

## Related Person Transactions Policy

**Policy.** The Board of Directors of U.S. Bancorp (the “Company”) recognizes that certain transactions with related persons (as defined below) present a heightened risk of conflicts of interest or otherwise may not be in the best interest of the Company. The Governance Committee of the Board of Directors will review, evaluate and approve or ratify all transactions or series of transactions where the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, where the Company is a participant and where a related person has a direct or indirect interest, in accordance with this policy.

**Transaction Evaluation.** The Governance Committee should review the facts and circumstances of each new transaction at its next regular meeting. Following consideration of the factors outlined below, the Committee will determine whether to approve the contemplated transaction or, if advance approval was not obtained and the transaction is underway or completed, ratify it. On an annual basis the Committee will review all ongoing transactions with related persons to assess whether they continue to be appropriate in accordance with this policy. Any Governance Committee member who is, or whose immediate family member (as defined below) is, a related person with respect to a transaction under review may not participate in the deliberations or vote with respect to approval or ratification; however, the director may be counted in determining the presence of a quorum at a meeting of the Committee where the transaction is considered.

The Board has determined that each of the following types of transactions does not create or involve a direct or indirect material interest on the part of the related person and does not require review or approval under this policy, even if the aggregate amount involved will exceed \$120,000:

1. Any financial services transactions or relationships, including brokerage services, banking services, loans, insurance services, investment advisory and other financial services provided by the Company to any related person, provided that the services are provided (a) in the ordinary course of business of the Company, (b) on substantially the same terms as those prevailing at the time for comparable services provided to non-affiliates, (c) in compliance with applicable law, including the Sarbanes-Oxley Act of 2002 and Regulation O of the Board of Governors of the Federal Reserve Board and (d) if the related person is a Company employee, on substantially the same terms as those widely available to other Company employees.
2. Transactions in which the related person’s interest derives solely from his or her services as a director of, and/or his or her ownership of less than 10% of the equity interest (other than a general partnership interest) in, another corporation or organization that is a party to the transaction.
3. Transactions in which the related person’s interest derives solely from his or her ownership of a class of equity securities of the company and all holders of that class of equity securities received the same benefit on a pro rata basis.

4. Transactions where the rates or charges involved are determined by competitive bids, or that involve the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
5. Employment and compensation arrangements for any executive officer and compensation arrangements for any director, provided that such arrangements have been approved by the Compensation and Human Resources Committee of the Board.

**Considerations.** When considering whether to approve or ratify a transaction, the Governance Committee will consider facts and circumstances that it deems relevant to its determination, including:

- a. the nature and extent of the related person's interest in the transaction;
- b. whether the transaction is on substantially the same terms as those prevailing at the time for comparable transactions with persons not affiliated with the Company;
- c. the materiality of the transaction to each party;
- d. whether the Company's Code of Ethics could be implicated, including whether the transaction would create a conflict of interest or appearance of a conflict of interest;
- e. whether the transaction is in the best interest of the Company; and
- f. if the related person is a non-employee director, whether the transaction would impair his or her independence.

**Definitions:** The following definitions will apply for purposes of this policy:

*"Related Person"* means any director, nominee for election as a director, or executive officer of the Company; any person known to the Company to be the beneficial owner of more than 5% of any series of the Company's voting securities; or any of their immediate family members.

*"Immediate Family Member"* means a person's child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any person (other than a tenant or employee) sharing the person's household.