Common Stock Outstanding
Linda L. Ahlers	87,873(3)	*
Victoria Buyniski Gluckman	171,037(3)(4)	*
William L. Chenevich	806,399(5)	*
Arthur D. Collins, Jr.	90,251(3)	*
Peter H. Coors	93,363(3)	*
John C. Dannemiller	183,050(3)	*
Richard K. Davis	2,086,240(6)	*
Andrew S. Duff <sup>(7)</sup>	668,964	*
Jerry A. Grundhofer	7,417,940(8)	*
John F. Grundhofer	6,897,486(3)(9)	*
Edward Grzedzinski	767,429(10)	*
Delbert W. Johnson	78,204(3)	*
Joel W. Johnson	64,731(3)	*
Jerry W. Levin	98,870(3)	*
David M. Moffett	1,975,307(11)	*
David B. O'Maley	211,840(3)	*
O'dell M. Owens, M.D., M.P.H	130,159(3)	*
Thomas E. Petry	324,930(3)	*
Richard G. Reiten	62,790(3)	*
Craig D. Schnuck	69,886(3)(12)	*
Warren R. Staley	66,731(3)	*
Patrick T. Stokes	69,660(3)(13)	*
John J. Stollenwerk	132,657(3)(14)	*
All directors and executive officers as a group (28 persons)	25,340,955(15)	1.32%

\* Indicates less than 1%.

(1) Includes the following shares subject to options exercisable within 60 days: Ms. Ahlers, 70,468 shares; Ms. Buyniski Gluckman, 136,289 shares; Mr. Chenevich, 695,950 shares; Mr. Collins, 76,882 shares; Mr. Coors, 77,675 shares; Mr. Dannemiller, 108,454 shares; Mr. Davis, 1,907,611 shares; Mr. Duff,

**Table of Contents**

605,338 shares; Mr. Jerry A. Grundhofer, 5,297,455 shares; Mr. John F. Grundhofer, 5,860,482 shares; Mr. Grzedzinski, 406,243 shares; Mr. Delbert Johnson, 39,292 shares; Mr. Joel Johnson, 55,798 shares; Mr. Levin, 76,941 shares; Mr. Moffett, 1,682,362 shares; Mr. O Maley, 104,261 shares; Dr. Owens, 76,550 shares; Mr. Petry, 89,621 shares; Mr. Reiten, 40,010 shares; Mr. Schnuck, 48,545 shares; Mr. Staley, 58,029 shares; Mr. Stokes, 45,755 shares; and Mr. Stollenwerk, 69,711 shares.

- (2) Some of our directors and officers have deferred cash compensation or stock option gains pursuant to our deferred compensation plan. The 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 6, 2004, is included in the table, as follows: Ms. Ahlers, 2,305 shares; Ms. Buyniski Gluckman, 2,887 shares; Mr. Dannemiller, 54,368 shares; Mr. Davis, 50,035 shares; Mr. Jerry A. Grundhofer, 1,285,082 shares; Mr. Grzedzinski, 5,272 shares; Mr. Moffett, 156,272 shares; Mr. O Maley, 4,891 shares; Dr. Owens, 49,081 shares; Mr. Petry, 187,981 shares; Mr. Reiten, 10,534 shares; Mr. Stokes, 7,518 shares; and Mr. Stollenwerk, 3,359 shares. The directors and officers have no voting or investment power as to these shares.
- (3) Includes 4,528 restricted stock units that vest over four years and are distributable in an equivalent number of shares of our common stock if (i) the holder retires from our Board of Directors in accordance with our director retirement policy, (ii) the holder's Board service is terminated without cause, or (iii) 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 100% shareholder.
- (5) Includes 89,281 shares of restricted stock subject to future vesting conditions and 931 shares held in a U.S. Bancorp 401(k) savings plan.
- (6) Includes 52,654 shares of restricted stock subject to future vesting conditions; 37,438 shares held by Mr. Davis's wife, as to which Mr. Davis has no voting or investment power; and 6,960 shares held in a U.S. Bancorp 401(k) savings plan.
- (7) Mr. Duff is a former executive officer who left U.S. Bancorp on December 31, 2003, as the chief executive officer of Piper Jaffray Companies, a subsidiary that we spun off to our shareholders on that date.
- (8) Includes 20,174 shares held in a U.S. Bancorp 401(k) savings plan; 227,351 shares held by a family trust, as to which Mr. Jerry A. Grundhofer has shared voting and investment power; and 572,878 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 12,476 shares held in a U.S. Bancorp 401(k) savings plan; 1,000,000 shares held in a family trust of which Mr. John F. Grundhofer is a trustee and a beneficiary, as to which he shares voting and investment power; and 20,000 shares held by a charitable foundation he created.
- (10) Includes 42,164 shares of restricted stock subject to future vesting conditions; 25,569 shares held by Mr. Grzedzinski's wife, as to which Mr. Grzedzinski has no voting or investment power; and 5,359 shares held by Mr. Grzedzinski's child, as to which Mr. Grzedzinski has no voting or investment power.
- (11) Includes 52,654 shares of restricted stock subject to future vesting conditions; and 30,291 shares held by Mr. Moffett's wife, as to which he has no voting or investment power.
- (12) 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.
- (13) Includes 11,859 shares held in a trust by Mr. Stokes's wife, as to which Mr. Stokes has no voting or investment power.

**Table of Contents**

- (14) Includes 3,221 shares held by Mr. Stollenwerk's children, as to which Mr. Stollenwerk has no voting or investment power; 8,602 shares held in a family trust, as to which Mr. Stollenwerk has no voting or investment power; 18,078 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, as to which he has shared voting and investment power.
- (15) Includes 68,025 shares held in a U.S. Bancorp 401(k) savings plan for the accounts of certain executive officers; 649,854 restricted stock units that are distributable in an equivalent number of shares of our common stock; 1,826,852 shares payable to certain directors and executive officers pursuant to our deferred compensation plan; and 19,913,474 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 2003 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 2003 were satisfied.

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**PROPOSAL 1 ELECTION OF DIRECTORS**

Our Board of Directors currently has 18 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 III directors will expire. John C. Dannemiller, John F. Grundhofer and Delbert W. Johnson, who currently serve as Class III directors with terms expiring at the upcoming annual meeting, will retire at the upcoming annual meeting. In connection with their retirements, our Board of Directors has determined to decrease the number of directors in Class III from eight to five directors. The number of directors in Class I will remain at six, and the numbers of directors in Class II will remain at four. Victoria Buyniski Gluckman, Arthur D. Collins, Jr., Jerry W. Levin, Thomas E. Petry and Richard G. Reiten are the current Class III directors who have been nominated for re-election to the Board to serve until the 2007 annual meeting or until their successors are elected and qualified. Messrs. Petry and Reiten will retire from the Board at the 2005 annual meeting in accordance with our director retirement policy, before serving out their full terms. 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 III 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.

**Table of Contents**

**CLASS III DIRECTORS NOMINEES FOR TERMS ENDING IN 2007**

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**VICTORIA BUYNISKI GLUCKMAN:** Age 52, 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.

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**ARTHUR D. COLLINS, JR.:** Age 56, 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.

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**JERRY W. LEVIN:** Age 59, director since 1995. Mr. Levin is Chairman and Chief Executive Officer of American Household, Inc. (formerly Sunbeam Corporation), a leading consumer products company. He has held these positions since 1998. Mr. Levin also serves as a director of Ecolab, Inc.

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**THOMAS E. PETRY:** Age 64, director since 1987. Mr. Petry is the retired Chairman and Chief Executive Officer of Eagle-Picher Industries, Inc., a manufacturer of products for automotive, defense, aerospace, construction and other industrial markets. Mr. Petry served as Chief Executive Officer of Eagle-Picher Industries from 1982 to 1998 and as Chairman from 1989 to 1998. Mr. Petry also serves as a director of Cinergy Corp.



**Table of Contents**

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**RICHARD G. REITEN:** Age 64, director since 1998. Mr. Reiten is 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 has served as Chairman since 2000. Mr. Reiten also serves as a director of Building Materials Holding Corporation and Idacorp, Inc.

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**CLASS I DIRECTORS TERMS ENDING IN 2005**

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**LINDA L. AHLERS:** Age 53, director since 1997. Ms. Ahlers is President of Marshall Field's, the department store division of Target Corporation, a diversified retail company. Ms. Ahlers has been associated with Target Corporation (formerly known as Dayton Hudson Corporation) since 1977 and assumed her current position in February 1996.

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**JOEL W. JOHNSON:** Age 60, director since 1999. Mr. Johnson is Chairman, President 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. 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.

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**DAVID B. O MALEY**Age 57, 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.

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**Table of Contents**

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**O DELL M. OWENS, M.D., M.P.H.** Age 56, director since 1991. Dr. Owens has been providing services as an independent healthcare consultant since 2001. 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 Medical Director of United Healthcare Insurance Company of Ohio, a provider of healthcare coverage and related services.

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**CRAIG D. SCHNUCK:** Age 55, 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.

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**WARREN R. STALEY:** Age 61, 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.

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**CLASS II DIRECTORS TERMS ENDING IN 2006**

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**PETER H. COORS:** Age 57, director since 1996. Mr. Coors is Chairman of Adolph Coors Company and of Coors Brewing Company, the principal subsidiary of Adolph Coors 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 also serves as a director of H.J. Heinz Company.

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**Table of Contents**

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**JERRY A. GRUNDHOFER:** Age 59, director since 1993. Mr. Grundhofer is Chairman, President and Chief Executive Officer of U.S. Bancorp and Chairman, President and Chief Executive Officer of U.S. Bank National Association. He has served as Chairman of U.S. Bancorp since January 2003 and has served as President and Chief Executive Officer of U.S. Bancorp since the merger of Firststar Corporation and U.S. Bancorp in February 2001. 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.

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**PATRICK T. STOKES:** Age 61, 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.

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**JOHN J. STOLLENWERK:** Age 64, director since 1998. Mr. Stollenwerk is President, Chief Executive Officer and a director of Allen-Edmonds Shoe Corporation, a manufacturer of fine shoes. He became President of Allen-Edmonds in 1981 and Chief Executive Officer in 1999. Mr. Stollenwerk also serves as a director of Badger Meter, Inc. and Koss Corporation.

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**Table of Contents**

**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. In January 2003, the Board of Directors 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 are attached as Appendix B to this proxy statement and can also be found at [www.usbank.com](http://www.usbank.com) by clicking on About U.S. Bancorp and then Corporate Governance.