Regulatory Capital Pillar 3 Disclosures

June 30, 2019

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BACKGROUND

Basel III regulatory capital rules for large and internationally active banks established the definition of regulatory capital elements and minimum capital ratios, regulatory capital buffers above those minimums, a common equity tier 1 ratio, a supplementary leverage ratio and the rules for calculating risk-weighted assets. Basel III includes two comprehensive methodologies for calculating risk-weighted assets: a general standardized approach and more risk-sensitive advanced approaches. The regulatory capital requirements effective for U.S. Bancorp (the "Company") follow Basel III. Certain minimum capital requirements of Basel III were subject to transition periods, culminating in full implementation effective January 1, 2019.

Basel III advanced approaches has three components ("Pillars"): minimum capital requirements, supervisory review and market discipline.

> Pillar 1 – Minimum capital requirement: Addresses regulatory capital calculations for three major components of risk exposure: credit risk, operational risk, and market risk. The capital computations under Pillar 1 are intended to be more risk-sensitive than those under the standardized approach and are largely statistically based.
>
> Pillar 2 – Supervisory review: Defines the regulatory response to Pillar 1, including expectations for an Internal Capital Adequacy Assessment Process ("ICAAP").
>
> Pillar 3 – Market discipline: Establishes disclosure requirements intended to provide market participants information regarding capital adequacy of an institution, including additional information about the data underlying the Pillar 1 measurements.

Banking institutions with total assets greater than $250 billion are required to develop the systems, processes and controls to report under Basel III advanced approaches measurements.

OVERVIEW

This document, and certain of the Company's public filings, present the Pillar 3 Disclosures in compliance with Basel III as described in Section 173-Disclosures by certain advanced approaches institutions: Capital Adequacy—Basel III Final Rule (the "Rule"). The Company's 2018 Annual Report on Form 10-K ("Annual Report") and its Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 ("Form 10-Q") filed with the Securities and Exchange Commission contains management's discussion of the overall corporate risk profile of the Company and related management strategies. These Pillar 3 Disclosures should be read in conjunction with the Annual Report and Form 10-Q, the Consolidated Financial Statements for Bank Holding Companies - FR Y-9C, and the Risk-Based Capital Reporting for Institutions Subject to the Capital Adequacy – Federal Financial Institution Examination Council (FFIEC) 101 Schedules. The Company's Pillar 3 Disclosures Matrix (see Appendix A) specifies where all disclosures required by the Rule are located. The Pillar 3 Disclosures have not been audited by the Company's external auditors.

The Rule applies only to the consolidated Company, with the exception that every depository subsidiary must disclose capital ratios.

CORPORATE GOVERNANCE

Managing risks is an essential part of successfully operating a financial services company. The Company's Board of Directors has approved a risk management framework which establishes governance and risk management requirements for all risk-taking activities. This framework includes Company and business line risk appetite statements which set boundaries for the types and amount of risk that may be undertaken in pursuing business objectives and initiatives. The Board of Directors, through its Risk Management and Capital Planning Committees, oversees performance relative to the risk management framework, risk appetite statements, and other policy requirements including an annual review of the effectiveness of the Basel Program.

The Executive Risk Committee ("ERC"), which is chaired by the Chief Risk Officer and includes the Chief Executive Officer and other members of the executive management team, oversees execution against the risk management framework and risk appetite statements. The ERC focuses on current and emerging risks, including

strategic and reputational risks, by directing timely and comprehensive actions. Senior operating committees have also been established, each responsible for overseeing a specified category of risk.

The Company's most prominent risk exposures are credit, interest rate, market, liquidity, operational, compliance, strategic, and reputational risk. Credit risk is the risk of not collecting the interest and/or the principal balance of a loan, investment or derivative contract when it is due. Interest rate risk is the potential reduction of net interest income or market valuations as a result of changes in interest rates. Market risk arises from fluctuations in interest rates, foreign exchange rates, and security prices that may result in changes in the values of financial instruments, such as trading and available-for-sale securities, mortgage loans held for sale, mortgage servicing rights ("MSRs") and derivatives that are accounted for on a fair value basis. Liquidity risk is the possible inability to fund obligations or new business at a reasonable cost and in a timely manner. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events including the risk of loss resulting from breaches in data security. Operational risk can also include failures by third parties with which the Company does business. Compliance risk is the risk that customers may suffer economic loss or other injury, or the risk that the Company may suffer legal or regulatory sanctions, material financial loss, or loss to reputation through failure to comply with laws, regulations, rules, standards of good practice, and codes of conduct. Strategic risk is the risk to current or projected financial condition arising from adverse business decisions, poor implementation of business decisions, or lack of responsiveness to changes in the banking industry and operating environment. Reputational risk is the risk to current or anticipated earnings, capital, or franchise or enterprise value arising from negative public opinion. This risk may impair the Company's competitiveness by affecting its ability to establish new relationships or services, or continue servicing existing relationships. In addition to the risks identified above, other risk factors exist that may impact the Company. Refer to "Risk Factors" in the Annual Report for a detailed discussion of these factors.

The Company's Board of Directors and management-level governance committees are supported by a "three lines of defense" model for establishing effective checks and balances. The first line of defense, the business lines, manages risks in conformity with established limits and policy requirements. In turn, business leaders and their risk officers establish programs to ensure conformity with these limits and policy requirements. The second line of defense, which is primarily aligned to the Chief Risk Officer's organization but also includes policy and oversight activities of corporate support functions, translates risk appetite and strategy into actionable risk limits and policies. The second line of defense monitors first line of defense conformity with limits and policies, and provides reporting and escalation of emerging risks and other concerns to senior management and the Risk Management Committee of the Board of Directors. The third line of defense, internal audit, is responsible for providing the Audit Committee of the Board of Directors and senior management with independent assessment and assurance regarding the effectiveness of the Company's governance, risk management, and control processes.

INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (ICAAP)

The Company's ICAAP is a component of its Basel Program. The Company manages its capital to multiple minimum thresholds and measures that are consistent with the Company's strategic objectives, business model and capital plan. Expectations of internal and external stakeholders are integral and the capital goals and targets are calibrated considering internally-developed models that ensure adequate coverage for all material quantitative and qualitative risks, minimum regulatory requirements, supervisory stress testing expectations and rating agency and counterparty perspectives.

The Company is committed to managing capital to maintain strong protection for depositors and creditors, and for maximum shareholder benefit in order to achieve the Company's broader goals, which are as follows:

- Ensure the Company's safety and soundness;
- Maintain access to the debt and capital markets so the Company may continue to provide exceptional service to its customers and fulfill, without interruption, its obligations as a credit intermediary;
- Serve as a source of managerial and financial strength to its subsidiaries; and
- Ensure that the Company continues to be in a position to conduct its business in an environment of economic or financial stress.

The Company's ICAAP, the identification of material risks and how those material risks inform capital adequacy, is conducted via the Company's stress testing program. Through this process the Company's material risks, informed

by the risk identification process, are critical to the scenario design process and the development of the Company's internal stress scenario. The results of these forward-looking scenarios inform the Company's regulatory and internally defined capital adequacy relative to the Company's risk profile and risk appetite.

REGULATORY CAPITAL ADEQUACY RATIOS

The Company also manages its capital to exceed regulatory capital requirements for well-capitalized financial institutions. The Company's applicable capital requirement for regulatory and supervisory purposes is based upon the lower of the ratios determined under the standardized approach or the advanced approaches.

Banking regulators define capital requirements for banks and financial services holding companies expressed in the form of a common equity tier 1 capital ratio, a tier 1 capital ratio, a total risk-based capital ratio, a leverage ratio and for advanced approaches banking organizations a supplementary leverage ratio. The current minimum required levels including the capital buffer for these ratios are 7.0 percent, 8.5 percent, 10.5 percent, 4.0 percent and 3.0 percent, respectively, while the requirements for an insured depository institution to be considered "well-capitalized" are 6.5 percent, 8.0 percent, 10.0 percent, 5.0 percent and 3.0 percent, respectively. Using the standardized approach rule, which produces a lower ratio for the Company than the advanced approaches, the common equity tier 1 ratio was 9.5 percent at June 30, 2019 — above the Company's targeted ratio of 8.5 percent.

A summary of the capital ratios under both the standardized and advanced approaches is shown in Table 1. Risk-weighted assets calculated under the advanced approaches are lower than the standardized approach primarily because the advanced approaches methodology applies a lower overall risk weight to the loans and leases in the Company's portfolios. This reduction in risk-weighted assets is partially offset by the inclusion of operational risk impact under advanced approaches, which is not included in the standardized approach.

Table 1 Regulatory Capital Ratios

	Basel III - Standardized Approach Risk-Based Capital Ratios		Basel III - Advanced Approaches Risk-Based Capital Ratios	
(Dollars in Millions, Unaudited)	June 30, 2019 (a)	December 31, 2018	June 30, 2019 (a)	December 31, 2018
U.S. Bancorp				
Common Equity Tier 1 capital	$36,909	$34,724	$36,909	$34,724
Tier 1 capital	42,923	40,741	42,923	40,741
Total risk-based capital	50,370	48,178	47,316	45,136
Common Equity Tier 1 capital as a percent of risk-weighted assets	9.5 %	9.1 %	12.3 %	11.8 %
Tier 1 capital as a percent of risk-weighted assets	11.0 %	10.7 %	14.3 %	13.8 %
Tier 1 risk-based capital as a percent of adjusted quarterly average assets (leverage ratio)	9.3 %	9.0 %		
Tier 1 risk-based capital as a percent of total on and off balance sheet average exposures (supplementary leverage ratio)			7.4 %	7.2 %
Total risk-based capital as a percent of risk-weighted assets	13.0 %	12.6 %	15.8 %	15.3 %
Risk-Weighted Assets	$388,709	$381,661	$299,527	$295,002
Bank Subsidiary				
U.S. Bank National Association				
Common Equity Tier 1 capital	$39,565	$38,318	$39,565	$38,318
Tier 1 capital	39,596	38,351	39,596	38,351
Total risk-based capital	47,228	45,960	44,143	42,883
Common Equity Tier 1 capital as a percent of risk-weighted assets	10.4 %	10.2 %	13.5 %	13.3 %
Tier 1 capital as a percent of risk-weighted assets	10.4 %	10.2 %	13.5 %	13.3 %
Tier 1 risk-based capital as a percent of adjusted quarterly average assets (leverage ratio)	8.7 %	8.6 %		
Tier 1 risk-based capital as a percent of total on and off balance sheet average exposures (suupplementary leverage ratio)			6.9 %	6.9 %
Total risk-based capital as a percent of risk-weighted assets	12.4 %	12.3 %	15.1 %	14.9 %
Risk-Weighted Assets	$381,491	$374,298	$292,869	$287,897

The Company's total shareholders' equity was $52.9 billion at June 30, 2019, compared with $51.0 billion at December 31, 2018. The increase was primarily the result of corporate earnings and a change in unrealized gains and losses on available-for-sale investment securities included in other comprehensive income, partially offset by dividends and common share repurchases. In compliance with the Rule, the Company reviewed the aggregate amount of surplus capital of insurance subsidiaries included in the regulatory capital of the consolidated group and has determined that it was not material. Refer to "Management's Discussion and Analysis—Capital Management" in the Annual Report for further discussion on capital management.

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy. These measures are viewed by management as useful additional methods of reflecting the level of capital available to withstand unexpected market or economic conditions. Additionally, presentation of these measures allows investors, analysts and banking regulators to assess the Company's capital position relative to other financial services companies. These measures differ from the currently effective capital ratios defined by current banking regulations principally in that the numerator excludes trust preferred securities and preferred stock, the nature and extent of which varies among different financial services companies. These measures are not defined in generally accepted accounting principles ("GAAP") or are not currently effective or defined in federal banking regulations. As a result, these measures disclosed by the Company may be considered non-GAAP financial measures.

Capital Conservation Buffer

Basel III established a capital conservation buffer applicable to all U.S. banking organizations subject to advanced approaches. The calculation of the capital conservation buffer is based on a comparison of each of the following three risk-based capital ratios and the stated minimum required ratios for each, with the reportable capital conservation buffer being the smallest of the three differences:

- common equity tier 1 capital ratio minus the minimum common equity tier 1 capital ratio;
- tier 1 capital ratio minus the minimum tier 1 capital ratio; and
- total capital ratio minus the minimum total capital ratio.

The capital conservation buffer minimum ratio for 2019 is 2.50 percent. At June 30, 2019, the Company has a common equity tier one capital conservation buffer ratio of 5.0 percent which is above the minimum and has retained income eligible for distribution of $1.7 billion; therefore, the Company would not be subject to any limitations on distributions and discretionary bonus payments.

In addition, Basel III also introduced a potential countercyclical capital buffer of up to 2.5 percent. A countercyclical capital buffer would be invoked upon a determination by the U.S. banking agencies and would be in addition to the capital conservation buffer. Currently, the countercyclical capital buffer amount for banks domiciled in the United States is zero.

Table 2 Non-GAAP Capital Ratios

(Unaudited)	June 30, 2019	December 31, 2018
Tangible common equity to tangible assets.	7.9 %	7.8 %
Tangible common equity to risk-weighted assets.	9.7	9.4

Refer to "Management's Discussion and Analysis—Non-GAAP Financial Measures" in the Annual Report and Form 10-Q for further discussion on the non-GAAP capital ratios.

Table 3 Supplementary Leverage Ratio

Advanced approaches banks are required to report the Supplementary Leverage Ratio (SLR) defined as tier 1 capital divided by the total leverage exposure which includes both on- and off-balance sheet exposures. Beginning January 1, 2018, the Company is required to meet a 3.0 percent SLR requirement. At June 30, 2019, the Company's and subsidiary bank's SLR exceeded the requirement with ratios of 7.4 percent and 6.9 percent, respectively. This is compared to 7.2 percent and 6.9 percent, respectively, at December 31, 2018.

(Dollars in millions, Unaudited)	US Bancorp June 30, 2019	US Bank NA June 30, 2019
Summary Comparison of Accounting Assets and Total Leverage Exposure		
Total Consolidated Assets as reported in published financial statements	$471,886	$463,590
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consideration	-	-
Adjustments for fiduciary assets recognized on balance sheet but excluded from total leverage exposure.	-	-
Adjustment for derivative exposures.	12,675	12,622
Adjustment for repo-style transactions.	3,411	1,585
Adjustment for off-balance sheet exposures (credit equivalent)	105,734	105,712
Other adjustments	(14,630)	(12,317)
Total Leverage Exposure	579,076	571,192
Supplementary Leverage Ratio		
On-balance sheet exposures		
On-balance sheet assets (excluding on-balance sheet assets for repo-style transactions and derivative exposures, but including cash collateral received in derivative transactions)	467,324	460,786
LESS: Deductions from common equity tier 1 capital and additional tier 1 capital (report as a positive value)	10,068	9,513
Total on-balance sheet exposures	457,256	451,273
Derivative exposures		
Replacement cost for derivative exposures (net of cash variation margin)	1,540	1,533
Add-on amounts for potential future exposure (PFE) for derivatives exposures.	5,233	5,187
Gross-up for cash collateral posted if deducted from the on-balance sheet assets, except for cash variation margin.	20	20
LESS: Deductions of receivable assets for cash variation margin posted in derivatives transactions, if included in on-balance sheet assets (report as a positive value)	-	-
LESS: Exempted CCP leg of client-cleared transactions (report as a positive value).	-	-
Effective notional principal amount of sold credit protection.	6,834	6,834
LESS: Effective notional principal amount offsets and PFE adjustments for sold credit protection (report as a positive value).	952	952
Total derivative exposures	12,675	12,622
Repo-style transactions		
On-balance sheet assets for repo-style transactions, include the gross value of receivables for reverse repurchase transactions.	3,364	1,578
LESS: Reduction of the gross value of receivables in reverse repurchase transactions by cash payables in repurchase transactions under netting agreements (report as a positive value)	-	-
Counterparty credit risk for all repo-style transactions.	47	7
Exposure for repo-style transactions where a banking organization acts as an agent	-	-
Total exposures for repo-style transactions	3,411	1,585
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amounts.	339,617	339,595
LESS: Adjustments for conversion to credit equivalent amounts	233,883	233,883
Off-balance sheet exposures	105,734	105,712
Capital and total leverage exposures		
Tier 1 Capital.	42,923	39,596
Total leverage exposure	$579,076	$571,192
Supplementary Leverage Ratio		
Supplementary Leverage Ratio.	7.4%	6.9%

ADVANCED APPROACHES RISK-WEIGHTED ASSETS

Risk-weighted assets represent an institution's assets and off-balance sheet exposures, weighted according to the risk associated with each exposure category. The risk-weighted asset calculation is used in determining the institution's capital requirement.

Under the advanced approaches, the risk-weighted assets are segmented into credit risk, market risk and operational risk. For each of these categories, institutions are required to develop their own empirical model to quantify required capital for each type of risk. By comparison, the standardized approach assigns each credit exposure category to a predefined risk weight classification.

The Company reports its advanced approaches risk-weighted assets using specific categories defined in the Rule. This format, which aligns with the U.S. banking regulators' FFIEC 101 Schedules, requires certain reclassifications from categories reported in the Annual Report and Form 10-Q. The wholesale credit risk category consists of most

exposures in the commercial and commercial real estate loan classes except that certain small business exposures are reclassified to the retail credit risk category. In addition, credit risk due to debt securities, certain other assets, unused loan commitments, other off-balance sheet commitments and Over-the-Counter ("OTC") derivatives are included in the wholesale credit risk category. The retail credit risk category consists of loan and unused commitment exposures in the residential mortgages, credit card, and other retail loan classes as well as certain small business exposures in the commercial loan class. Exposures covered by loss sharing agreements with the Federal Deposit Insurance Corporation ("FDIC") are included in the respective wholesale and retail credit risk categories and not reported in a separate line as in the Annual Report and Form 10-Q.

Advanced approaches risk-weighted assets were 299.5 billion at June 30, 2019, compared with $295.0 billion at December 31, 2018. The increase in risk weighted assets on the wholesale exposures was attributable to increases in banking and foreign exposures, as well as increases in domestic derivatives related to the changing rate environment. The increase in retail exposures was due to increases in auto loans and other installment loans along with increases in some of the procurement card exposures. The increase in operational risk is due to additional data related to low severity losses which impacted the scaling.

Table 4 Risk-Weighted Assets

(Dollars in Millions, Unaudited)	June 30, 2019	December 31, 2018	$ Change	Percent Change
Credit risk				
Wholesale	$102,709	$101,448	$1,261	1.2 %
Retail	78,207	76,921	1,286	1.7
Securitization	514	366	148	40.4
Cleared Transactions	90	68	22	32.4
Equity	9,467	9,652	(185)	(1.9)
Other assets	29,014	30,044	(1,030)	(3.4)
Total Credit Risk (unscaled)	220,001	218,499	1,502	0.7
Scaling Factor	13,200	13,110	90	0.7
Total Credit Risk (scaled)	233,201	231,609	1,592	0.7
Credit Valuation Adjustment	2,116	1,502	614	40.9
Market risk	2,116	1,769	347	19.6
Operational risk	61,963	60,163	1,800	3.0
Assets subject to general risk-based capital requirements	529	285	244	85.6
Excess eligible credit reserves not in tier 2 capital	(398)	(326)	(72)	22.1
Total risk-weighted assets under Advanced Approaches	$299,527	$295,002	$4,525	1.5 %

CREDIT RISK: ADVANCED INTERNAL RATINGS BASED ("IRB") PORTFOLIOS

The Company follows the IRB approach to calculate the credit component of advanced approaches risk-weighted assets. The IRB approach relies on the Company's estimates of Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and maturity. These measures are used to calculate risk-weighted assets and are also used as inputs into risk management and business processes such as pricing, capital allocation, risk-adjusted performance measures and the ICAAP.

Wholesale Category The wholesale category includes commercial loan portfolios and certain investment securities managed and risk rated on an individual basis. Types of exposure include commercial and industrial loans, commercial leases, commercial real estate loans, corporate bonds, treasury, agency and municipal securities, and certain asset- and mortgage-backed securities.

The Company's internal ratings system for wholesale exposures is used to measure the credit quality of an individual commercial exposure. It contains two components: PD (an assessment of the likelihood of default for each borrower); and LGD (an assessment of the severity of loss given a default for each credit facility). Each borrower is assigned a risk rating which is associated with a distinct PD rate. Risk ratings are assigned using a combination of quantitative and qualitative inputs reflecting management's assessment of the risk of default for each borrower. The Company uses a borrower level risk rating scale of nine grades. The Company uses the Basel III wholesale definition of default, which states that a borrower is in default if any exposure to the borrower is 90 or more days past due, incurs a charge-off, or is placed on nonaccrual status. Each facility is assigned an LGD segment based on its structure and/or collateral type. LGD segments are determined based on management's assessment of exposures with similar loss given default characteristics. The EAD is equal to the ending balance amount of each exposure. For exposures with an unfunded line amount, EAD is calculated by applying a percentage to the unfunded amount to estimate net additions to the ending balance amount.

The Company's past experience is used to estimate PD, LGD and EAD. The Wholesale PD model contains at least five years of default history, while the LGD and EAD models contain at least seven years of default history. All default history contains a mix of economic conditions (including economic downturn conditions). The Company's

methods primarily rely on internal data to estimate and validate each risk parameter for loan portfolios. When internal data is of limited quantity or quality, external data may be used. External ratings are used, but not solely relied on, for investment portfolio products. Pre-purchase due diligence of investment portfolio products analyzes factors beyond rating agency results such as additional credit and spread analysis. Statistical tests used to validate the accuracy and reliability of the advanced approaches metrics include, but are not limited to, stability analysis, benchmarking and back testing.

Retail Category The Company's internal rating system for the retail category group's exposures into the appropriate retail subcategories (i.e. residential mortgage exposures, qualifying revolving exposures and other retail exposures) and further groups the exposures in each retail subcategory into separate segments with homogeneous risk characteristics. PDs and LGDs are assigned to each segment.

The types of exposures in the residential mortgage subcategory include 1-4 family residential mortgages and home equity products. The qualifying revolving subcategory includes unsecured consumer lines of credit, primarily consumer credit cards. The other retail subcategory includes other consumer and small business exposures. Consumer exposures include auto loans, retail leases, student loans, and all other consumer loans that do not meet the definition of a residential mortgage or qualifying revolving exposures. Small business exposures include commercial borrowers with an aggregate exposure less than or equal to $1 million that are not rated and/or managed in a manner consistent with wholesale exposures.

The Company's methods for determining risk-weighted assets on retail exposures primarily rely on internal data to estimate and validate PD, LGD, and EAD parameters. When internal data is insufficient, external data may be used. The Company groups its retail exposures into segments with homogeneous risk characteristics. For the majority of its retail exposures, the Company uses various regression techniques to classify each exposure into pools of PD segments. In addition, the Company group's retail exposures into PD segments based on homogeneous risk characteristics, such as product, delinquency, loan-to-value, or risk score. Estimates for LGD and EAD are segmented by homogeneous risk characteristics such as loan-to-value, product, lien position, and utilization. The segmentation by risk characteristics is determined using various statistical classification techniques in combination with management's assessment of the risks inherent in each product. The assumptions used in the derivation of these variables are the same as those embedded in the IRB guidance, notably that past experience is used to estimate each risk parameter. The retail PD, LGD, and EAD models include at least five years of default history that contains a mix of economic conditions (including economic downturn conditions). The Company uses the Basel III Retail IRB definition of default. The IRB guidance defines a residential mortgage or credit card exposure as being in default if the account is 180 or more days past due or incurs a charge-off. Any other retail exposure is in default if the account is 120 or more days past due or incurs a charge-off.

Control mechanisms related to the general credit rating systems are addressed in the "Credit Risk: General Disclosures" section below and the "Corporate Risk Profile" section of the "Management's Discussion and Analysis" section of the Annual Report and Form 10-Q.

Advanced IRB Disclosures Tables 5-7 disclose Basel III metrics (e.g., PD, LGD, and EAD) and are formatted to conform to the FFIEC 101 Schedules, which report risk-based capital for institutions subject to Basel III advanced approaches. Credit risk due to loans, debt securities, certain other assets, unused loan commitments, other off-balance sheet commitments and OTC derivatives are combined in these tables. Therefore, totals from Tables 5-7 will not agree with totals from Tables 11, 12 and 14, which include only loans, contractual commitments to extend credit and letters of credit.

Table 5 Wholesale and Retail Exposures by Probability of Default Grade Ranges

	June 30, 2019							
(Dollars in Millions, Unaudited)	Balance Sheet Amount	Total Undrawn Amount	Total EAD	Undrawn EAD	Undrawn Weighted Average EAD	Weighted Average LGD	Risk Weighted Assets (a)	Exposure-Weighted Average Risk Weight (a)
Wholesale								
0.00 to < 0.50.	$198,932	$118,832	$236,155	$37,223	31.32 %	25.33 %	$43,279	18.33 %
0.50 to < 2.50.	48,032	36,700	58,535	10,503	28.62	41.92	50,547	86.35
2.50 to < 10.00.	4,249	3,146	4,639	390	12.40	39.04	5,632	121.41
10.00 to < 100.00.	1,245	663	1,381	136	20.51	39.49	2,585	187.18
100.00 (default) (b).	551	99	595	44	44.44	-	584	98.15
Total (c)	253,009	159,440	301,305	48,296	30.29	28.78	102,627	34.06
Retail								
Residential mortgage								
0.00 to < 0.50.	76,166	24,811	86,655	10,489	42.28	57.09	10,302	11.89
0.50 to < 2.50.	7,944	139	8,003	59	42.45	56.02	5,666	70.80
2.50 to < 10.00.	1,389	29	1,396	7	24.14	49.25	2,168	155.30
10.00 to < 100.00.	1,789	38	1,819	30	78.95	31.05	2,742	150.74
100.00 (default) (b).	2,245	7	2,245	-	-	-	1,282	57.10
Total	89,533	25,024	100,118	10,585	42.30	55.15	22,160	22.13
Qualifying revolving								
0.00 to < 0.50.	6,854	108,549	58,519	51,665	47.60	96.08	3,583	6.12
0.50 to < 2.50.	9,515	11,144	14,662	5,147	46.19	95.98	5,935	40.48
2.50 to < 10.00.	6,878	1,481	7,744	866	58.47	95.99	8,286	107.00
10.00 to < 100.00.	1,459	72	1,531	72	100.00	96.07	3,614	236.05
100.00 (default) (b).	-	-	-	-	-	-	-	-
Total	24,706	121,246	82,456	57,750	47.63	96.05	21,418	25.98
Other retail								
0.00 to < 0.50.	23,539	21,893	35,967	12,428	56.77	70.05	9,113	25.34
0.50 to < 2.50.	24,747	5,587	28,454	3,707	66.35	66.32	18,161	63.83
2.50 to < 10.00.	4,981	223	5,237	256	114.80	70.56	5,492	104.87
10.00 to < 100.00.	1,023	98	1,086	63	64.29	76.95	1,793	165.10
100.00 (default) (b).	92	1	92	-	-	-	70	76.09
Total	54,382	27,802	70,836	16,454	59.18	68.59	34,629	48.89
Total Retail	168,621	174,072	253,410	84,789	48.71	72.22	78,207	30.86
Total Wholesale and Retail	$421,630	$333,512	$554,715	$133,085	39.90 %	48.62 %	$180,834	32.60 %

(a) All risk-weighted amounts are presented before applying the "scaling factor" (multiplier) of 1.06.

(b) *The risk-weight percent for exposures in default is generally 100%, except for defaulted loans with certain guarantees (e.g. by the U.S. government) which are assigned a lower risk-weight percent, in accordance with the rules for advanced approaches.*

(c) Excludes eligible margin loans of $28 million risk-weighted at 300% at June 30, 2019

(Dollars in Millions, Unaudited)	December 31, 2018 Balance Sheet Amount	Total Undrawn Amount	Total EAD	Undrawn EAD	Undrawn Weighted Average EAD	Weighted Average LGD	Risk Weighted Assets (a)	Exposure-Weighted Average Risk Weight (a)
Wholesale								
0.00 to < 0.50	$196,383	$114,651	$231,411	$35,028	30.55 %	25.10 %	$41,875	18.10 %
0.50 to < 2.50	45,668	37,450	55,842	10,174	27.17	42.54	49,768	89.12
2.50 to < 10.00	4,339	3,535	4,908	569	16.10	39.61	6,115	124.59
10.00 to < 100.00	1,508	799	1,695	187	23.40	38.76	3,185	187.91
100.00 (default) (b)	391	71	435	44	61.97	-	424	97.47
Total (c)	248,289	156,506	294,291	46,002	29.39	28.70	101,367	34.44
Retail								
Residential mortgage								
0.00 to < 0.50	72,201	24,190	82,295	10,094	41.73	58.02	9,936	12.07
0.50 to < 2.50	7,345	143	7,399	54	37.76	58.36	5,478	74.04
2.50 to < 10.00	1,429	33	1,441	12	36.36	47.21	2,125	147.47
10.00 to < 100.00	1,888	39	1,921	33	84.62	30.90	2,876	149.71
100.00 (default) (b)	2,283	7	2,284	1	14.29	-	1,317	57.66
Total	85,146	24,412	95,340	10,194	41.76	55.94	21,732	22.79
Qualifying revolving								
0.00 to < 0.50	6,985	107,377	59,001	52,016	48.44	96.08	3,615	6.13
0.50 to < 2.50	9,460	10,732	14,494	5,034	46.91	95.99	5,893	40.66
2.50 to < 10.00	7,019	1,432	7,882	863	60.27	95.99	8,483	107.62
10.00 to < 100.00	1,532	72	1,606	74	102.78	96.09	3,779	235.31
100.00 (default) (b)	-	-	-	-	-	-	-	-
Total	24,996	119,613	82,983	57,987	48.48	96.06	21,770	26.23
Other retail								
0.00 to < 0.50	22,991	22,089	34,990	11,999	54.32	69.80	8,789	25.12
0.50 to < 2.50	24,796	5,198	28,447	3,651	70.24	66.35	17,940	63.06
2.50 to < 10.00	4,215	251	4,475	260	103.59	72.92	4,843	108.22
10.00 to < 100.00	1,024	112	1,086	62	55.36	76.20	1,779	163.81
100.00 (default) (b)	87	1	87	-	-	-	68	78.16
Total	53,113	27,651	69,085	15,972	57.76	68.58	33,419	48.37
Total Retail	163,255	171,676	247,408	84,153	49.02	72.93	76,921	31.09
Total Wholesale and Retail	$411,544	$328,182	$541,699	$130,155	39.66 %	48.90 %	$178,288	32.91 %

(a) All risk-weighted amounts are presented before applying the "scaling factor" (multiplier) of 1.06.

(b) The risk-weight percent for exposures in default is generally 100%, except for defaulted loans with certain guarantees (e.g. by the U.S. government) which are assigned a lower risk-weight percent, in accordance with the rules for advanced approaches.

(c) Excludes eligible margin loans of $27 million risk-weighted at 300% at December 31, 2018

Analysis of Actual Losses by Advanced Approaches Category Table 6 details actual losses by advanced approaches category. Actual losses, which consist of net charge-offs and credit-related derivative and securities losses, were $717 million for the six months ending June 30, 2019, compared with $673 million for the six months ending June 30, 2018. The ratio of annualized actual losses to EAD was .26 percent for the six months ended June 30, 2019 on an annualized basis, compared with .25 percent for six months ended June 30, 2018. The net charge off increase compared with year to date 2018 is primarily due to higher total commercial and credit card net charge offs. Refer to the Annual Report and Form 10-Q for more detail on net charge-offs.

Table 6 Actual Losses by Basel Category

	Three Months Ended June 30,				Six Months Endeed June 30,			
	2019		2018		2019		2018	
(Dollars in Millions, Unaudited)	Amount	Percent of EAD (a)	Amount	Percent of EAD (a)	Amount	Percent of EAD (a)	Amount	Percent of EAD (a)
Wholesale (b)	$3	.00 %	$6	.01 %	$23	.02 %	$9	.01 %
Residential mortgage	3	.01	2	.01	5	.01	8	.02
Qualifying revolving	244	1.19	229	1.14	486	1.19	459	1.14
Other retail (c)	100	.56	95	.56	203	.58	197	.58
Total wholesale and retail actual losses	$350	.25 %	$332	.25 %	$717	.26 %	$673	.25 %

(a) Percent of EAD is the annualized losses divided by the ending EAD.
(b) There were no derivative and securities credit losses included in the wholesale category for the six months ending June 30, 2019 or the six months ending June 30, 2018.
(c) Other Retail equals total net charge offs less from Wholesale, Residential Mortgages, and Qualified Revolving per Basel Reporting Categories

The Company's actual annual losses are expected to approximate the Expected Credit Loss ("ECL") on average, over time; however, there are some differences between the two measures. ECL is the expected value of future economic loss over a one-year time horizon, applying various downturn factors. ECL is calculated using long-term average PD, downturn LGD and downturn EAD. LGD is based on the concept of "economic loss" including the time value of money for recoveries and collection costs, while the actual losses represent accounting losses. For portfolios that are 100 percent risk-weighted (including retail lease residuals and immaterial exposures), the Rule

assumes zero ECL, though actual losses do occur. Given the number of differences between the concept of ECL and the actual accounting loss, the estimates may not approximate the actual loss experience in any particular period. Table 7 provides ECL and actual loss information by Basel III advanced approaches category.

Table 7 Risk Parameter Analysis

(Dollars in Millions, Unaudited)	Expected Credit Loss	Actual Loss (a)
Wholesale	$502	$71
Residential mortgage	330	76
Qualifying revolving	1,141	819
Other retail	683	331
Total	$2,656	$1,297

(a) Actual losses are annualized averages calculated from data for the 20 quarters ended June 30, 2019

Credit Risk Mitigation The Company's approach in underwriting is to grant credit on the basis of capacity to repay rather than place primary reliance on credit risk mitigation. Mitigation is nevertheless an important aspect of effective risk management. Various risk mitigation techniques are used by the Company, including collateral, guarantees and, to a limited extent, credit derivatives.

The Company has a quantification process that takes into account the risk-reducing effects of collateral in support of exposures when quantifying the LGD. Examples of collateral that impact the Company's LGD estimate include, but are not limited to, cash, working capital, depreciable assets and real estate. Collateral and facility structure are used to determine LGD segments. LGD segments vary by exposure due to the severity of the loss. Unsecured exposures generally result in larger losses and secured exposures generally result in smaller losses.

Third party guarantees are taken from business entities and individuals. The Company takes into account the risk reducing effects of eligible guarantees by applying the PD substitution approach. The PD substitution approach uses the PD of the guarantor where it is more favorable than the PD of the obligor.

The Company may use credit default swaps ("CDS") to manage the credit risk of certain large wholesale loan exposures, with the goal of reducing concentrations in individual names. CDS are subject to credit risk associated with counterparties to the contracts. Credit risk associated with CDS is measured by the Company based on the probability of counterparty default. The risk reducing effects of CDS are considered when quantifying PD segments. The rule allows that a PD substitution approach can be applied where the PD of the obligor is substituted by the PD of the protection provider.

Credit risk mitigants are valued to monitor and ensure that they will continue to provide the secure repayment source anticipated at the time they were taken. Company policy prescribes the frequency of valuation based on the volatility of the collateral. Valuation methods range from the use of market indices to individual professional inspection.

Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions and Eligible Margin Loans
Counterparty exposure arises from OTC derivatives, repurchase agreements, securities lending and borrowing and other similar products and activities. The amount of this exposure depends on the value of underlying market factors (e.g. interest rates and foreign exchange rates), which can be volatile and uncertain in nature.

The Company reduces its counterparty exposure related to derivative contracts by centrally clearing all eligible derivatives. All other credit exposure is approved either on a transaction level basis, or under credit limits supporting bilateral trades governed by appropriate master trading agreements. The primary element of the credit approval process is a detailed risk assessment of every credit exposure associated with a counterparty. The Company's risk assessment procedures consider both the credit worthiness of the counterparty and the risks related to the specific type of credit facility or exposure. The Company manages the credit risk of its derivative positions by diversifying its positions among various counterparties, entering into master netting arrangements where possible with its counterparties, requiring collateral and, in certain cases, though insignificant, transferring the counterparty credit risk related to interest rate swaps to third parties through the use of risk participation arrangements. Credit exposures are monitored daily for counterparties with an established Credit Support Annex ("CSA"), to assure collateral levels are appropriately sized to cover risk, and prior to execution of an initial trade for any counterparty to ensure it does not exceed the approved credit limit for each counterparty.

The Company uses the IRB Capital formula for wholesale exposures to determine risk-weighted assets and capital requirements for counterparty risk. EAD is calculated for each counterparty that has an International Swaps and Derivatives Association ("ISDA") Master Agreement with the Company using the collateral haircut approach in the current exposure methodology.

For further information on counterparty credit risk, refer to the "Use of Derivatives to Manage Interest Rate and Other Risks" subsection in the "Management's Discussion and Analysis" section of the Annual Report and Form 10-Q.

Wrong-way risk The Rule requires banks using the Internal Models Methodology ("IMM") to identify, monitor and control wrong-way risk. Wrong-way risk occurs when exposure to a counterparty is adversely correlated with the credit quality of that counterparty. The Company does not utilize the IMM for the purposes of quantifying counterparty credit risk and does not engage in transactions that involve material wrong-way risk.

Collateral To calculate a counterparty's net risk position for counterparty credit risk, the Company revalues all financial instruments and associated collateral positions on a daily basis. Collateral positions are monitored by a dedicated group that manages a process to ensure that calls for collateral and exposure reductions are made promptly. Processes exist for the resolution of trades where the level of collateral is disputed or the collateral sought is not received.

Eligible collateral types are documented by a CSA to the ISDA Master Agreement and are controlled under the Company's general credit policies. A valuation haircut policy reflects the fact that collateral may fall in value between the date the collateral is called and the date of liquidation or enforcement. In practice, most of the Company's collateral held as credit risk mitigation under a CSA is either cash or U.S. government securities.

Credit ratings downgrade Certain credit support annexes to master arrangements provide for rating dependent triggers, where additional collateral has to be pledged if a party's rating is downgraded. The Company also enters into master arrangements that provide for an additional termination event upon a party's rating downgrade.

The Company analyzes and monitors its potential contingent payment obligations resulting from a rating downgrade in its stress testing approach for liquidity risk on an ongoing basis. At June 30, 2019, the additional collateral required to be posted for a three-notch downgrade of U.S. Bank National Association would be $64.8 million. No additional collateral would be required for a three-notch downgrade of its parent company, U.S. Bancorp.

The following table summarizes the netting and collateral positions of the Company's derivatives and securities financing transactions ("SFT") using the Current Exposure Method. As defined by the Rule, the gross current credit exposure is calculated as the greater of the positive mark-to-market of the derivative or zero (asset derivatives).

Table 8 General Disclosure for Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions, and Eligible Margin Loans

(Dollars in Millions, Unaudited)	June 30, 2019	December 31, 2018
Derivatives		
Gross positive fair value	$2,876	$2,010
Netting benefit (a)	(1,051)	(942)
Net derivatives credit exposure	$1,825	$1,068
Securities financing transactions		
Gross positive fair value	$7,573	$4,900
Collateral held for risk mitigation (b)	(5,844)	(3,666)
Excess collateral (c)	79	65
Net SFT credit exposure	$1,808	$1,299

(a) Represents netting of derivative asset and liability balances, and related collateral, with the same counterparty subject to master netting agreements.
(b) All collateral is either cash or money market investments.
(c) Certain counterparties have provided collateral in excess of the fair value of the related contracts.

The distribution of gross current credit exposure is shown below:

(Dollars in Millions, Unaudited)	June 30, 2019		December 31, 2018	
Derivatives	Gross Current Credit Exposure	Exposure at Default (a)	Gross Current Credit Exposure	Exposure at Default (a)
Credit derivatives (b)	$1	$677	$1	$479
Derivatives	2,204	6,689	1,225	4,649
Foreign exchange forwards and options	576	1,371	739	1,487
Mortgage derivatives	95	133	45	62
Total derivative gross current credit exposure (c)	$2,876	$8,870	$2,010	$6,677
Securities financing transactions				
Repo-Style Transactions	$7,545	$775	$4,873	$476
Eligible margin loans	28	28	27	27
Total SFT gross current credit exposure (c)	$7,573	$803	$4,900	$503

(a) In addition to the current fair value for asset derivatives, EAD includes amounts for the potential future exposure which is calculated on both asset and liability derivatives.
(b) Credit derivatives have a notional amount of $2.5 billion for asset derivatives and $6.8 billion for liability derivatives at June 30, 2019, and $2.3 billion for asset derivatives and $4.9 billion for liability derivatives at December 31, 2018.
(c) The gross positive fair value of derivative contracts averaged $2.5 billion for the second quarter of 2019 and $1.9 billion for the fourth quarter of 2018. The gross positive fair value of SFT contracts averaged $5.8 billion for the second quarter of 2019 and $3.6 billion for the fourth quarter of 2018.

Securitization The disclosures in this section refer to securitizations held in the banking book and the regulatory capital on these exposures calculated according to the Rule. A participant in the securitization market is typically an originator, investor, or sponsor. The Company’s primary securitization-related activity is investing in products created by third parties and entering into secured lending transactions with clients. Securitization exposures held in the banking book include traditional non-government or non-agency guaranteed ABS and MBS securitizations, loans, lines of credit, and liquidity facilities. The Company is not applying any credit risk mitigation to its securitization exposures and doesn't have exposure to securitization guarantors. The Company does not have any synthetic securitization exposure and does not act as a sponsor.

The Company calculates the regulatory capital requirement for securitization exposures in accordance with the hierarchy of approaches prescribed in the Rule. The Company utilizes the Simplified Supervisory Formula Approach ("SSFA") to determine risk-weighted assets for the majority of its securitization exposures. The SSFA framework considers the Company's seniority in the securitization structure and risk factors inherent in the underlying assets.

As presented in Table 9 below, the Company's total securitization exposures at June 30, 2019, were $1.7 billion compared to $0.9 billion at December 31, 2018.

Table 9 Securitizations

Securitizations by exposure type are shown below (a):

	June 30, 2019			December 31, 2018		
(Dollars in Millions, Unaudited)	On Balance Sheet Exposure	Off Balance Sheet Exposure	Total Exposure	On Balance Sheet Exposure	Off Balance Sheet Exposure	Total Exposure
Mortgage-backed securities	$ -	$ -	$ -	$ -	$ -	$ -
Asset-backed securities	394	-	394	410	-	410
Other (b)	534	744	1,278	300	225	525
Total securitization exposure	$928	$744	$1,672	$710	$225	$935

Securitizations by capital treatment and underlying exposure type are shown below (a):

	June 30, 2019				December 31, 2018			
(Dollars in Millions, Unaudited)	Notional Amount	SFA Risk Weighted Assets	SSFA Risk Weighted Assets	1250% Risk Weighted	Notional Amount	SFA Risk Weighted Assets	SSFA Risk Weighted Assets	1250% Risk Weighted
Mortgage-backed securities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Asset-backed securities	394	-	86	-	410	-	90	-
Other (b)	1,278	-	283	145	525	-	126	149
Total securitization exposure	$1,672	$ -	$369	$145	$935	$ -	$216	$149

Securitizations by capital treatment and risk-weight bands are summarized below (a):

	June 30, 2019					December 31, 2018				
(Dollars in Millions, Unaudited)	Notional Amount	SFA Risk Weighted Assets	SSFA Risk Weighted Assets	1250% Risk Weighted	Capital impact of RWA (c)	Notional Amount	SFA Risk Weighted Assets	SSFA Risk Weighted Assets	1250% Risk Weighted	Capital impact of RWA (c)
Securitizations										
Zero to 250% risk weighting	$1,657	$ -	$357	$ -	$29	$920	$ -	$206	$ -	$16
251% to 500% risk weighting	3	-	8	-	1	3	-	8	-	1
501% to 1250% risk weighting	12	-	4	145	12	12	-	2	149	12
Resecuritizations										
Zero to 250% risk weighting	-	-	-	-	-	-	-	-	-	-
251% to 500% risk weighting	-	-	-	-	-	-	-	-	-	-
501% to 1250% risk weighting	-	-	-	-	-	-	-	-	-	-
Total securitization exposures	$1,672	$0	$369	$145	$42	$935	$ -	$216	$149	$29

(a) Table related to the Company as an investor/originator in the securitization.

(b) Includes loans, lines of credit, and liquidity facilities.

(c) The capital impact of RWA is calculated by multiplying risk weighted assets by the minimum total risk-based capital ratio of 8%.

Equity Securities Not Subject to Market Risk Rule The Company has total equity exposures of approximately $15.3 billion, with $10.0 billion in individual equities and $5.3 billion in equity funds at June 30, 2019. The majority of the individual investments are related to the Company's community reinvestment activities, including tax-advantaged investments made through U.S. Bancorp Community Development Corporation. The Company uses the Simple Risk-Weight Approach for its individual equity securities.

Equity exposures in investment funds consist of Bank Owned Life Insurance ("BOLI"), private equity, money market and other equity funds. The Company uses the Full Look-Through Approach for BOLI assets in separate and hybrid accounts. Investment guidelines specify objectives and constraints for separate and hybrid account BOLI investment funds, requirements and duration parameters. In compliance with these guidelines, underlying investment exposures include Treasury, agency, asset-backed, and mortgage-backed securities and corporate notes and bonds.

Non-marketable equity securities are generally recorded either at historical cost or using the equity method. Details of the Company's accounting policy for equity investments and the valuation of financial instruments are provided in Note 1—Significant Accounting Policies in the Annual Report.

Marketable equity securities are generally recorded as available-for-sale and carried at fair value with unrealized net gains or losses reported within other comprehensive income (loss) in shareholders' equity. For regulatory capital purposes unrealized gains are excluded from tier 1 capital.

Equity securities maintained in the trading account are reported at fair value. At June 30, 2019, the Company does not have material equity exposure in the trading account. Changes in fair value are recorded in earnings.

Realized gains arising from the sales and liquidations of equity securities were $163.8 million for the six months ended June 30, 2019. The realized gains include gains related to the sale of shares of Visa Class B common stock.

Table 10 summarizes the Company's equity securities not subject to the market risk rule. Latent revaluation gains/losses are unrealized gains/losses on nonpublic equity securities recorded at cost; these latent revaluation gains/losses are not recognized in the Company's financial statements. Latent revaluation gains of $410.0 million and $454.6 million were related to Visa Class B Common and Visa Series B Preferred Stock at June 30, 2019 and December 31, 2018, respectively. The Visa shares are subject to transfer restrictions, are not marketable and are recorded at cost. Refer to the Annual Report and Form 10-Q for further detail.

Table 10 Equity Securities Not Subject to Market Risk Rule

	June 30, 2019			December 31, 2018		
(Dollars In Millions, Unaudited)	Nonpublic	Public	Total	Nonpublic	Public	Total
Amortized cost	$15,269	$27	$15,296	$15,607	$36	$15,643
Unrealized gains/losses	-	-	-	-	-	-
Latent revaluation gains/losses (a)	419	-	419	464	-	464
Fair value	$15,688	$27	$15,715	$16,071	$36	$16,107
Unrealized gains/losses included in risk-based capital	$ -	$ -	$ -	$ -	$ -	$ -

(a) Represents unrealized gains (losses) on nonpublic equity securities recorded at cost. The unrealized gains (losses) are not recognized either in the balance sheet or through earnings.

The capital requirements of equity securities are shown below:

	June 30, 2019			December 31, 2018		
(Dollars In Millions, Unaudited)	Exposure	Risk Weighted Assets	Capital impact of RWA	Exposure	Risk Weighted Assets	Capital impact of RWA
0%	$443	$ -	$ -	$443	$ -	$ -
20%	458	92	7	805	161	13
100%	9,053	9,053	724	9,084	9,084	727
250%	2	6	-	2	5	-
Full look-through approach	5,340	315	25	5,309	402	32
Total capital requirements for equity securities	$15,296	$9,466	$756	$15,643	$9,652	$772

Other Assets The Company classifies certain exposures as assets not included in a defined exposure category, such as cash (risk weighted at zero percent); cash items in process of collection ("float") and residual value of retail leases along with certain other assets that do not meet the definition of a wholesale, retail, securitization, or equity exposure (generally risk-weighted at 100 percent with the exception of float which is risk-weighted at 20 percent). Also, mortgage servicing rights and deferred tax assets not deducted from capital receive 250% risk weight. Assets not included in a defined exposure category decreased due in part to a decrease in deferred tax assets resulting in assets not included in a defined category balance of $25.2 billion (related risk-weighted assets of $25.8 billion) at June 30, 2019, compared with $26.6 billion (related risk-weighted assets of $26.9 billion) at December 31, 2018.

The Rule also provides a category for non-material exposures which are risk-weighted at 100 percent of the carrying value of on-balance sheet exposures or 100 percent of the notional or EAD amount of off-balance sheet exposures. The Company has designated exposures as non-material when required information for the respective advanced approach is not available or is not cost beneficial to obtain. Larger portfolios within the non-material classification are certain merchant processing, ATM network, mortgage servicing, syndication and other tax-advantaged project receivables, in-process accounts and overdrafts. Risk-weighted assets related to non-material portfolios decreased to $3.1 billion at June 30, 2019 compared to $3.2 billion at December 31, 2018.

MARKET RISK

In addition to interest rate risk, the Company is exposed to other forms of market risk, including: 1) trading activities which support customers' strategies to manage their own foreign currency, interest rate risk and funding activities; 2) hedging activities related to mortgage loans held for sale and MSRs; and 3) valuation of the Company's investment portfolio. Market risk risk-weighted assets for trading activities increased slightly to $2.1 billion at June 30, 2019 compared to $1.8 billion at December 31, 2018. Refer to the "Market Risk Management" section of the "Management's Discussion and Analysis" section of the Annual Report and Form 10-Q for further discussion of market risk associated with client related trading and mortgage hedging.

OPERATIONAL RISK

Operational Risk Data and Assessment Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events. Operational risk is assessed through analyzing the four key data elements in the Rule: 1) internal operational loss data, 2) external operational loss data from other banking institutions, 3) scenario analysis and 4) business environment and internal control factors ("BEICFs"). The Company's Operational Risk Data and Assessment System uses a number of enterprise-wide tools for identification and recording of the operational risk related losses, loss scenarios and key risk indicators that comprise the above four data elements and are used for the management, measurement, monitoring and reporting of operational risk.

Other elements that may be used for assessing operational risk are data related to insurance and reserves. Insurance is purchased in order to protect the Company against unexpected and substantial unforeseeable losses, transferring some operational risks to third party insurance companies. Insurance is one component of the Company's risk management strategy; however, insurance contracts are not used by the Company to reduce operational risk capital requirements. Reserves are recorded for operational risk related events for which a loss is probable. The Company considers such reserves as internal loss data in its capital quantification processes.

Operational Risk Capital Quantification and Allocation The Company's Operational Risk Quantification System ("ORQS") generates risk exposure estimates using the above data elements in accordance with the Rule. The particular methods by which the Company's ORQS combines the Operational Risk Data and Assessment System data elements to calculate risk exposure estimates are described in the following discussion:

Incorporating External Data The Company's ORQS uses external loss event data beyond a high dollar threshold to supplement the information contained in the Company's own internal loss data. The combined internal and external data are used as inputs to a statistical model based on the Loss Distribution Approach. The addition of external data enhances loss distribution estimates, but may also indicate potential losses to which the Company is exposed but has not yet experienced. The procedure to include external data includes both quantitative and qualitative methodologies to determine which external data are relevant to the Company. The Company scales the external data to adjust the external risk profile to be more in line with the internal risk profile. The Company does not include external data for losses below the high dollar threshold as it has sufficient data to model these smaller losses.

Loss Distribution Approach ("LDA") The Company partitions the high-severity loss data into a number of units of measure which are data clusters based on event categories under operational risk (such as external/internal fraud, damage to physical assets, employment practices and workplace safety) and business lines. The loss distributions for each high-severity unit of measure are modeled separately using the collective risk model version of the LDA. For each high-severity unit of measure, a loss event frequency distribution and a loss event severity distribution are estimated and the two estimated distributions are combined to form the annual loss distribution estimate. For low-severity events the loss distribution is directly modeled, unlike the LDA model.

Aggregation and Allocation The 99.9th percentiles of each loss distribution are summed to provide an estimate of operational risk capital. At present the Company does not incorporate any benefit for diversification. Also, the Company does not incorporate the effects of insurance or other risk mitigants. Scenarios and BEICFs are used to judgmentally assess adequacy of the LDA based capital estimates. Capital demand may be increased based on these assessments; however, capital is not adjusted downward.

Operational risk capital requirements were $5.0 billion (related risk-weighted assets of $62.0 billion) at June 30, 2019, an increase compared to a capital requirement of $4.8 billion (related risk-weighted assets of $60.2 billion) at December 31, 2018.

CREDIT RISK: GENERAL DISCLOSURES

The Company's strategy for credit risk management includes well-defined, centralized credit policies, uniform underwriting criteria, and ongoing risk monitoring and review processes for all commercial and consumer credit exposures. The strategy also emphasizes diversification on an industry, geographic and customer level, regular credit examinations and management reviews of loans exhibiting deterioration of credit quality. The Company's credit risk management strategy, including its rating system, is subject to an independent review function to ensure the control mechanisms are operating as intended. For further detail on the Company's general credit risk management, see the "Credit Risk Management" section of "Management's Discussion and Analysis" in the Annual Report and Form 10-Q.

Disclosures included in this Credit Risk: General Disclosures are presented under the interpretation that the Rule's definition of "major types of credit exposures" corresponds to the definition in the Company's Annual Report and Form 10-Q. The tables report balance sheet classifications consistent with the Annual Report and Form 10-Q. Loans and commitments covered by loss sharing agreements with the FDIC are noted as "Covered commitments," "Covered loans" or "Covered" on the tables that follow. Credit risk associated with loans, debt securities, commitments to extend credit and letters of credit are presented in this section. Credit risk associated with other off-balance sheet commitments and OTC derivatives are presented in other tables which is consistent with the Company's disclosures in the Annual Report and Form 10-Q. See the Company's Pillar 3 Disclosures Matrix for the location of other off-balance sheet credit risk disclosures.

The Company categorizes its loan portfolio into three segments, which is the level at which it develops and documents a systematic methodology to determine the allowance for credit losses. The Company's three loan portfolio segments are commercial lending, consumer lending and covered loans. Except with respect to covered loans, the Company further disaggregates its loans into various classes based on their underlying risk characteristics. The two classes within the commercial lending segment are commercial and commercial real estate loans. The three classes within the consumer lending segment are residential mortgages, credit card loans and other retail loans. Trends in delinquency and nonperforming ratios are an indicator, among other considerations, of credit risk within the Company's loan portfolios.

Table 11 provides industry distribution by major types of credit exposure. The credit exposure includes loans, contractual commitments to extend credit and letters of credit. This differs from the industry distribution by major types of credit exposure disclosed in the Company's Annual Report and Form 10-Q, which includes only loans.

Table 11 Credit Exposure by Industry (a)

(Dollars in Millions, Unaudited)	June 30, 2019 Total Commitments	June 30, 2019 Percent of Total	December 31, 2018 Total Commitments	December 31, 2018 Percent of Total
Commercial				
Manufacturing	$43,204	16.1 %	$44,090	16.7 %
Finance and insurance	33,570	12.5	31,737	12.1
Real estate, rental and leasing	25,651	9.5	24,381	9.3
Retail trade	19,435	7.2	19,765	7.5
Wholesale trade	18,334	6.8	18,681	7.1
Public administration	12,592	4.7	12,026	4.6
Health care and social assistance	11,103	4.1	11,223	4.3
Utilities	10,978	4.1	11,364	4.3
Transport and storage	9,850	3.7	8,437	3.2
Information	9,553	3.6	8,859	3.4
Professional, scientific and technical services	9,043	3.4	9,384	3.6
Mining	6,599	2.5	7,565	2.9
Educational services	6,306	2.3	6,361	2.4
Arts, entertainment and recreation	5,553	2.1	6,015	2.3
Other services	2,979	1.1	2,899	1.1
Agriculture, forestry, fishing and hunting	2,136	.8	2,230	.8
Other	41,623	15.5	38,299	14.4
Total commercial	268,509	100.0	263,316	100.0
Commercial real estate				
Business owner occupied	9,970	20.2	10,407	20.9
Commercial property				
Industrial	2,688	5.4	2,341	4.7
Office	6,564	13.3	6,559	13.2
Retail	4,362	8.9	4,466	9.0
Other commercial	4,165	8.5	4,419	8.9
Multi-family	11,832	24.0	11,942	23.9
Hotel/motel	3,984	8.1	4,086	8.2
Residential Development	5,414	11.0	5,312	10.6
Health care facilities	306	.6	303	.6
Total commercial real estate	49,285	100.0	49,835	100.0
Residential mortgages	68,374	100.0	65,248	100.0
Credit card	136,565	100.0	134,070	100.0
Other retail				
Retail leasing	8,467	8.9	8,546	9.1
Home equity and second mortgages	39,329	41.4	39,345	41.8
Other retail	47,279	49.7	46,296	49.1
Total other retail	95,075	100.0	94,187	100.0
Total commitments	$617,808	100.0 %	$606,656	100.0 %

(a) Net of participations sold.

Table 12 provides the geographic distribution of major types of credit exposure. The credit exposure includes loans, contractual commitments to extend credit and letters of credit. This differs from the geographic distribution by major types of credit exposure disclosed in the Company's Annual Report and Form 10-Q, which includes only loans.

Table 12 Credit Exposure by Geography (a)

(Dollars in Millions, Unaudited)	June 30, 2019 Total Commitments	June 30, 2019 Percent of Total	December 31, 2018 Total Commitments	December 31, 2018 Percent of Total
Commercial				
California	$32,984	12.3 %	$32,614	12.4 %
Colorado	9,056	3.4	8,825	3.3
Illinois	13,978	5.2	13,442	5.1
Minnesota	17,708	6.6	17,340	6.6
Missouri	9,641	3.6	8,890	3.4
Ohio	11,324	4.2	11,353	4.3
Oregon	5,293	2.0	5,426	2.1
Washington	9,654	3.6	9,386	3.5
Wisconsin	9,448	3.5	9,306	3.5
Iowa, Kansas, Nebraska, North Dakota, South Dakota	12,126	4.5	12,369	4.7
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	17,074	6.4	17,135	6.5
Idaho, Montana, Wyoming	2,957	1.1	3,125	1.2
Arizona, Nevada, New Mexico, Utah.	9,491	3.5	9,114	3.5
Total banking region	160,734	59.9	158,325	60.1
Outside the Company's banking region				
Florida, Michigan, New York, Pennsylvania, Texas	55,155	20.5	52,282	19.9
All other states	52,620	19.6	52,709	20.0
Total outside the Company's banking region	107,775	40.1	104,991	39.9
Total commercial	268,509	100.0	263,316	100.0
Commercial real estate				
California	12,253	24.9	12,462	25.0
Colorado	2,507	5.1	2,526	5.1
Illinois	1,703	3.4	1,736	3.5
Minnesota	2,356	4.8	2,323	4.7
Missouri	1,313	2.7	1,342	2.7
Ohio	1,371	2.8	1,410	2.8
Oregon	2,102	4.3	2,099	4.2
Washington	3,842	7.8	3,932	7.9
Wisconsin	1,954	4.0	2,071	4.2
Iowa, Kansas, Nebraska, North Dakota, South Dakota	2,293	4.6	2,314	4.6
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	3,749	7.6	3,768	7.5
Idaho, Montana, Wyoming	1,046	2.1	1,131	2.3
Arizona, Nevada, New Mexico, Utah.	3,944	8.0	4,101	8.2
Total banking region	40,433	82.1	41,215	82.7
Outside the Company's banking region				
Florida, Michigan, New York, Pennsylvania, Texas	5,401	10.9	5,229	10.5
All other states	3,451	7.0	3,391	6.8
Total outside the Company's banking region	8,852	17.9	8,620	17.3
Total commercial real estate	$49,285	100.0 %	$49,835	100.0 %

Table 12 Credit Exposure by Geography Continued (a)

(Dollars in Millions, Unaudited)	June 30, 2019 Total Commitments	June 30, 2019 Percent of Total	December 31, 2018 Total Commitments	December 31, 2018 Percent of Total
Residential mortgages				
California	$21,643	31.6 %	$20,177	30.9 %
Colorado	3,733	5.5	3,587	5.5
Illinois	3,407	5.0	3,301	5.1
Minnesota	4,363	6.4	4,322	6.6
Missouri	1,708	2.5	1,710	2.6
Ohio	2,041	3.0	2,062	3.2
Oregon	2,455	3.6	2,427	3.7
Washington	3,909	5.7	3,702	5.7
Wisconsin	1,509	2.2	1,527	2.3
Iowa, Kansas, Nebraska, North Dakota, South Dakota	2,025	3.0	2,055	3.2
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	3,868	5.6	3,799	5.8
Idaho, Montana, Wyoming	1,340	2.0	1,326	2.0
Arizona, Nevada, New Mexico, Utah.	5,020	7.3	4,851	7.4
Total banking region	57,021	83.4	54,846	84.0
Outside the Company's banking region				
Florida, Michigan, New York, Pennsylvania, Texas	4,921	7.2	4,744	7.3
All other states	6,432	9.4	5,658	8.7
Total outside the Company's banking region	11,353	16.6	10,402	16.0
Total residential mortgages	68,374	100.0	65,248	100.0
Credit card				
California	14,714	10.8	14,569	10.9
Colorado	5,112	3.7	5,012	3.7
Illinois	6,914	5.1	6,797	5.1
Minnesota	7,451	5.5	7,407	5.5
Missouri	4,030	3.0	3,979	3.0
Ohio	6,615	4.8	6,517	4.8
Oregon	4,160	3.0	4,113	3.1
Washington	5,279	3.9	5,203	3.9
Wisconsin	7,002	5.1	7,039	5.2
Iowa, Kansas, Nebraska, North Dakota, South Dakota	6,584	4.8	6,543	4.9
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	11,342	8.3	11,068	8.3
Idaho, Montana, Wyoming	2,335	1.7	2,285	1.7
Arizona, Nevada, New Mexico, Utah.	6,691	4.9	6,292	4.7
Total banking region	88,229	64.6	86,824	64.8
Outside the Company's banking region				
Florida, Michigan, New York, Pennsylvania, Texas	26,107	19.1	25,684	19.1
All other states	22,229	16.3	21,562	16.1
Total outside the Company's banking region	48,336	35.4	47,246	35.2
Total credit card	136,565	100.0	134,070	100.0
Retail loans				
California	17,619	18.5	17,611	18.7
Colorado	5,076	5.3	5,125	5.4
Illinois	5,083	5.3	5,125	5.4
Minnesota	8,337	8.8	8,513	9.0
Missouri	3,668	3.9	3,726	4.0
Ohio	4,294	4.5	4,315	4.6
Oregon	3,887	4.1	3,887	4.1
Washington	4,521	4.7	4,513	4.8
Wisconsin	2,729	2.9	2,753	2.9
Iowa, Kansas, Nebraska, North Dakota, South Dakota	4,300	4.5	4,336	4.6
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	5,460	5.7	5,515	5.9
Idaho, Montana, Wyoming	2,254	2.4	2,208	2.4
Arizona, Nevada, New Mexico, Utah.	4,827	5.1	4,695	5.0
Total banking region	72,055	75.7	72,322	76.8
Outside the Company's banking region				
Florida, Michigan, New York, Pennsylvania, Texas	13,067	13.8	12,572	13.3
All other states	9,953	10.5	9,293	9.9
Total outside the Company's banking region	23,020	24.3	21,865	24.3
Total retail loans	95,075	100.0	94,187	100.0
Total commitments	$617,808	100.0 %	$606,656	100.0 %

(a) Net of participations sold.

The Company's investment securities portfolio includes U.S. Treasury and agencies, agency mortgage-backed securities, and obligations of state and political subdivisions (municipal securities). The most important feature management relies on when assessing credit risk for U.S. Treasury and agencies and agency mortgage-backed securities is the guarantee of the federal government or its agencies. Geography is one of the factors the Company considers in managing its investment in municipal securities. Table 13 shows that the Company's municipal securities are distributed throughout the major regions of the United States.

Table 13 Municipal Securities by Geography

	June 30, 2019		December 31, 2018	
(Dollars in Millions, Unaudited)	Amount	Percent of Total	Amount	Percent of Total
Municipal securities				
Southeast	$1,646	25.3 %	$1,818	27.1 %
West	1,703	26.2	1,684	25.1
Northeast	1,530	23.5	1,557	23.2
Southwest	952	14.6	931	13.9
Midwest	676	10.4	717	10.7
Multi-state	-	-	-	-
Total municipal securities	$6,507	100.0 %	$6,707	100.0 %

Table 14 provides a maturity distribution by loan category for loans, contractual commitments to extend credit and letters of credit. The contractual amounts of commitments to extend credit and letters of credit represent the Company's maximum exposure to credit loss, in the event of default by the borrower if the borrower were to fully draw against the commitment. The Company manages this credit risk by using the same credit policies it applies to loans. Management assesses the borrower's credit worthiness to determine the necessary collateral, which may include marketable securities, receivables, inventory, equipment and real estate. Refer to the Annual Report and Form 10-Q for further details.

Table 14 Credit Risk and Maturity by Exposure Type

Loan maturity distribution by loan category:

	June 30, 2019				December 31, 2018			
(Dollars in Millions, Unaudited)	One Year or Less	Over One Through Five Years	Over Five Years	Total	One Year or Less	Over One Through Five Years	Over Five Years	Total
Commercial	$38,094	$62,594	$3,292	$103,980	$34,858	$57,132	$5,571	$97,561
Commercial real estate	10,469	21,826	7,039	39,334	11,402	22,117	6,944	40,463
Residential mortgages	2,429	8,967	56,517	67,913	2,578	8,670	48,535	59,783
Retail credit card	23,426	-	-	23,426	22,180	-	-	22,180
Other Retail	10,629	24,839	21,907	57,375	10,529	32,285	14,510	57,324
Covered	-	-	-	-	373	470	2,278	3,121
Total loans	$85,047	$118,226	$88,755	$292,028	$81,920	$120,674	$77,838	$280,432

The ending and average contract (notional) amounts of unfunded commitments to extend credit and letters of credit, excluding those commitments considered derivatives, are shown below. Since the Company expects many of the commitments to expire without being drawn, total commitment amounts do not necessarily represent the Company's future liquidity requirements.

Unfunded Commitment maturity distribution by loan category:

(Dollars in Millions, Unaudited)	June 30, 2019 Ending Balance One Year or Less	Greater Than One Year	Total	Average Balance	December 31, 2018 Ending Balance One Year or Less	Greater Than One Year	Total	Average Balance
Unfunded commitments to extend credit (a)								
Commercial and commercial real estate	$31,141	$104,066	$135,207	$134,787	$28,903	$100,648	$129,551	$128,310
Corporate and purchasing cards (b)	27,905	-	27,905	27,532	26,002	-	26,002	25,465
Residential mortgages	459	2	461	440	216	3	219	268
Retail credit card (b)	113,139	-	113,139	113,328	106,285	-	106,285	106,473
Other retail	13,279	24,421	37,700	37,619	13,707	23,600	37,307	37,384
Covered	-	-	-	-	-	126	126	138
Total unused loan commitments	185,923	128,489	314,412	313,706	175,113	124,377	299,490	298,038
Other non-loan related unused commitments	6,218	-	6,218	6,265	5,672	-	5,672	5,731
Total commitments to extend credit	$192,141	$128,489	$320,630	$319,971	$180,785	$124,377	$305,162	$303,769
Letters of credit (a)								
Standby	$4,536	$6,410	$10,946	$10,932	$4,891	$5,966	$10,857	$10,860
Commercial	387	35	422	468	398	24	422	404

(a) Net of participations sold.
(b) Primarily cancelable at the Company's discretion.

Table 15 provides industry detail of the past due and nonperforming loans for each class within the commercial lending segment and further loan type breakout within the other retail class. As economic conditions continue to slowly improve, the Company has seen improvement in past due and nonperforming loans across most loan classes. Refer to the Annual Report and Form 10-Q for further details.

Table 15 Past Due and Nonperforming Loans by Industry

June 30, 2019

Industry Group (Dollars in Millions, Unaudited)	Accruing Loans: 30-89 Days Past Due Amount	30-89 Days Past Due As a Percent of Ending Loans	90 or More Days Past Due Amount	90 or More Days Past Due As a Percent of Ending Loans	Nonaccrual Loans: Less than 90 Days Past Due Amount	Less than 90 Days Past Due As a Percent of Ending Loans	90 or More Days Past Due Amount	90 or More Days Past Due As a Percent of Ending Loans	Total Nonaccrual Amount	Total Nonaccrual As a Percent of Ending Loans
Commercial										
Manufacturing	$35	.23 %	$1	.01 %	$18	.12 %	$3	.02 %	$21	.14 %
Finance and insurance	9	.08	-	-	4	.03	-	-	4	.03
Real estate, rental and leasing	4	.03	-	-	2	.02	-	-	2	.02
Retail trade	5	.06	1	.01	5	.07	1	.01	6	.08
Wholesale trade	10	.12	1	.01	36	.43	1	.01	37	.44
Public administration	132	2.63	204	4.06	-	-	-	-	-	-
Health care and social assistance	25	.45	1	.02	7	.13	4	.07	11	.20
Utilities	1	.04	-	-	88	3.95	-	-	88	3.95
Information	4	.13	-	-	4	.13	-	-	4	.13
Transport and storage	8	.19	-	-	12	.29	2	.05	14	.34
Professional, scientific and technical services	15	.39	1	.03	5	.13	1	.03	6	.16
Arts, entertainment and recreation	1	.04	-	-	2	.07	-	-	2	.07
Educational services	8	.27	-	-	2	.07	-	-	2	.07
Mining	-	-	-	-	55	2.98	-	-	55	2.98
Other services	6	.35	-	-	3	.17	1	.06	4	.23
Agriculture, forestry, fishing and hunting	6	.57	-	-	5	.47	3	.29	8	.76
Other	84	.58	64	.44	10	.07	5	.03	15	.10
Total commercial	**353**	**.34**	**273**	**.26**	**258**	**.25**	**21**	**.02**	**279**	**.27**
Commercial real estate										
Business owner occupied	15	.16	-	-	43	.47	6	.06	49	.53
Commercial property										
Industrial	1	.05	-	-	1	.05	-	-	1	.05
Office	-	-	-	-	1	.02	1	.02	2	.04
Retail	2	.05	-	-	8	.20	1	.02	9	.22
Other	4	.12	-	-	3	.09	-	-	3	.09
Multi-family	1	.03	1	.03	1	.03	-	-	1	.03
Hotel/motel	2	.02	-	-	6	.07	3	.04	9	.11
Residential Development	2	.06	-	-	6	.17	10	.30	16	.47
Healthcare	-	-	-	-	2	.92	-	-	2	.92
Total commercial real estate	**27**	**.07**	**1**	**.00**	**71**	**.18**	**21**	**.05**	**92**	**.23**
Residential mortgages	**184**	**.26**	**113**	**.17**	**85**	**.13**	**178**	**.26**	**263**	**.39**
Credit card	**288**	**1.23**	**267**	**1.14**	**-**	**-**	**-**	**-**	**-**	**-**
Other retail										
Retail leasing	38	.45	2	.02	11	.13	-	-	11	.13
Home equity and second mortgages	82	.51	53	.34	29	.19	89	.56	118	.75
Other retail	264	.80	43	.13	38	.11	2	.01	40	.12
Total other retail	**384**	**.67**	**98**	**.17**	**78**	**.13**	**91**	**.16**	**169**	**.29**
Total	**$1,236**	**.42 %**	**$752**	**.26 %**	**$492**	**.16 %**	**$311**	**.11 %**	**$803**	**.27 %**

Table 15 Past Due and Nonperforming Loans by Industry Continued

	December 31, 2018									
	Accruing Loans				Nonaccrual Loans					
	30-89 Days Past Due		90 or More Days Past Due		Less than 90 Days Past Due		90 or More Days Past Due		Total Nonaccrual	
Industry Group (Dollars in Millions, Unaudited)	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans
Commercial										
Manufacturing	$39	.26 %	$2	.01 %	$43	.29 %	$15	.10 %	$58	.39 %
Finance and insurance	13	.13	-	-	4	.04	1	.01	5	.05
Wholesale trade	6	.05	-	-	2	.02	-	-	2	.02
Retail trade	5	.06	1	.01	5	.06	1	.01	6	.07
Real estate, rental and leasing	17	.20	-	-	10	.12	1	.01	11	.13
Public administration	70	1.47	5	.10	1	.02	-	-	1	.02
Health care and social assistance	24	.42	-	-	8	.14	3	.05	11	.19
Utilities	1	.04	-	-	-	-	-	-	-	-
Mining	8	.22	-	-	6	.17	1	.03	7	.20
Information	14	.42	1	.03	3	.09	2	.06	5	.15
Professional, scientific and technical services	6	.17	-	-	13	.36	1	.03	14	.39
Transport and storage	-	-	-	-	64	3.91	-	-	64	3.91
Educational services	9	.29	-	-	2	.06	-	-	2	.06
Arts, entertainment and recreation	2	.05	-	-	1	.02	-	-	1	.02
Other services	6	.35	-	-	3	.18	2	.12	5	.30
Agriculture, forestry, fishing and hunting	6	.49	-	-	2	.16	3	.24	5	.40
Other	96	.76	60	.47	9	.07	3	.02	12	.09
Total commercial	**322**	**.31**	**69**	**.07**	**176**	**.17**	**33**	**.03**	**209**	**.20**
Commercial real estate										
Business owner occupied	24	.25	-	-	42	.43	7	.07	49	.50
Commercial property										
Industrial	1	.06	-	-	1	.06	-	-	1	.06
Office	4	.07	-	-	2	.04	-	-	2	.04
Retail	22	.53	-	-	6	.14	-	-	6	.14
Other	5	.15	-	-	2	.06	2	.06	4	.12
Residential Development	-	-	-	-	-	-	-	-	-	-
Multi-family	4	.05	-	-	45	.52	5	.06	50	.58
Hotel/motel	10	.28	-	-	1	.03	-	-	1	.03
Healthcare	-	-	-	-	2	.67	-	-	2	.67
Total commercial real estate	**70**	**.18**	**0**	**-**	**101**	**.25**	**14**	**.04**	**115**	**.29**
Residential mortgages	**181**	**.27**	**114**	**.18**	**106**	**.17**	**190**	**.29**	**296**	**.46**
Credit card	**324**	**1.39**	**293**	**1.25**	**0**	**-**	**0**	**-**	**0**	**-**
Other retail										
Retail leasing	37	.43	3	.04	12	.14	-	-	12	.14
Home equity and second mortgages	90	.56	57	.35	51	.32	94	.58	145	.90
Other retail	276	.87	48	.15	37	.12	3	.01	40	.13
Total other retail	**403**	**.71**	**108**	**.19**	**100**	**.18**	**97**	**.17**	**197**	**.35**
Total, excluding covered	**1,300**	**.45 %**	**584**	**.20 %**	**483**	**.16 %**	**334**	**.12 %**	**817**	**.28 %**
Covered	0	-	0	-	0	-	0	-	0	-
Total	**$1,300**	**.45 %**	**$584**	**.20 %**	**$483**	**.16 %**	**$334**	**.12 %**	**$817**	**.28 %**

Impaired loans include all nonaccrual and troubled debt restructured (“TDR”) loans. The past due and nonperforming loan tables include $367 million of TDRs that are not performing in accordance with the modified terms in nonperforming loans. In addition, performing TDRs that are past due are reported according to contractual delinquency. Performing TDRs of $90 million are included in 90 days past due and performing TDRs of $94 million are included in 30-89 days past due. The past due and nonperforming loan tables above exclude approximately $2.0 billion of TDRs that are considered current with the modified terms. See the Company's Annual Report and Form 10-Q for more information on TDRs and nonperforming loans.

In addition to industry, the Company uses the geography of the borrower's business or property location in the case of real estate secured loans, among other key risk characteristics, to determine estimates about the likelihood of default by the borrowers and the severity of loss in the event of default. Table 16 provides geographic detail on past due and nonperforming loans.

Table 16 Past Due and Nonperforming Loans by Geography

	June 30, 2019									
	Accruing Loans				Nonaccrual Loans					
	30-89 Days Past Due		90 or More Days Past Due		Less Than 90 Days Past Due		90 or More Days Past Due		Total Nonaccrual	
(Dollars in Millions, Unaudited)	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans
California	$178	.31 %	$128	.23 %	$128	.23 %	$45	.08 %	$173	.31 %
Colorado	35	.28	19	.15	18	.15	8	.06	26	.21
Illinois	78	.53	81	.55	33	.22	33	.23	66	.45
Minnesota	43	.23	23	.12	15	.08	17	.09	32	.17
Missouri	42	.45	23	.25	13	.14	10	.11	23	.25
Ohio	47	.39	28	.23	16	.14	17	.14	33	.28
Oregon	27	.32	16	.19	6	.07	10	.12	16	.19
Washington	33	.24	30	.22	5	.03	13	.10	18	.13
Wisconsin	30	.33	16	.18	14	.15	18	.20	32	.35
Iowa, Kansas, Nebraska North Dakota, South Dakota	76	.61	21	.17	51	.41	14	.11	65	.52
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	92	.50	55	.30	50	.27	29	.16	79	.43
Idaho, Montana, Wyoming	19	.41	8	.17	1	.02	6	.13	7	.15
Arizona, Nevada, New Mexico, Utah.	69	.40	37	.22	14	.08	15	.09	29	.17
Total banking region	769	.37	485	.23	364	.18	235	.11	$599	.29
Outside the Company's banking region										
Florida, Michigan, New York, Pennsylvania, Texas	240	.54	136	.30	88	.19	43	.10	131	.29
All other states	227	.57	131	.33	40	.10	33	.08	73	.18
Total	$1,236	.42 %	$752	.26 %	$492	.16 %	$311	.11 %	$803	.27 %

	December 31, 2018									
	Accruing Loans				Nonaccrual Loans					
	30-89 Days Past Due		90 or More Days Past Due		Less Than 90 Days Past Due		90 or More Days Past Due		Total Nonaccrual	
(Dollars in Millions, Unaudited)	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans	Amount	As a Percent of Ending Loans
California	$218	.39 %	$76	.14 %	$45	.09 %	$36	.06 %	$81	.15 %
Colorado	41	.33	21	.17	18	.15	9	.07	27	.22
Illinois	89	.62	40	.28	30	.21	26	.18	56	.39
Minnesota	50	.27	25	.13	16	.08	14	.08	30	.16
Missouri	41	.46	24	.27	24	.28	11	.12	35	.40
Ohio	53	.44	30	.25	18	.15	18	.15	36	.30
Oregon	25	.29	17	.20	17	.20	10	.12	27	.32
Washington	37	.28	17	.13	10	.07	13	.10	23	.17
Wisconsin	35	.37	19	.20	15	.16	21	.22	36	.38
Iowa, Kansas, Nebraska North Dakota, South Dakota	54	.43	34	.27	39	.31	31	.24	70	.55
Arkansas, Indiana, Kentucky, North Carolina, Tennessee	128	.68	54	.29	39	.21	28	.15	67	.36
Idaho, Montana, Wyoming	14	.29	9	.19	3	.07	5	.10	8	.17
Arizona, Nevada, New Mexico, Utah.	75	.46	41	.25	16	.09	19	.12	35	.21
Total banking region	860	.41	407	.20	290	.14	241	.12	531	.26
Outside the Company's banking region										
Florida, Michigan, New York, Pennsylvania, Texas	241	.57	104	.24	154	.36	45	.11	199	.47
All other states	199	.52	73	.19	39	.10	48	.13	87	.23
Total	$1,300	.45 %	$584	.20 %	$483	.16 %	$334	.12 %	$817	.28 %

Table 17 shows the amount of the allowance for credit losses by loan portfolio class. Although the Company determines the amount of each element of the allowance separately and considers this process to be an important credit management tool, the entire allowance for credit losses is available for the entire loan portfolio. The actual amount of losses incurred can vary significantly from the estimated amounts.

Several factors are considered when evaluating the Company's allowance for credit losses, including the risk profile of the Company's loan portfolios, loan net charge-offs during the period, the level of nonperforming assets, the amount of accruing loans 90 or more days past due, delinquency ratios and changes in TDR loan balances. Management also considers the uncertainty related to certain industry sectors and the extent of credit exposure to specific borrowers within the portfolio. In addition, concentration risks associated with commercial real estate and the mix of loans, including credit cards and residential mortgage balances, and their relative credit risks, are evaluated. Finally, the Company considers current economic conditions that might impact the portfolio. Management determines the allowance that is required for specific loan categories based on relative risk characteristics of the loan portfolio. On an ongoing basis, management evaluates its methods for determining the allowance for each element of the portfolio and makes enhancements considered appropriate. Refer to "Management's Discussion and Analysis--Analysis and Determination of the Allowance for Credit Losses" in the Annual Report and Form 10-Q for further discussion on the evaluation of the allowance for credit losses.

Table 17 Elements of the Allowance for Credit Losses

	June 30, 2019		December 31, 2018	
(Dollars in Millions, Unaudited)	Amount	Percent of Ending Loans	Amount	Percent of Ending Loans
Commercial	$1,464	1.41 %	$1,454	1.42 %
Commercial real estate	794	2.02	800	2.02
Residential mortgages	438	.65	455	.70
Credit card	1,132	4.83	1,102	4.72
Other retail	638	1.11	630	1.12
Total allowance for credit losses	$4,466	1.53 %	$4,441	1.55 %

FORWARD-LOOKING STATEMENTS

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This Pillar 3 Disclosures document contains forward-looking statements about the Company. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of the Company.

Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. Deterioration in general business and economic conditions or turbulence in domestic or global financial markets could adversely affect the Company's revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit and increase stock price volatility. Stress in the commercial real estate markets, as well as a downturn in the residential real estate markets, could cause credit losses and deterioration in asset values. In addition, changes to statutes, regulations, or regulatory policies or practices could affect the Company in substantial and unpredictable ways. The Company's results could also be adversely affected by changes in interest rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in the level of tariffs and other trade policies of the Unites States and its global trading partners; changes in customer behavior and preferences; breaches in data security; failures to safeguard personal information; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputational risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to the Company's Annual Report for the year ended December 31, 2018, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13,

and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. In addition, factors other than these risks also could adversely affect the Company's results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and the Company undertakes no obligation to update them in light of new information or future events.

Appendix A

U.S. Bancorp Basel Capital Pillar 3 Disclosures Matrix
As of June 30, 2019

In compliance with the Section-173 Disclosure Requirements by certain advanced approaches institutions: Advanced Capital Adequacy Framework--Basel Final Rule, U.S. Bancorp the ("Company" or "USB") has provided the following summary of the required disclosure locations. All documents referenced except the 2018 Annual Report are as of March 31, 2019. All documents referenced can be found at usbank.com.

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference - if applicable
Scope of Application				
Qualitative: (a)	The name of the top corporate entity in the group to which the Risk-Based Capital Standards apply:	***Basel Pillar 3 Disclosures (Unaudited):*** Overview	1	
(b)	A brief description of the differences in the basis for consolidating entities for accounting and regulatory purposes, with a description of those entities: (1) that are fully consolidated; (2) that are deconsolidated and deducted from total capital; (3) for which the total capital requirement is deducted; and (4) that are neither consolidated nor deducted (for example, where the investment in the entity is assigned a risk weight in accordance with this subpart).	Not applicable. The Company does not have differences in the basis of consolidation for accounting and regulatory purposes.	None	None
(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	***2018 Annual Report (Audited):*** Note 23--U.S. Bancorp (Parent Company) Consolidated Balance Sheet		2018 Annual Report pg 135-137
Quantitative: (d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the regulatory capital of the consolidated group.	***Basel Pillar 3 Disclosures (Unaudited):*** Regulatory Based Capital Adequacy Ratios	3-4	***FFIEC 101*** USB Schedule A
(e)	The aggregate amount by which actual regulatory capital is less than the minimum regulatory capital requirement in all subsidiaries with regulatory capital requirements and the name(s) of the subsidiaries with such deficiencies.	None.	None	None
Capital Structure				
Qualitative: (a)	Summary information on the terms and conditions of the main features of all regulatory capital instruments.	***2018 Annual Report (Audited):*** MD&A Capital Management Note 13--Long-Term Debt Note 14--Shareholders' Equity Note 15--Earnings per Share Form 10Q (unaudited): MD&A Capital Management (Unaudited) Note 8 -- Preferred Stock Note 10 -- Earnings per Share		2018 Annual Report pg 58-59 pg 103 pg 104-108 pg 109 ***Form 10Q*** pg 24-25 pg 53 pg 55
Quantitative: (b)	The amount of tier 1 capital, with separate disclosure of: (1) common stock/surplus; (2) retained earnings; (3) Common Equity minority interest (4) AOCI (net of tax) and other reserves (5) Regulatory adjustments and deductions made to common equity tier 1 capital.	***FFIEC 101 (Unaudited):*** USB Schedule A Advanced Risk-Based Capital		***FFIEC 101*** USB Schedule A
(c)	The amount of tier 1 capital, with separate disclosure of: (1) Additional tier 1 capital elements, including additional tier 1 capital instruments and tier 1 minority interest not included in common equity tier 1 capital; and (2) Regulatory adjustments and deductions made to total capital.	***FFIEC 101 (Unaudited):*** USB Schedule A Advanced Risk-Based Capital ***Form 10Q (unaudited):*** Consolidated Balance Sheet		***FFIEC 101*** USB Schedule A ***Form 10Q*** pg 32
(d)	The amount of total capital, with separate disclosure of: (1) Tier 2 capital elements, including tier 2 capital instruments and total capital minority interest not included in tier 1 capital; and (2) Regulatory adjustments and deductions made to total capital.	***FFIEC 101 (Unaudited):*** USB Schedule A Advanced Risk-Based Capital		***FFIEC 101*** USB Schedule A
Capital Adequacy				
Qualitative: (a)	A summary discussion of the bank holding company's approach to assessing the adequacy of its capital to support current and future activities.	***2018 Annual Report (Audited):*** MD&A Capital Management MD&A Non-GAAP Financial Measures Note 14--Shareholders' Equity ***Form 10Q (unaudited):*** MD&A Capital Management (Unaudited) MD&A Non-GAAP Financial Measures ***Basel Pillar 3 Disclosures (Unaudited):*** Internal Capital Adequacy Assessment Process ("ICAAP")	2-3	2018 Annual Report pg 58-59 pg 66-67 pg 104-108 ***Form 10Q*** pg 24-25 pg 30-31
Quantitative: (b)	Risk-weighted assets for credit risk from: (1) Wholesale exposures; (2) Residential mortgage exposures; (3) Qualifying revolving exposures; (4) Other retail exposures; (5) Securitization exposures; (6) Equity exposures: (7) Equity exposures subject to the simple risk weight approach; and (8) Equity exposures subject to the internal models approach.	***FFIEC 101 (Unaudited):*** USB Schedule B Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes.		***FFIEC 101*** USB Schedule B
(c)	Standardized market risk-weighted assets and advanced market risk-weighted assets as calculated under subpart F of this part: (1) Standardized approach for specific risk; and (2) Internal models approach for specific risk.	***FFIEC 101 (Unaudited):*** USB Schedule B Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes		***FFIEC 101*** USB Schedule B
(d)	Risk-weighted assets for operational risk.	***FFIEC 101 (Unaudited):*** USB Schedule B Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes		***FFIEC 101*** USB Schedule B

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference - if applicable
(e)	Common Equity tier 1, tier 1 and total risk-based capital ratios: (1) For the top consolidated group; and (2) For each Depository Institution subsidiary.	***FFIEC 101 (Unaudited):*** Schedule A Advanced Risk-Based Capital and Schedule B Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes for the following legal entities: U.S. Bancorp U.S. Bank National Association (Cincinnati, OH) Basel Pillar 3 Disclosures (Unaudited): ***Basel Pillar 3 Disclosures (Unaudited):*** Table 1-- Regulatory Capital Ratios	3	***FFIEC 101*** USB Schedule A & B USBNA Schedule A & B
(f)	Total Risk Weighted Assets	***FFIEC 101 (Unaudited):*** USB Schedule B Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes ***Basel Pillar 3 Disclosures (Unaudited):*** Table 4 Risk Weighted Assets	6	***FIEC 101*** USB Schedule A & B
Capital Conservation and Countercyclical Capital Buffers				
Qualitative: (a)	The bank holding company must publicly disclose the geographic breakdown of its private sector credit exposures used in the calculation of the countercyclical capital buffer.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 12--Credit Exposure by Geography	18-19	
Quantitative: (b)	At least quarterly, the bank holding company must calculate and publicly disclose the capital conservation buffer and the countercyclical capital buffer as described under §.11 of subpart B.	***Basel Pillar 3 Disclosures (Unaudited):*** Capital Conservation Buffer	4	***FFIEC 101*** USB Schedule A
(c)	At least quarterly, the bank holding company must calculate and publicly disclose the buffer retained income of the bank holding company.	***Basel Pillar 3 Disclosures (Unaudited):*** Capital Conservation Buffer	4	
(d)	At least quarterly, the bank holding company must calculate and publicly disclose any limitations it has on distributions and discretionary bonus payments resulting from the capital conservation buffer and the countercyclical capital buffer framework described under §.11 of subpart B, including the maximum payout amount for the quarter.	***Basel Pillar 3 Disclosures (Unaudited):*** Capital Conservation Buffer	4	
General Qualitative Disclosure Requirement				
	For each separate risk area described in tables 5 through 12, the bank holding company must describe its risk management objectives and policies, including: (1) Strategies and processes; (2) The structure and organization of the relevant risk management function; (3) The scope and nature of risk reporting and/or measurement systems; (4) Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants.	***2018 Annual Report (Audited):*** • MD&A--Balance Sheet Analysis • MD&A--Corporate Risk Profile • Note 1--Significant Accounting Policies • Note 4--Investment Securities • Note 5--Loans and Allowance for Credit Losses • Note 7--Accounting For Transfers and Servicing of Financial Assets and Variable Interest Entities • Note 19--Derivative Instruments • Note 21--Fair Values of Assets and Liabilities • Note 22--Guarantees and Contingent Liabilities ***Form 10-Q (Unaudited):*** •MD&A --Balance Sheet Analysis •MD&A --Corporate Risk Profile • Note 1--Basis of Presentation • Note 3--Investment Securities • Note 4--Loans and Allowance for Credit Losses • Note 6--Accounting For Transfers and Servicing of Financial Assets and Variable Interest Entities • Note 13--Derivative Instruments • Note 14--Netting Arrangements for Certain Financial Instruments and Securities Financing Activities • Note 15--Fair Values of Assets and Liabilities • Note 16--Guarantees and Contingent Liabilities ***usbank.com Website*** • Corporate Governance		2018 Annual Report pg 29-38 pg 38-59 pg 80-87 pg 89-90 pg 91-97 pg 98-99 pg 118-122 pg 125-131 pg 131-135 ***Form 10-Q*** pg 6-8 pg 8-25 pg 37 pg 38-39 pg 40-48 pg 50-51 pg 56-61 pg 61-63 pg 63-68 pg 68-71 http://phx.corporate-ir.net/phoenix.zhtml?c=117565&p=irol-govboard
Credit Risk - General Disclosures				
Qualitative: (a)	The general qualitative disclosure requirement with respect to credit risk (excluding counterparty credit risk disclosed in accordance with Table 7) including: (1) Policy for determining past due or delinquency status; (2) Policy for placing loans on nonaccrual; (3) Policy for returning loans to accrual status; (4) Definition of and policy for identifying impaired loans (for financial accounting purposes). (5) Description of the methodology that the entity uses to estimate its allowance for loan and lease losses, including statistical methods used where applicable; (6) Policy for charging-off uncollectible amounts; and (7) Discussion of the bank's credit risk management policy	***2018 Annual Report (Audited):*** • MD&A--Balance Sheet Analysis • MD&A--Corporate Risk Profile • Note 1--Significant Accounting Policies • Note 4--Investment Securities • Note 5--Loans and Allowance for Credit Losses • Note 22--Guarantees and Contingent Liabilities ***Form 10-Q (Unaudited):*** • MD&A--Balance Sheet Analysis • MD&A--Corporate Risk Profile • Note 1--Basis of Presentation • Note 3--Investment Securities • Note 4--Loans and Allowance for Credit Losses • Note 16--Guarantees and Contingent Liabilities ***Credit Risk: General Disclosures***	16-25	2018 Annual Report pg 29-38 pg 38-59 pg 80-87 pg 89-90 pg 91-97 pg 131-135 ***Form 10-Q*** pg 6-8 pg 8-25 pg 37 pg 38-39 pg 40-48 pg 50-51
Quantitative: (b)	Total credit risk exposures and average credit risk exposures, after accounting offsets in accordance with GAAP, without taking into account the effects of credit risk mitigation techniques (for example, collateral and netting not permitted under GAAP), over the period categorized by major types of credit exposure. For example, bank holding companys could use categories similar to that used for financial statement purposes. Such categories might include, for instance: (1) Loans, off-balance sheet commitments, and other non-derivative off-balance sheet exposures; (2) Debt securities; and (3) OTC derivatives.	***2018 Annual Report (Audited):*** • Note 5--Loans and Allowance for Credit Losses • Consolidated Daily Average Balance Sheet and Related Yields and Rates ***FR Y-9C (Unaudited):*** • Schedule HC-B - Securities • Schedule HC-L - Derivatives and Off-Balance-Sheet Items ***Basel Pillar 3 Disclosures (Unaudited):*** Table 8--General Disclosure for Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions, and Eligible Margin Loans Table 14--Credit Risk and Maturity by Exposure Type	12 20-21	***2018 Annual Report*** pg 91-97 pg 142-143 ***FR Y-9C*** pg 16-18 pg 28-31
(c)	Geographic distribution of exposures, categorized in significant areas by major types of credit exposure.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 12--Credit Exposure by Geography Table 13--Municipal Securities by Geography	18-19 20	
(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	***FR Y-9C (Unaudited):*** • Schedule HC-B - Securities • Schedule HC-L - Derivatives and Off-Balance-Sheet Items ***Basel Pillar 3 Disclosures (Unaudited):*** Table 11--Credit Exposure by Industry	17	***FR Y-9C*** pg 16-18 pg 28-31

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference - if applicable
(e)	By major industry or counterparty type: (1) Amount of impaired loans for which there was a related allowance under GAAP; (2) Amount of impaired loans for which there was no related allowance under GAAP; (3) Amount of loans past due 90 days and on nonaccrual; (4) Amount of loans past due 90 days and still accruing; (5) The balance in the allowance for loan and lease losses at the end of each period, disaggregated on the basis of the entity's impairment method. To disaggregate the information required on the basis of impairment methodology, an entity shall separately disclose the amounts based on the requirements in GAAP; and (6) Charge-offs during the period.	***10Q (Unaudited):*** • Analysis and Determination of the Allowance for Credit Losses ***Basel Pillar 3 Disclosures (Unaudited):*** Table 15--Past Due and Nonperforming Loan Portfolio By Industry ***Basel Pillar 3 Disclosures (Unaudited):*** Table 15--Past Due and Nonperforming Loan Portfolio By Industry ***Basel Pillar 3 Disclosures (Unaudited):*** Table 17--Elements of the Allowance for Credit Losses ***Form 10Q (Unaudited):*** • Table 8--Summary of Allowance for Credit Losses	 22-23 22-23 25	***Form 10-Q*** : pg 17-20 ***Form 10-Q*** pg 19
(f)	Amount of impaired loans and, if available, the amount of past due loans categorized by significant geographic areas including, if practical, the amounts of allowances related to each geographical area, further categorized as required by GAAP.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 16--Past Due and Nonperforming Loans by Geography Allowance by geography is not practical or meaningful to disclose since management does not use this information to allocate general or specific allowance components.	24	
(g)	Reconciliation of changes in the allowances for loan and lease losses.	***Form 10Q (Unaudited):*** • Table 8--Summary of Allowance for Credit Losses		***Form 10Q*** pg 19
(h)	Remaining contractual maturity breakdown (for example, one year or less) of the whole portfolio, broken down by major types of credit exposure.	***FR Y-9C (Unaudited):*** • Schedule HC-B - Securities • Schedule HC-L - Derivatives and Off-Balance-Sheet Items ***Basel Pillar 3 Disclosures (Unaudited):*** Table 14--Credit Risk and Maturity by Exposure Type	 20-21	***FR Y-9C*** pg 16-18 pg 28-31
Credit Risk - Disclosures for Portfolios Subject to IRB Risk-Based Capital Formulas				
Qualitative: (a)	Explanation and review of the: (1) Structure of internal rating systems and if the national bank or Federal savings association considers external ratings, the relation between internal and external ratings; (2) Use of risk parameter estimates other than for regulatory capital purposes; (3) Process for managing and recognizing credit risk mitigation (see table 8); and (4) Control mechanisms for the rating system, including discussion of independence, accountability, and rating systems review.	***Basel Pillar 3 Disclosures (Unaudited):*** Credit Risk: Advanced IRB Portfolios Credit Risk: General Disclosures	6-15 16-25	
(b)	Description of the internal ratings process, provided separately for the following: (1) Wholesale category (2) Retail subcategories; (i) Residential mortgage exposures; (ii) Qualifying revolving exposures; and (iii) Other retail exposures For each category and subcategory the description should include: (A) The types of exposure included in the category/subcategories; and (B) The definitions, methods and data for estimation and validation of PD, LGD, and EAD, including assumptions employed in the derivation of these variables.	***Basel Pillar 3 Disclosures (Unaudited):*** Credit Risk: Advanced IRB Portfolios	6-15	
Quantitative: (c)	(1) For wholesale exposures, present the following information across a sufficient number of PD grades (including default) to allow for a meaningful differentiation of credit risk: (i) Total EAD; (ii) Exposure-weighted average LGD (percentage); (iii) Exposure-weighted average risk weight; and (iv) Amount of undrawn commitments and exposure-weighted average EAD including average drawdowns prior to default for wholesale exposures; (2) For each retail subcategory, present the disclosures outlined above across a sufficient number of segments to allow for a meaningful differentiation of credit risk.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 5--Wholesale and Retail Exposures by Probability of Default Grades	8-9	
(d)	Actual losses in the preceding period for each category and subcategory and how this differs from past experience. A discussion of the factors that impacted the loss experience in the preceding period – for example, has the bank holding company experienced higher than average default rates, loss rates or EADs.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 6--Actual Losses by Basel Category	9	
(e)	Bank holding company's estimates compared against actual outcomes over a longer period. At a minimum, this should include information on estimates of losses against actual losses in the wholesale category and each retail subcategory over a period sufficient to allow for a meaningful assessment of the performance of the internal rating processes for each category/subcategory. Where appropriate, the bank holding company should further decompose this to provide analysis of PD, LGD, and EAD outcomes against estimates provided in the quantitative risk assessment disclosures above.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 7--Risk Parameter Analysis (Building to a 5 Year Average)	10	
General Disclosure for Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions, and Eligible Margin Loans				
Qualitative: (a)	The general qualitative disclosure requirement with respect to OTC derivatives, eligible margin loans, and repo-style transactions, including: (1) Discussion of methodology used to assign economic capital and credit limits for counterparty credit exposures; (2) Discussion of policies for securing collateral, valuing and managing collateral, and establishing credit reserves; (3) Discussion of the primary types of collateral taken; (4) Discussion of policies with respect to wrong-way risk exposures; and (5) Discussion of the impact of the amount of collateral the bank holding company would have to provide if the bank holding company were to receive a credit rating downgrade.	***2018 Annual Report (Audited):*** • MD&A Use of Derivatives to Manage Interest Rate and Other Risks (Unaudited) • Note 1--Significant Accounting Policies (Audited) • Note 19--Derivative Instruments (Audited) • Note 20--Netting Arrangements for Certina Financial Instruments (Audited) • Note 21--Fair Values of Assets and Liabilities (Audited) ***Form 10-Q (Unaudited):*** • MD&A Use of Derivatives to Manage Interest Rate and Other Risks • Note 13--Derivative Instruments • Note 14--Netting Arrangements for Certain Financial Instruments • Note 15--Fair Values of Assets and Liabilities ***Basel Pillar 3 Disclosures (Unaudited):*** Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions, and Eligible Margin Loans	 11-12	2018 Annual Report ***pg 52-53*** ***pg 80-87*** ***pg 118-122*** ***pg 123-125*** ***pg 125-131*** ***Form 10Q*** pg 21 pg 56-61 pg 61-63 pg 63-68

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference - if applicable
Quantitative: (b)	Gross positive fair value of contracts, netting benefits, netted current credit exposure, collateral held (including type, for example, cash, government securities), and net unsecured credit exposure. Also report measures for EAD used for regulatory capital for these transactions, the notional value of credit derivative hedges purchased for counterparty credit risk protection, and, for bank holding companies not using the internal models methodology in section 32(d) of this rule, the distribution of current credit exposure by types of credit exposure.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 8--General Disclosure for Counterparty Credit Risk of OTC Derivative Contracts, Repo-Style Transactions, and Eligible Margin Loans	12	
(c)	Notional amount of purchased and sold credit derivatives, segregated between use for the bank holding company's own credit portfolio and for its intermediation activities, including the distribution of the credit derivative products used, broken down further by protection bought and sold within each product group.	***Form 10Q (Unaudited):*** • Note 13--Derivative Instruments ***FR Y-9C (Unaudited):*** • Schedule HC-L - Derivatives and Off-Balance-Sheet Items		***Form 10Q*** pg 56-61 ***FR Y-9C*** pg 28-31
(d)	The estimate of Alpha if the Bank has received approval to estimate Alpha	***N/A***	N/A	
Credit Risk Mitigation				
Qualitative: (a)	The general qualitative disclosure requirement with respect to credit risk mitigation including: (1) policies and processes for, and an indication of the extent to which the bank holding company uses, on-and-off-balance sheet netting; (2) policies and processes for collateral valuation and management; (3) a description of the main types of collateral taken by the bank holding company; (4) the main types of guarantors/credit derivative counterparties and their creditworthiness; and (5) information about (market or credit) risk concentrations within the mitigation taken.	***2018 Annual Report (Audited):*** • MD&A--Corporate Risk Profile • Note 1--Significant Accounting Policies • Note 4--Investment Securities • Note 5--Loans and Allowance for Credit Losses • Note 19--Derivative Instruments • Note 20--Netting Arrangements for Certina Financial Instruments • Note 21--Fair Values of Assets and Liabilities ***Form 10Q (Unaudited):*** • MD&A--Corporate Risk Profile • Note 3--Investment Securities • Note 4--Loans and Allowance for Credit Losses • Note 13--Derivative Instruments • Note 14--Netting Arrangements for Certina Financial Instruments • Note 15--Fair Values of Assets and Liabilities ***Basel Pillar 3 Disclosures (Unaudited):*** Credit Risk Mitigation	10	*2018 Annual Report* pg 38-59 pg 80-87 pg 89-90 pg 91-97 pg 118-122 pg 123-125 pg 125-131 *Form 10Q* pg 8-25 pg 38-39 pg 40-48 pg 56-61 pg 61-63 pg 63-68
Quantitative: (b)	For each separately disclosed portfolio, the total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees/credit derivatives .	***Basel Pillar 3 Disclosures (Unaudited):*** Credit Risk Mitigation	10	
Securitization				
Qualitative: (a)	The general qualitative disclosure requirement with respect to securitization (including synthetic securitizations), including a discussion of: (1) The bank holding company's objectives for securitizing assets, including the extent to which these activities transfer credit risk of the underlying exposures away from the bank holding company to other entities and including the type of risks assumed and retained with resecuritization activity; (2) The nature of the risks (e.g. liquidity risk) inherent in the securitized assets; (3) The roles played by the bank holding company in the securitization process and an indication of the extent of thebank holding company's involvement in each of them; (4) The processes in place to monitor changes in the credit and market risk of securitization exposures including how those processes differ for resecuritization exposures; (5) The bank holding company's policy for mitigating the credit risk retained through securitization and resecuritization exposures; and (6) The risk-based capital approaches that the bank holding company follows for its securitization exposures including the type of securitization exposure to which each approach applies.	***2018 Annual Report (Audited):*** • MD&A Corporate Risk Profile (Off-Balance Sheet Arrangements) ***Form 10Q (Unaudited)*** • MD&A Corporate Risk Profile (Off-Balance Sheet Arrangements) ***Basel Pillar 3 Disclosures (Unaudited):*** Securitization	12-13	2018 Annual Report pg 56-57 ***Form 10Q*** pg 24
(b)	A list of: (1) The type of securitization SPEs that the bank holding company, as sponsor, uses to securitize third-party exposures. The bank holding company must indicate whether it has exposure to these SPEs , either on- or off- balance sheet; and (2) Affiliated entities: (i) That the bank holding company manages or advises; and (ii) That invest either in the securitization exposures that the bank holding company has securitized or in securitization SPEs that the bank holding company sponsors.	***Basel Pillar 3 Disclosures (Unaudited):*** Securitization	12-13	
(c)	Summary of the bank holding company's accounting policies for securitization activities, including: (1) Whether the transactions are treated as sales or financings; (2) Recognition of gain-on-sale; (3) Methods and key assumptions and inputs applied in valuing retained or purchased interests; (4) Changes in methods and key assumptions and inputs from the previous period for valuing retained interests and impact of the changes; (5) Treatment of synthetic securitizations; (6) How exposures intended to be securitized are valued and whether they are recorded under subpart E of this part; and (7) Policies for recognizing liabilities on the balance sheet for arrangements that could require the bank holding company to provide financial support for securitized assets.	***Basel Pillar 3 Disclosures (Unaudited):*** Securitization	12-13	
(d)	An explanation of significant changes to any of the quantitative information set forth below since the last reporting period.	***Basel Pillar 3 Disclosures (Unaudited):*** Securitization	12-13	
Quantitative: (e)	The total outstanding exposures securitized by the bank holding company in securitizations that meet the operational criteria in §.141 (categorized into traditional/synthetic), by underlying exposure type separately for securitizations of third-party exposures for which the bank acts only as sponsor.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
(f)	For exposures securitized by the bank holding company in securitizations that meet the operational criteria in §.141: (1) Amount of securitized assets that are impaired/past due categorized by exposure type; and (2) Losses recognized by the bank holding company during the current period categorized by exposure type.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
(g)	The total amount of outstanding exposures intended to be securitized categorized by exposure type.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
(h)	Aggregate amount of: (1) On-balance sheet securitization exposures retained or purchased categorized by exposure type; and (2) Off-balance sheet securitization exposures categorized by exposure type.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference - if applicable
(i)	(1) Aggregate amount of securitization exposures retained or purchased and the associated capital requirements for these exposures, categorized between securitization and resecuritization exposures, further categorized into a meaningful number of risk weight bands and by risk-based capital approach (e.g. SA, SFA, or SSFA). (2) Aggregate amount disclosed separately by type of underlying exposure in the pool of any: (i) After-tax gain-on-sale on a securitization that has been deducted from common equity tier 1 capital: And (ii) Credit-enhancing interest-only strip that is assigned a 1,250 percent risk weight.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
(j)	Summary of current year's securitization activity, including the amount of exposures securitized (by exposure type), and recognized gain or loss on sale by asset type.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
(k)	Aggregate amount of resecuritization exposures retained or purchased categorized according to: (1) Exposures to which credit risk mitigation is applied and those not applied; and (2) Exposures to guarantors categorized according to guarantor creditworthiness categories or guarantor name.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 9-- Securitization	13	
Operational Risk				
Qualitative: (a)	The general qualitative disclosure requirement for operational risk.	***2018 Annual Report (Audited):*** MD&A--Operational Risk Management ***Form 10Q (Unaudited)*** MD&A--Operational Risk Management		2018 Annual Report pg 51 ***Form 10Q*** pg 20
(b)	Description of the AMA, including a discussion of relevant internal and external factors considered in the bank holding company's measurement approach.	***Basel Pillar 3 Disclosures (Unaudited):*** Operational Risk	15	
(c)	A description of the use of insurance for the purpose of mitigating operational risk.	***Basel Pillar 3 Disclosures (Unaudited):*** Operational Risk	15	
Equities Not Subject to Market Risk Rule				
Qualitative: (a)	The general qualitative disclosure requirement with respect to equity risk, including: (1) differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and (2) discussion of important policies covering the valuation of and accounting for equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	***2018 Annual Report (Audited):*** Note 1--Significant Accounting Policies Note 7--Accounting For Transfers and Servicing of Financial Assets and Variable Interest Entities ***Form 10-Q (Unaudited):*** Note 6--Accounting For Transfers and Servicing of Financial Assets and Variable Interest Entities ***Basel Pillar 3 Disclosures (Unaudited):*** Equity Securities Not Subject to Market Risk Rule	13-14	2018 Annual Report pg 80-87 pg 98-99 ***Form 10Q*** pg 50-51
Quantitative: (b)	Carrying value disclosed in the balance sheet of investments, as well as the fair value of those investments	***Basel Pillar 3 Disclosures (Unaudited):*** Table 10--Equity Securities Not Subject to Market Risk Rule	13-14	
(c)	The types and nature of investments, including the amount that is: (1) Publicly traded; and (2) Non-publicly traded.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 10--Equity Securities Not Subject to Market Risk Rule	13-14	
(d)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 10--Equity Securities Not Subject to Market Risk Rule	13-14	
(e)	(1) Total unrealized gains (losses) (2) Total latent revaluation gains (losses) (3) Any amounts of the above included in tier 1 and/or tier 2 capital.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 10--Equity Securities Not Subject to Market Risk Rule	13-14	
(f)	Capital requirements broken down by appropriate equity groupings, consistent with the bank holding company's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition regarding regulatory capital requirements.	***Basel Pillar 3 Disclosures (Unaudited):*** Table 10--Equity Securities Not Subject to Market Risk Rule	13-14	
Interest Rate Risk for Non-trading Activities				
Qualitative: (a)	The general qualitative disclosure requirement, including the nature of interest rate risk for non-trading activities and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of measurement of interest rate risk for non-trading activities.	***2018 Annual Report (Audited):*** • MD&A--Interest Rate Risk Management, Net Interest Income Simulation Analysis, and Market Value of Equity Modeling ***10Q (Unaudited):*** • MD&A--Interest Rate Risk Management, Net Interest Income Simulation Analysis, and Market Value of Equity Modeling		*2018 Annual Report* pg 52 ***Form 10Q*** pg 20-21
Quantitative: (b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk for non-trading activities, broken down by currency (as appropriate).	***2018 Annual Report (Audited):*** • MD&A--Interest Rate Risk Management, Net Interest Income Simulation Analysis, and Market Value of Equity Modeling ***10Q (Unaudited):*** • MD&A--Interest Rate Risk Management, Net Interest Income Simulation Analysis, and Market Value of Equity Modeling		*2018 Annual Report* pg 52 ***Form 10Q*** pg 20-21
Supplementary Leverage Ratio				
Quantitative	(1) Summarize the differences between total consolidated accounting assets and the calculation of total leverage exposure. (2) Provide components of th total leverage exposure	***Basel Pillar 3 Disclosures (Unaudited):*** Table 3-- Supplementary Leverage Ratio	5	***FFIEC 101*** USB Schedule A USBNA Schedule A