

1 BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

2 and

3 DEPARTMENT OF THE TREASURY

4 THE OFFICE OF THE COMPTROLLER OF THE CURRENCY

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PUBLIC MEETING:

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PROPOSAL BY U.S. BANCORP TO ACQUIRE MUFG UNION BANK,

11

NATIONAL ASSOCIATION AND TO MERGE MUFG UNION BANK WITH

12

AND INTO U.S. BANK NATIONAL ASSOCIATION

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Tuesday, March 8, 2022

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11:00 a.m. EST to 7:00 p.m. EST

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1 PRESIDING OFFICERS:

2 BEN OLSON

3 DONNA MURPHY

4

5 PANELISTS:

6 ANDREW MOSS

7 BARRY WIDES

8 CHRIS WANGEN

9 DAFINA STEWART

10 JASON ALMONTE

11 RON PASCH

12 SUSAN MOTYKA

13 VAISHALI SACK

14

15 TECHNICAL SUPPORT:

16 AMORY GOLDBERG

17 MEAGAN BANTA-LEWIS

18

19 REPRESENTATIVES OF U.S. BANCORP/U.S. BANK AND MUFG UNION BANK

20 ANDREW CECERE

21 REBA DOMINSKI

22 KEVIN CRONIN

23 JULIUS ROBINSON

24

25

1 PERSONS PROVIDING ORAL REMARKS:

2 GROUP 1:

3 SHARON KINLAW

4 KEVIN STEIN

5 JESSE VAN TOL

6 JYOTSWAROOP BAWA

7 DONI TADESSE

8 SHERRI JACKSON

9 DEBORA BRIGHT-LANEY

10 DOLORES GOLDEN

11 KENDRA LEWIS

12 DARRYL RUTHERFORD

13

14 GROUP 2:

15 KAREN PETROU

16 ISMAEL GUERRERO

17 EMILIA DIMENCO

18 RONALD GARNETT

19 PAUL WOODRUFF

20 CHRISTINE HESS

21 TINA QUIGLEY

22 DAMIAN BUCHMAN

23 KEVIN WILSON

24 KERRY DOI

25

1 GROUP 3:

2 MICHELLE MERCED

3 LENWOOD LONG

4 BEVERLY NOERR

5 PATRICIA GARCIA DUARTE

6 ALLYSUNN WILLIAMS

7

8 GROUP 4:

9 CHRISTINE AVLON

10 AL PINA

11 MATTHEW LEE

12 KENNETH THOMAS

13 MICHAEL GOSMAN

14 BRENDA CAMPBELL

15 LAURA FERNEA

16 JORGE FRANCO

17

18 GROUP 5:

19 PARISA ESMAILI

20 BRENDA RODRIGUEZ

21 RENEE SATTIEWHITE

22 CLAUDIA VIEK

23 FRANK ALTMAN

24 JAY UNGOS

25 NATHANIEL RHOTON

- 1 SHARON SMITH-AKINSANYA
- 2 ATHENA WILLIAMS
- 3 DANNY SHERLOCK
- 4
- 5 GROUP 6:
- 6 MARK STIVERS
- 7 KATIE LAMONT
- 8 PAUL AINGER
- 9 RABEYA SEN
- 10 JOHANNA TORRES
- 11
- 12 GROUP 7:
- 13 NICHOLAS WILLIAMS
- 14 LOUIS KING
- 15 HOLLY BENSON
- 16 DAVE GLASER
- 17 CECIL PLUMMER
- 18 LES MCCABE
- 19 DON WELLS
- 20 CARMEN CASTRO
- 21 ALFRED OSBORNE
- 22 JOE CAVANAUGH
- 23
- 24 GROUP 8:
- 25 JONATHAN ZEICHNER

- 1 SHARON EVANS
- 2 TOM KILGANNON
- 3 TAMMY MARINE
- 4 KEVIN JACKSON
- 5 JOEY QUINTO
- 6 MARISA BARRERA
- 7 BRATEIL AGHASI
- 8 ERIKA VAN MERR
- 9
- 10 GROUP 9:
- 11 GINA CUNNINGHAM
- 12 SARAH LETTS
- 13 AGNES NOONAN
- 14 MARY TINGERTHAL
- 15 REBECCA AGUILERA-GARDINER
- 16 LEAH MILLER
- 17 KATHERINE SIDDENS
- 18 DAVID LIZARRAGA
- 19
- 20 GROUP 10:
- 21 RUBEN GUERRA
- 22 CLAUDINE CHENG
- 23 LEO GOLDBERG
- 24 ELBA SCHILDCROUT
- 25 MARY SCOTT KNOLL

- 1 RAWAN ELHALABY
- 2 DEBRA GORE-MANN
- 3 HOLDEN WEISMAN
- 4 MONICA PALMEIRA
- 5 RICHARD GIRLING
- 6 FRANCIS MCILVEEN
- 7
- 8 GROUP 11:
- 9 NICOLE SUYDAM
- 10 LISA WRIGHT
- 11 JEFFREY LESK
- 12 CHARISSE BREMOND
- 13 RYAN WEYANDT
- 14 BRAD KETCH
- 15 ELISE BUIK
- 16 CALVIN HOLMES
- 17
- 18 GROUP 12:
- 19 HYEPIIN IM
- 20 NIKKI BEASLEY
- 21 RUDY ESPINOZA
- 22 YAVETTE HOLTS
- 23 CLARENCE WILLIAMS
- 24 CAROLINA MARTINEZ
- 25 HILDA KENNEDY

1 WILLIE ELLISON  
2 NORMA GARCIA  
3 NANCY SWIFT  
4  
5 GROUP 13:  
6 NICK WEINER  
7 ANDREW MENOR  
8 ADAM BRIONES  
9 WILLIAM MICHAEL CUNNINGHAM  
10  
11 GROUP 14:  
12 BOBBY BIVENS  
13 KENNETH KELLY  
14 PAMELA ISOM  
15 ROBERTO BARRAGAN  
16 KAREN JOHNSON  
17 RUTH GARCIA-CORRALES  
18 DAVID MENDOZA  
19 FAITH BAUTISTA  
20 MARK ANGELINI  
21 ANDREW HOAN  
22 ADAIR MOSLEY  
23 YASMIN DAVIDDS  
24  
25



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## 1 P R O C E E D I N G S

2 MR. OLSON: Good morning. I'm pleased to  
3 welcome you March 8th to this important public meeting on the  
4 application by U.S. Bancorp to acquire MUFG Union Bank,  
5 National Association and the application to merge MUFG Union  
6 Bank with and into U.S. Bank National Association.

7 Before we begin, I would like to point out  
8 that closed captioning is available for the meeting.  
9 You can access it by opening the multimedia viewer panel  
10 at the bottom right of your screen and selecting the  
11 "continue" button to allow access to live closed  
12 captioning. Let me begin by introducing myself. I'm  
13 Ben Olson. I am the senior associate director for  
14 consumer protection and supervision in the Federal  
15 Reserve Board's Division of Consumer and Community  
16 Affairs in Washington, D.C.

17 I will serve as one of the two presiding  
18 officers for this public meeting. My colleague, Donna  
19 M. Murphy, deputy comptroller for compliance risk policy  
20 at the Office of the Comptroller of the Currency, will  
21 serve as the other presiding officer. She will  
22 introduce herself in just a moment.

23 But first, let me go ahead and introduce our  
24 other panelists. For the Federal Reserve Board, we have  
25 Vaishali Sack, a deputy associate director in the

1 Federal Reserve Board's Division of Supervision and  
2 Regulation, and Susan Motyka, who is also a deputy  
3 associate director in the Board's Division of  
4 Supervision and Regulation as well as Dafina Stewart,  
5 who is an assistant general counsel in the Federal Reserve  
6 Board's Legal Division and Chris Wangen, who is an  
7 assistant vice president in the Division of Supervision,  
8 Regulation and Credit at the Federal Reserve Bank of  
9 Minneapolis.

10 For the OCC, we have Barry Wides, deputy  
11 comptroller for community affairs. We also have Andrew  
12 Moss, director for minority outreach, and Ron Pasch,  
13 large bank supervision examiner in charge at U.S. Bank,  
14 as well as Jason Almonte, the director for large bank  
15 licensing.

16 For today's sessions -- excuse me -- for  
17 today's meeting, Deputy Comptroller Murphy and I will  
18 serve on the agency panel for both sessions. Andrew  
19 Moss, Ron Pasch, Sue Motyka and Dafina Stewart will join  
20 us to serve on the agency panel during the first half of  
21 the meeting, which will go until about 2:30 p.m.  
22 Eastern. And then Barry Wides, Jason Almonte, Vaishali  
23 Sack and Chris Wangen will join us to serve on the  
24 agency panel during the second half of the meeting,  
25 which will begin at 3:25 p.m. Eastern. When our

1 agencies consider the applications related to this  
2 proposed merger, we look at a number of factors under  
3 the Bank Holding Company Act, which governs the  
4 application filed with the Federal Reserve and the Bank  
5 Merger Act, which governs the merger application being  
6 processed by the OCC.

7           These factors include, first, the convenience  
8 and needs of the communities affected by the proposal and  
9 under this factor, we consider the effects of the proposed  
10 transaction on the convenience and needs of the  
11 communities to be served by the resulting financial  
12 institution. Additionally, we look at the parties'  
13 records of performance under the Community Reinvestment  
14 Act. The Community Reinvestment Act requires the Federal  
15 Reserve and the OCC to take into account an institution's  
16 record of helping to meet the credit needs of its entire  
17 community.

18           Second, we consider the financial condition  
19 and future prospects of the combined organization.  
20 Third, we consider the managerial resources of the  
21 combined organization, including competence, experience  
22 and integrity of the officers, directors and principal  
23 shareholders of the applicant and the record of  
24 compliance with laws and regulations. Fourth, we  
25 consider the competitive impact of the proposal; fifth,

1 the financial stability impact of the proposal; and,  
2 sixth, the effectiveness of the institutions involved in  
3 the transaction in combatting money-laundering  
4 activities. The purpose of today's public meeting is to  
5 receive information regarding these factors as well as  
6 any other factual issues related to the U.S.  
7 Bancorp/MUFG Union Bank applications.

8 We are very pleased that members of the public  
9 have been willing to join and present their views at  
10 this public meeting, and we look forward to hearing from  
11 you today. With that, I will turn this over to Donna  
12 Murphy for her opening remarks.

13 MS. MURPHY: Thank you, Ben. As you  
14 mentioned, I am Donna Murphy, and I am the deputy  
15 comptroller for compliance risk policy at the OCC. I  
16 will serve as co-presiding officer for this meeting.  
17 I'd like to make a few remarks about the meeting  
18 procedures.

19 The meeting today is an informal public  
20 meeting. This is a forum for members of the public to  
21 provide comments on the pending applications. Members  
22 of the agency panel may ask clarifying questions of  
23 those who are presenting. But we are here primarily to  
24 listen to you and your comments. The panel will not be  
25 answering questions on the proposal, and it does not

1 exercise any final decision-making authority related to  
2 the applications.

3           This is not a formal administrative hearing  
4 and is not governed by the Administrative Procedure Act,  
5 the federal rules of evidence, the federal rules of  
6 civil procedure, the board's rules of practice for  
7 hearings or the OCC's rules of practice and procedure.  
8 Because we have many presenters today, we will endeavor  
9 to stay closely to the schedule so that everyone who is  
10 asked to provide oral remarks will have the opportunity  
11 to do so.

12           In addition, because this is a virtual  
13 meeting, it is important that we adhere to the schedule,  
14 as presenters may be signing on and off depending on the  
15 time period that their group is assigned to present.  
16 However, as I will discuss in a minute, all presenters  
17 have previously received instructions to be online and  
18 prepared to provide oral remarks 20 minutes in advance  
19 of their scheduled start time. We remind the presenters  
20 to please be mindful of the needs of others and help us  
21 stay on schedule.

22           There will be approximately 14 groups of  
23 presenters today, and each group consists of six to ten  
24 speakers who have requested to provide oral comments.  
25 Each presenter will have three minutes to make their

1 statement and will be expected to keep within their  
2 allotted time frame.

3           When it is your turn to speak at the public  
4 meeting, one of the members of the production team from  
5 the Federal Reserve Bank of St. Louis will announce that  
6 you have the floor and will then ask you to turn on your  
7 camera and microphone. At this point, you will be  
8 elevated to a panelist role and have the ability to  
9 unmute yourself and to turn on your camera.

10           Please make sure to press both the unmute  
11 button and the video camera button to turn on your audio  
12 and camera. To begin, please state your name and, if  
13 applicable, what organization you are representing. At  
14 the conclusion of your statement, please end with, "This  
15 concludes my remarks," so that the technical team will  
16 know your statement has concluded and that your camera  
17 may be turned off.

18           Please mute your microphone when your remarks  
19 have concluded. The technical team will then switch you  
20 back to an attendee, and you will be able to continue to  
21 watch the meeting. If you are scheduled to present  
22 today and experience connectivity issues, please email  
23 [stls.cli.digital.services@stls.frb.org](mailto:stls.cli.digital.services@stls.frb.org) for technical  
24 assistance. This email address has been displayed on the  
25 opening slide and will be checked periodically throughout the

1 meeting.

2           If you provided a written presentation for use  
3 or reference in connection with your oral comments  
4 today, the presentation will either be shown on screen  
5 while you're presenting, or it will be currently  
6 available at the same location on the board's public  
7 website where people previously registered to attend  
8 this public meeting under the public meeting material  
9 section.

10           These written presentations are part of each  
11 agency's respective public records. We have a timer  
12 that will be shown on camera to aid with keeping track  
13 of the amount of time each person has remaining for  
14 their oral remarks. If you are providing remarks, you  
15 should refer to the timer at the top of the screen to  
16 track the amount of time you have left to speak and when  
17 your time has expired. Actually, the timer may appear  
18 at the bottom of the screen, so please -- but it should  
19 be very obvious.

20           Please conclude your remarks with the  
21 statement, "This concludes my remarks," as I mentioned  
22 previously, and mute your microphone when your time  
23 elapses. In accordance with the agenda that has been  
24 distributed, Groups 1 to 14 have approximate start  
25 times, as displayed on the agenda. Either Ben, one of



1 our panelists, a tech producer or I will announce each  
2 group of presenters. Each group of speakers will  
3 commence after the conclusion of the preceding group or  
4 after the conclusion of a scheduled break.

5           Approximately 20 minutes before your group  
6 begins, please join the Webex meeting and prepare to  
7 turn on your camera and be moved to a speaker role.  
8 Although we will endeavor to stay closely to the agenda,  
9 we understand that there are unexpected absences or  
10 delays that may occur, and that may mean someone who is  
11 listed on the agenda may be moved to an earlier group or  
12 to a later group.

13           If we need to move you to a different group of  
14 speakers, Federal Reserve staff will send an email  
15 directly to the email address you provided during  
16 registration and will ask if you are able to be moved to  
17 an alternative -- alternate time period. Due to  
18 copyright concerns, we ask that no artwork or  
19 photography be shown in the background during your  
20 presentation and that any family photos or photos of  
21 other persons be removed from the camera's view because  
22 the people pictured in the photograph will not have  
23 authorized the Federal Reserve or the OCC to broadcast  
24 their image.

25           When you are presenting, please ensure that

1 other individuals who did not apply to present at the  
2 meeting do not enter the area in order to prevent the  
3 inadvertent display of those other individuals who have  
4 not provided permission to appear in the livestream.  
5 Otherwise, we may have to interrupt your presentation to  
6 prevent unauthorized individuals from appearing in the  
7 video feed.

8 I want to mention two additional points.  
9 First, presenters and those viewing or listening to the  
10 meeting may also submit written comments for inclusion  
11 in the public record outside of the testimony here  
12 today. We remind you that the public comment period is  
13 scheduled to end at 5 o'clock p.m. Eastern this Friday,  
14 March 11th, 2022.

15 You may submit your written comments by  
16 following the instructions included on the board's and  
17 OCC's public websites. It is very important that we get  
18 this material for the record in a timely manner.  
19 Finally, although this meeting is being livestreamed,  
20 neither a video nor an audio-recording of the event is  
21 being retained by the board or the OCC.

22 Instead, a copy of the official transcript  
23 will be made available on the board's and OCC's public  
24 websites within two weeks of today's meeting. We  
25 respectfully request that the audience, speakers and

1 participants refrain from recording this meeting.  
2 However, all participants and speakers should be aware  
3 that it is possible that an audience member will use  
4 their own software or recording device to record the  
5 meeting and distribute the recording or images, and we  
6 cannot control the actions of those outside parties.

7           The board and the OCC are not responsible for  
8 the collection or distribution of any photographs or  
9 recordings by outside parties. With all of those  
10 instructions and legal notes finished, I want to say, on  
11 behalf of myself, my fellow presiding officer, Ben  
12 Olson, and all of the panelists that we appreciate all  
13 of you taking the time today to provide us with  
14 information regarding the pending applications. We look  
15 forward to hearing and considering your remarks and  
16 comments about the applications today. And with that,  
17 let us begin by recognizing our first group, which  
18 includes representatives from U.S. Bancorp and MUFG  
19 Union Bank.

20                                   GROUP 1

21           MS. BANTA-LEWIS: All right.

22           MR. CECERE: Thank you and good --

23           MS. BANTA-LEWIS: All right. Is that Andrew  
24 Cecere?

25           MR. CECERE: It certainly is. Thank you.

1           MS. BANTA-LEWIS: Okay. Wonderful. If you  
2 could turn on your video -- awesome. I see you there.  
3 And whenever you are ready, you may begin to make your  
4 comments.

5           MR. CECERE: Thank you. Thank you, everyone,  
6 and good morning. My name is Andy Cecere, and I am  
7 chairman, president and chief executive officer of U.S.  
8 Bancorp. I'm joined today by Reba Dominski, U.S.  
9 Bancorp's chief social responsibility officer and  
10 president of the U.S. Bank Foundation as well as CEO for  
11 MUFG America's Kevin Cronin and MUFG Union Bank's head  
12 of corporate social responsibility, Julius Robinson.

13           I'd like to first thank the Federal Reserve  
14 and the OCC for convening this important meeting and for  
15 the opportunity to discuss our proposed acquisition of  
16 MUFG Union Bank. We look forward to discussing many of  
17 the customer and community benefits that will result  
18 from this proposed transaction. We believe this  
19 transaction is an opportunity to create a stronger bank  
20 that will greatly benefit the customers and communities  
21 of both institutions by deepening and expanding our  
22 footprint, enhancing competition and providing customers  
23 with greater access to industry-leading technology,  
24 products and customer service.

25           After the transaction, U.S. Bank's mission

1 will be unchanged. We will continue to maintain a  
2 relatively simple business model focused on serving  
3 consumer and commercial banking customers. The combined  
4 company will be a resilient banking organization with  
5 robust capital and liquidity levels to continue serving  
6 our customers and communities regardless of economic  
7 conditions.

8           The combined bank will foster competition,  
9 remaining far from the largest bank in the nation or  
10 even in California. In fact, the combined company will  
11 be only approximately one-sixth the size of the largest  
12 bank, United States, and approximately one-third or less  
13 the size of each of the top three banks in California.

14           At U.S. Bank, we are anchored in our strong  
15 ethical culture. This is core to our organization and,  
16 in fact, part of our very roots. It's one of the  
17 reasons I've been at the company for more than 30 years.  
18 And it has resulted in U.S. Bank being named one of the  
19 world's most ethical companies by Ethisphere Institute  
20 for eight consecutive years.

21           We are dedicated to supporting our  
22 communities, listening to community leaders and  
23 stakeholders and being responsive in our actions to meet  
24 their needs. One of the most beneficial components of  
25 this proposed transaction today was the opportunity they

1 gave me to hear from hundreds of community leaders  
2 through six listening sessions we held.

3 I found these sessions to be very valuable,  
4 and I learned from each one. I saw the passion and  
5 dedication these leaders bring to their work and heard  
6 examples of the huge impact they have in meeting the  
7 needs of the unserved. And it is why our plan is  
8 intentionally focused on increasing access to capital  
9 for those who live and work in lower income communities.

10 Let me discuss some of the benefits they were  
11 -- see resulting from our combination with Union Bank.  
12 We recognize that meeting the needs of our customers  
13 often begins with our valuable front-line branch  
14 employees. That's why we're committed to retaining all  
15 front-line branch employees throughout Union Bank's  
16 footprint.

17 We also believe in investing in our people  
18 through fair and competitive pay. Later this year, we  
19 will increase our minimum base pay from \$15 to \$18 an  
20 hour for all U.S. and bank employees throughout the  
21 United States, including our colleagues coming to us  
22 from Union Bank, pending a successful close.  
23 Furthermore, we are committed to staying in every market  
24 that Union Bank currently serves.

25 There will be no branch closures in LMI

1 communities or majority minority census tracts in  
2 California that would result in U.S. Bank exiting in the  
3 community. In fact, we intend to open new branches in  
4 LMI and majority minority communities. And as a  
5 commitment in our forthcoming plan, we intend to engage  
6 with community stakeholders for further changes.

7           Both U.S. Bank and Union Bank are dedicated to  
8 maintaining an excellent record of serving low-income  
9 communities and supporting minority-led institutions.  
10 Last year, we launched U.S. Bank access commitment, our  
11 long-term approach to help build wealth while redefining  
12 how the bank serves diverse communities. This ongoing  
13 work builds on the millions of dollars that our company  
14 is already committed to address the racial wealth gap.  
15 With these core values, we have actively been working to  
16 develop a strong community benefits plan that will  
17 ensure the combined institution builds on the extensive  
18 legacies of both banks in serving community needs.

19           Both U.S. Bank and Union Bank are outstanding  
20 partners with our communities. But we understand that  
21 with this transaction, our combined company must do even  
22 more. I'm excited about the opportunities that will  
23 result from our combination and the impact we will be  
24 able to make in our communities.

25           While we continue to finalize the details, we

1 expect to invest \$100 billion over five years, the  
2 largest community benefits plan in history using a  
3 unique hybrid model with California focus and a national  
4 impact. We plan to accelerate our exploration of new  
5 products and investments, expand our ongoing  
6 commitments, such as access commitment and small  
7 business access initiative, and continue certain already  
8 successful Union Bank initiatives.

9           To speak more in detail about our commitment  
10 to the community and how the proposed transaction will  
11 benefit all the communities we serve, I'm pleased to  
12 turn it over now to Reba Dominski. Thank you, and that  
13 concludes my remarks.

14           MS. DOMINSKI: Thank you, Andy, and thank you  
15 to the agencies for this opportunity. I'm pleased to be  
16 here today. As the chief social responsibility officer  
17 at U.S. Bank, my job includes ensuring that we meet the  
18 needs of our communities through the financial services  
19 we provide and the investments that we make.

20           On a personal note, I was born in India. I  
21 came to this country when I was 2 years old, and I was  
22 raised by a single mother in Detroit. It was my mother  
23 who taught me the importance of service, and it inspired  
24 me to pursue a career in corporate social  
25 responsibility. The very best part of my job is helping



1 our 70,000 employees make decisions every day that are  
2 good for the business, people and the planet.

3           And I'm so honored to do that at U.S. Bank  
4 alongside Andy and so many others who work hard every  
5 day to do the right thing and to create economic  
6 opportunity for all. I'm proud to share that U.S. Bank  
7 received an outstanding rating in our most recent CRA  
8 exam in total and across all three tests, lending,  
9 service and investment.

10           In 2021 alone, U.S. Bank provided \$62 million  
11 in charitable contributions with over 90 percent of our  
12 U.S. Bank Foundation dollars supporting women, people of  
13 color and low-to-moderate-income communities. We've  
14 invested \$43.6 billion in environmentally beneficial  
15 business since 2008. And in November of 2021, we  
16 announced a series of new environmental goals, including  
17 setting an environmental finance goal and committing to  
18 net-zero emissions by 2050.

19           Last year, we provided \$197 million in capital  
20 to Black-owned or Black-led businesses, and our  
21 employees logged 267,000 volunteer hours. Our employee  
22 assistance program provides support and mental health  
23 assistance. And since it was created in 2008, our  
24 employee assistance fund has provided more than \$13  
25 million to employees facing an unexpected financial

1 hardship. So that was a bit of a look back, but we're  
2 also looking forward.

3           As Andy referenced, we've engaged in listening  
4 sessions related to this proposed acquisition with over  
5 200 community leaders. We're conscious of the fact that  
6 this has taken time. And I want you to know that that  
7 was intentional. We believe it's critical to hear all  
8 voices and all perspectives. Our forthcoming community  
9 benefits plan represents the voices of many contributing  
10 to a community strategy that includes significant  
11 lending and investment goals nationally and in  
12 California, focused on low-to-moderate income or LMI  
13 borrowers, LMI communities and communities of color.

14           The plan includes incremental investments  
15 prioritizing LMI and communities of color, focused on  
16 access to capital, small business growth, affordable  
17 housing, environmental impact, philanthropy and supplier  
18 diversity. The plan also includes a governance and  
19 accountability model to further two-way dialogue with  
20 community organizations to develop shared solutions.

21           Our forthcoming community benefits plan  
22 prioritizes areas of focus and actions where we can have  
23 the greatest impact on the communities we serve,  
24 especially those in California. For example, we intend  
25 to invest \$115 million in grants and contributions over

1 five years above and beyond the current giving of Union  
2 Bank and U.S. Bank combined.

3 This incremental investment will include \$75  
4 million nationally and \$40 million in California to  
5 provide greater support to non-profits working to improve  
6 broadband access, community development in Native  
7 American communities, small business technical  
8 assistance programs, down payment assistance programs,  
9 and the climate resilience of LMI communities.

10 Under this plan, we will adopt and enhance  
11 Union Bank's small business special-purpose credit  
12 program, expanding it to all the markets that we serve  
13 across the country. Through the work of our Community  
14 Development Corporation, we are committed to advancing  
15 neighborhood revitalization and the preservation of  
16 affordable housing, including a willingness to finance  
17 more complex deals that focus on racial equity and  
18 environmental sustainability. And we will increase  
19 community development, lending and investments,  
20 prioritizing CDFIs and developers, led by and serving  
21 women and people of color.

22 Finally, we are committed to investing in the  
23 future of our workforce. Our commitment to diversity,  
24 equity and inclusion are a business imperative and core  
25 to U.S. Bank's culture. As part of our community

1 benefits plan, we will commit to ensuring 50 percent of  
2 U.S. Bank leadership is made up of underrepresented  
3 groups in the next five years. Union Bank and U.S. Bank  
4 have been long-standing leaders in serving community.  
5 But we can do even more for community through this  
6 proposed acquisition because with size comes the ability  
7 to scale.

8           In our plan, we will not simply put the two  
9 entities together. We will meaningfully increase  
10 community investments. We look forward to engaging with  
11 the community as we continue to work to ensure the  
12 combined organization will have even greater social and  
13 environmental impact. Thank you for your time today,  
14 and now I will turn it over to our colleagues at Union  
15 Bank. This concludes my remarks.

16           MR. CRONIN: Okay. Thank you, Reba. Good  
17 morning, everyone, and thank you to the Federal Reserve  
18 and the OCC for convening this meeting. I'm Kevin  
19 Cronin, CEO for MUFU in the Americas. And let me add my  
20 thanks for giving us this opportunity to talk about the  
21 proposed sale of MUFU Union Bank to U.S. Bank.

22           As you heard from Mr. Cecere, the proposed  
23 transaction would bring together two banks with  
24 client-centric cultures, and, most importantly, shared  
25 values around good stewardship. After careful and

1 thoughtful analysis, we determined that U.S. Bank was  
2 the most compelling acquirer for important reasons.  
3 First, we are very confident that this combination will  
4 deliver a better client experience through strong  
5 technology and digital capabilities, as well as an  
6 expanded physical branch network, which is so important  
7 to our consumer and small business clients.

8           Secondly, the combined business will create  
9 broader growth opportunities for our talented  
10 colleagues. Additionally, the combined company will  
11 maintain a culture of delivering outstanding customer  
12 service while preserving that Main Street banking model  
13 and maintaining close ties to the communities in our  
14 legacy footprint of California, Washington and Oregon.  
15 We are very confident that we've selected the right  
16 partner for this next chapter for Union Bank.

17           U.S. Bank will carry forward our long legacy  
18 of community engagement, commitment and investment, a  
19 reflection of our core values. In short, U.S. Bank and  
20 MUFG Union Bank are both strong institutions today. And  
21 together, we can create enhanced value for our clients,  
22 our colleagues and the communities we serve.

23           In terms of the transaction itself, the sale  
24 includes our consumer, wealth management and commercial  
25 banking businesses, including our small business banking

1 client franchise. Additionally, the 8,000 colleagues  
2 that support these businesses will transition to U.S.  
3 Bank. Of course, this sale is contingent upon  
4 regulatory approval both here in the United States and  
5 in Japan.

6           After the sale, MUFG's combined U.S.  
7 operations will continue to be one of the largest  
8 foreign banking organizations in the United States,  
9 albeit with a sharper focus on wholesale banking. MUFG  
10 remains committed to maintaining a robust presence in  
11 the United States, and we look forward to continuing our  
12 long history of serving clients and playing a key role  
13 in supporting job creation and the overall growth of the  
14 U.S. economy.

15           One example of this is our market-leading  
16 project finance team support of growth and investment in  
17 critical infrastructure and our leadership in supporting  
18 clients' transition to carbon neutrality with the  
19 financing of renewable energy projects tied to our ESG  
20 commitment. As part of this transaction, we will also  
21 continue to be a stakeholder and a substantial  
22 shareholder in U.S. Bank with a 2.9 percent ownership  
23 stake. MUFG Bank will remain steadfast in engaging and  
24 partnering with our communities and maintaining  
25 best-in-class talent, standards and programs in support

1 of corporate and social responsibility. Our laser focus  
2 on gender and racial equity and inclusion,  
3 sustainability initiatives, like our participation in  
4 the Net Zero Banking Alliance, and our philanthropic and  
5 civil engagement will continue under the MUFG Bank  
6 banner. Thank you again for the opportunity to speak  
7 with all of you today.

8 I will now turn it over to my partner, Julius  
9 Robinson, our head of corporate social responsibility in  
10 the Americas. In that capacity, Julius leads our  
11 community reinvestment efforts and is the chair of our  
12 MUFG Union Bank Foundation. Julius has been a strong  
13 and visible leader in the communities in which we do  
14 business for over 20-plus years. That concludes my  
15 remarks, and I will pass to Julius.

16 MR. ROBINSON: Thank you, Kevin, and thank  
17 you, distinguished members of the board and the OCC.  
18 It's an honor to speak with you today. I am Julius  
19 Robinson, head of corporate social responsibility for  
20 the Americas for MUFG Union Bank. You know, we're  
21 confident that U.S. Bank and Union Bank together  
22 continue to -- their enduring commitment to our  
23 communities. We expect to find a highly complementary  
24 cultural fit across the teams providing for continued  
25 high level of engagement with our communities, including

1 building on our legacy of exemplary Community  
2 Reinvestment Act performance with both companies  
3 currently rated as outstanding.

4           Through efforts spanning nearly 20 years, MUF  
5 Union Bank has maintained an outstanding rating from the  
6 OCC for the last five assessment periods. And I believe  
7 the combined company will strive to maintain that  
8 rating. MUF Union Bank has long been and will continue  
9 to be unwavering in its commitment to supporting low-  
10 and moderate-income and diverse communities across our  
11 footprint.

12           In combination with U.S. Bank going forward,  
13 we will continue the considerable work necessary to  
14 preserve jobs, grow small businesses, and build thriving  
15 communities. This work is continuing through the MUF  
16 Union Bank Foundation. The Community Recovery Program  
17 gives back employee volunteering, student-run branches  
18 and special initiatives supported through our business  
19 line partners.

20           In reviewing U.S. Bank's community benefit  
21 program, we believe the tenants outlined in the document  
22 mirror the spirit of and will continue to build on the  
23 legacy of MUF Union Bank's community support in  
24 California. In the 24 years that I've been with MUF  
25 Union Bank, I am proud of the social investments we've



1 made in our active demonstration of our values,  
2 strengthening community ties, backed by a commitment to  
3 engage community partners, clients and colleagues. It  
4 is at the core of what we do. And this social  
5 commitment will be strengthened through the proposed  
6 combination.

7           As we move forward with the integration  
8 activities, we're clear-eyed that our companies share a  
9 belief in our economic success is inextricably linked to  
10 the success of the communities in which we operate. In  
11 2021 alone, MUFG Union Bank's charitable contribution  
12 program totaled over \$17 million. Our strategic  
13 investments are focused on affordable housing, economic  
14 development, social services, stewardship and  
15 environmental sustainability.

16           Every day, we're driven to find ways to  
17 support our clients that will best serve their lives,  
18 family, financial well-being and business. For example,  
19 in response to the COVID-19, the bank implemented the  
20 MUFG Union Bank community recovery program, a \$10  
21 million initiative to support nonprofit organizations  
22 that are dedicated to social and racial justice.

23           Both across -- across the teams, we provided  
24 our continued high level of engagement with our  
25 community, including building on our legacy of exemplary

1 CRA performance.

2 MUFG Union Bank has a long history of  
3 supporting community groups, nonprofit organizations by  
4 deeply investing time, expertise and capital. And all  
5 of this will continue. We're especially delighted about  
6 our recent groundbreaking and one-of-a-kind student-run  
7 branch on the campus of Laney College -- Laney Community  
8 College in Oakland, California.

9 We've operated five student-run branches and  
10 high schools since 2008, our first in Fresno, then Los  
11 Angeles, Almonte, Anaheim, and we're pleased that Union  
12 Bank -- U.S. Bank has committed to adopt this program as  
13 part of our continuing -- their continuing community  
14 benefit program.

15 Union Bank and U.S. Bank share a commitment to  
16 support colleagues and further the investments in  
17 communities through employee volunteering. MUFG Union  
18 Bank's volunteer program, MUFG Gives Back, delivered  
19 almost 51,000 volunteer hours in 2021, up 53 percent  
20 from the previous year, which is emblematic of our  
21 company's and colleagues' commitment to community and at  
22 the very heart of our culture and value, especially when  
23 you consider the challenges that the pandemic presented  
24 to all of us. We believe there is an opportunity to  
25 scale many of these programs and innovative initiatives

1 by bringing together our two companies. Thus, I am  
2 asking for your thoughtful consideration as we move  
3 forward with these proceedings.

4 I am pleased to have the opportunity to speak  
5 with all of you today. Kevin and I look forward to  
6 hearing the views of everyone participating in this  
7 public hearing. Thank you, and this concludes my  
8 remarks.

9 MR. OLSON: Thank you, Mr. Robinson, and thank  
10 you to all of the bank representatives for your remarks.  
11 We will now pivot to hearing from members of the public.  
12 And the first group, I believe our first speaker is  
13 Sharon Kinlaw from the Fair Housing Council of the San  
14 Fernando Valley. And just as a reminder to all  
15 speakers, please limit your remarks to three minutes,  
16 and the clock on the screen will track your time. Thank  
17 you.

18 MS. BANTA-LEWIS: All right. Sharon Kinlaw,  
19 if we can get you to the stage -- wonderful.

20 MS. KINLAW: Good morning. My name is Sharon  
21 Kinlaw. I'm the executive director of the San Fernando  
22 Valley Fair Housing Council and the chairperson of the  
23 California Reinvestment Coalition. Both organizations  
24 are mission-driven, community-focused organizations, and  
25 we advocate on behalf of the community. I live in and

1 work in a historically marginalized community.

2 I see on a daily basis the despair and the  
3 needs that are very present. So I, along with my  
4 colleagues today, will be discussing the urgency of now  
5 and the need to develop and implement a community  
6 benefits agreement that will address the very critical  
7 moment that we are facing in this country. We all need  
8 to make sure that we are cognizant of the very crucial  
9 needs of the community.

10 We have growing inequality, critical  
11 financial, healthcare and housing needs, and we are not  
12 in a position to do business as usual or have our heads  
13 in the sand or somehow think that we are headed back to  
14 normal. We are in a crisis line moment, and we have  
15 burgeoning homeless problems. Millions of homeowners  
16 are in trouble with their mortgages. Tenants can't pay  
17 their rent. And we've got affordable housing waiting  
18 lists that are decades long.

19 So I would just like to say that I'm glad to  
20 hear that you're going to be putting the money into a  
21 community benefits agreement, but we need to have  
22 something that looks different, that feels different,  
23 that acts different and that really addresses the needs  
24 of today. And I would urge us to look at being very  
25 intentional and very focused, laser-focused on

1 developing and implementing this community benefits  
2 agreement and that's matched with the problems in the  
3 community and matched with the hearts of all of the  
4 advocates.

5           And we need to make sure that the agreement  
6 and the financial commitment doesn't just extend to  
7 friends and partners who we've dealt with before. It  
8 needs to be across the board. It needs to really focus  
9 down, laser-focused to ensure that we can come out of  
10 this crisis.

11           We have lots of people that are still hovering  
12 over bed sides and even some who are burying their loved  
13 ones. So I urge all of us to be very serious and  
14 committed to working with the organizations, and my  
15 colleagues will address those needs more directly. So I  
16 thank you for allowing me to testify. That concludes my  
17 testimony. Thank you very much.

18           MS. BANTA-LEWIS: Thank you for those  
19 comments, Sharon.

20           I would now like to welcome to the stage Kevin  
21 Stein. You may begin your comments.

22           MR. STEIN: Thank you. Officers of the board  
23 and OCC, my name is Kevin Stein, and I am with the  
24 California Reinvestment Coalition. CRC and 66 of our  
25 members and allies requested these hearings and oppose

1 this merger unless U.S. Bank commits to a detailed  
2 community benefits agreement that substantially  
3 increases reinvestment in our state. We thank U.S. Bank  
4 for continuing discussions regarding a CBA. But no such  
5 agreement is in place. We interpret the bank data  
6 differently, and we need to see the details.

7 Mergers may be good for corporations, but they  
8 can be bad for communities, consumers and economic  
9 stability. This merger would have huge impacts on our  
10 state, as over 90 percent of Union Bank deposits are in  
11 California. We believe that the banks have failed to  
12 establish that this merger will produce a public  
13 benefit.

14 First, we believe U.S. Bank is poised close --  
15 poised to close branches, which means lost jobs, less  
16 convenience for consumers, fewer small business loans  
17 and higher borrowing cost. According to NCRC analysis,  
18 U.S. Bank closed 863 branches between the 2017 and 2021.  
19 And none of the 15 biggest banks in the country had a  
20 larger percentage decrease in branch presence than U.S.  
21 Bank except for Truist, which went through its own mega  
22 merger in 2019.

23 Since the pandemic, U.S. Bank has closed 539  
24 locations, the most of any bank in the United States.  
25 U.S. Bank should disclose its branch closure plans, and

1 it should commit to zero net loss of branches in LMI  
2 neighborhoods, neighborhoods of color and rural  
3 communities in California.

4 I'm not sure I heard that exactly in Mr.  
5 Cecere's remarks. We are also concerned about the  
6 bank's mortgage lending, which we found to reveal  
7 disparities and raise redlining concerns. As one  
8 example, U.S. being -- U.S. Bank would need to originate  
9 4,704 additional loans in California's neighborhoods of  
10 color to achieve parity with its share of lending in  
11 White neighborhoods.

12 U.S. Bank should make targeted commitments to  
13 increase mortgage lending to borrowers in neighborhoods  
14 of color, including through the use of special purpose  
15 credit programs. The loss of a bank with CRA  
16 responsibility is potentially devastating to California  
17 communities struggling to address critical needs such as  
18 affordable housing finance, CDFI investment, support for  
19 community and land trusts and anti-displacement  
20 measures, credit for Native American communities and  
21 broadband access so that all communities can connect to  
22 the myriad of benefits the CRA provides.

23 Without clear commitments to addressing  
24 community need and to substantially increase resources  
25 in key areas, how does this merger provide a public

1 benefit? The public is tired of regulators  
2 rubberstamping mega mergers. A Daily Kos petitions  
3 objecting to this merger has over 40,000 signatures.

4 In conclusion, we thank you for holding this  
5 hearing, but holding a hearing is not enough.  
6 Regulators must scrutinize these applications, ensure  
7 there is a clear public benefit, and condition any  
8 merger approval on compliance with a strong CBA. Thank  
9 you very much. This concludes my remarks.

10 MS. BANTA-LEWIS: Thank you for those  
11 comments, Kevin.

12 I would now like to welcome to the stage Jesse  
13 Van Tol.

14 MR. VAN TOL: Yes. Good morning. I'm Jesse  
15 Van Tol. I'm the president and CEO of the National  
16 Community Reinvestment Coalition. Thank you for holding  
17 this hearing. I'll detail our position on this  
18 transaction in a moment, but I want to first focus on  
19 the regulators' responsibilities with regards to the  
20 transaction.

21 NCRC has long held that mergers and  
22 acquisitions should not be approved without a  
23 forward-looking commitment that demonstrates how the  
24 public will benefit and particularly how those benefits  
25 will outweigh any adverse effects of the merger. This



1 is a position grounded in banking law as established by  
2 the Bank Holding Company Act and the Bank Merger Act of  
3 1966, which instructs the regulators to deny a  
4 combination with anticompetitive effects unless it finds  
5 that the impact is clearly outweighed in the public  
6 interest by the probable effect of the transaction and  
7 meeting the convenience and needs of the community to be  
8 served.

9           The idea that a merger must produce public  
10 benefits is also included in your general obligation  
11 under the law to take into consideration the convenience  
12 and needs of the community to be served, not just in  
13 instances of anticompetitive effect. We believe that  
14 regulators have historically been deficient in their  
15 application of these legal requirements.

16           Banks have been allowed to grow on general  
17 claims that size and scale will automatically benefit  
18 the public without detailing those benefits. Indeed,  
19 Former Federal Reserve Board Governor Daniel Tarullo  
20 once noted that, quote, there is little evidence that  
21 the size, complexity and reach of some of today's SIFIs  
22 are necessary in order to realize achievable economies  
23 of scale and scope. As such, the regulatory structure  
24 for SIFIs should discourage systemically consequential  
25 growth or mergers unless the benefits to society are

1 clearly significant. The FDIC's recent RFI on mergers  
2 pursuant to President Biden's executive order said that,  
3 quote, the FDIC will consider the extent to which the  
4 proposed merger transaction is likely to benefit the  
5 general public through higher lending limits, new or  
6 expanded services, reduced prices, increased convenience  
7 in utilizing the services at facilities at the resulting  
8 institution.

9           We urge the Federal Reserve and the OCC to  
10 issue their own RFIs and to clearly establish both the  
11 public benefits and, on the other hand, the adverse  
12 effects of bank mergers and acquisitions. To summarize  
13 our position, this transaction requires a  
14 forward-looking commitment that demonstrates clearly  
15 significant public benefits. One way an increasing  
16 number of institutions demonstrate that commitment is by  
17 creating a community benefits agreement. NCRC and its  
18 members have met with U.S. Bank to discuss CBA. I want  
19 to thank Andy Cecere, Reba, and the bank for their  
20 willingness to engage in dialogue. Those conversations  
21 have been productive, but they are not yet resolved.

22           We look forward to reaching a community  
23 benefits agreement with U.S. Bank. We believe a  
24 detailed public commitment of public benefit must  
25 precede any approval by the regulators. And if you do

1 approve, such a commitment should be cited in the  
2 approval. Thank you for the opportunity to testify, and  
3 this concludes my remarks.

4 MS. BANTA-LEWIS: Thank you for those  
5 comments, Jesse.

6 I'd now like to welcome to the stage  
7 Jyotswaroop Bawa.

8 MS. BAWA: Good morning. I'm Jyotswaroop  
9 Bawa, organizer with the California reinvestment  
10 coalition. We oppose this merger unless we have a  
11 strong CBA and your support in implementing it. Thank  
12 you for the opportunity today to tell you more about why  
13 that is.

14 You see, during the previous financial crisis,  
15 I was part of a small team who organized tenants in  
16 South Los Angeles. I saw how the foreclosure crisis  
17 ripple effect wrecked the lives of hard-working  
18 low-income families and some of the most vulnerable  
19 tenants in our community.

20 In 2011, just before Christmas, I remember the  
21 desperation of four tenants with whom I stood picket  
22 signs in hand singing chants to protest of the wrongful  
23 eviction they were facing. We won that day. The  
24 evictors and their dumpster arrived and was turned away.  
25 The tenants were awarded relocation before they would

1 ultimately -- evicted. And because we severely lack  
2 affordable housing in the city, even with the relocation  
3 dollars, the tenants had to look at housing further and  
4 further away from the community that had been their home  
5 for decades.

6 To this day, I wonder what we may have been  
7 able to accomplish in stabilizing their lives and those  
8 of many such people if a couple of years before this,  
9 Jeffrey Palmer, a luxury housing developer, had not  
10 spent thousands defeating affordable housing development  
11 requirements in Los Angeles.

12 Fast forward to today. Another housing crisis  
13 brought on by the pandemic this time in -- in the city  
14 that is still struggling to build housing that is  
15 affordable to working families and low-income people.  
16 Jeffrey Palmer is suing the city again. This time, he  
17 is upset about the eviction moratorium during the  
18 pandemic.

19 You see, I was saddened and disappointed to  
20 see that one of the largest PPP loans that U.S. Bank  
21 facilitated was to none other than Jeffrey Palmer. In a  
22 state that has invited all landlords to apply for  
23 reimbursement of losses and revenue, this landlord is  
24 still suing the city of Los Angeles for the moratorium.  
25 And U.S. Bank is enabling access for him to taxpayer

1 dollars as if he were the targeted business for this  
2 type of government support.

3 I ask that you please use your power to insist  
4 that community benefit requirement is not met if the  
5 bank is not factoring in the impact of financing bad  
6 actors in the community. Mr. Palmer has evicted people.  
7 He has fought against necessary tenant protections. He  
8 has harmed communities who are meant to be supported by  
9 the CRA. Please mandate U.S. Bank to accept necessary  
10 antidisplacement financing measures so that the  
11 communities intended to be protected by the Community  
12 Reinvestment Act are supported. Thank you. This  
13 concludes my remarks.

14 MS. BANTA-LEWIS: Thank you for those  
15 comments.

16 I would now like to welcome to the stage Doni  
17 Tadesse.

18 MR. TADESSE: Good morning, and thank you for  
19 allowing me to join you today. My name is Doni Tadesse.  
20 I use he/him/his pronouns. And I am the Southern  
21 California organizer for the California Reinvestment  
22 Coalition. As an organizer, I was tasked with  
23 mobilizing testimonies from our member organizations and  
24 ensuring the concerns of our communities were adequately  
25 represented today. Unfortunately, in my effort to do

1 this, I encountered a reluctance from members to  
2 testify. They shared that, at the heart of this  
3 apprehension, is a fear that testifying to this body  
4 could potentially strain the relationships they maintain  
5 with U.S. Bank and other banks engaged in philanthropy  
6 and community reinvestment efforts.

7           While this fear exists for many wishing to  
8 testify against a funder, it was exacerbated in this  
9 particular case by the actions of U.S. Bank. Once the  
10 Fed and OCC announced there would be public hearings to  
11 evaluate the proposed acquisition, representatives of  
12 U.S. Bank began actively soliciting their grantees and  
13 nonprofit partners for positive testimonies.

14           While we appreciate and applaud some specific  
15 lending and investment activities of the bank, asking  
16 community development organizations to represent their  
17 individual benefit as proof of a broader public benefit  
18 achievement is unreasonable at best and perhaps even  
19 bordering on the unethical. We are sympathetic to the  
20 position our members and other community organizations  
21 were put in when deciding to speak today.

22           They had to make a difficult decision, one  
23 that is undoubtedly influenced by the gross imbalance of  
24 power between a nonprofit organization and what is set  
25 to be the fifth largest bank in the U.S. if this merger

1 is approved. You are hearing from a subset of our  
2 coalition, in part, because of these dynamics.  
3 Unfortunately, the incentive structure currently in  
4 place encourages fealty to these banks rather than free  
5 speech and service of the public benefit.

6 This incentive structure is further entrenched  
7 by federal regulators' lack of adequate scrutiny and  
8 bank mergers. While Chairman Powell and the FDIC have  
9 stated that they are conducting reviews to update merger  
10 and acquisition approval procedures, the historical  
11 record suggests that this merger will ultimately be  
12 approved. This has resulted in a public sentiment that  
13 is cynical of merger -- of the merger approval process  
14 and efforts to reform it.

15 We have heard from organizations. Why bother  
16 angering our funders and making all of this noise when  
17 regulators will approve this merger regardless of our  
18 concerns. While we appreciate your willingness to hold  
19 this hearing, please note that some of our members and  
20 members of affected communities were hesitant to freely  
21 voice their concerns today. And as you hear statements  
22 today, we ask that you take these points into  
23 consideration. Thank you, and this concludes my  
24 remarks.

25 MS. BANTA-LEWIS: Thank you for those

1 comments.

2 I would now like to welcome to the stage  
3 Sherri Jackson.

4 MS. JACKSON: Good morning, panelists,  
5 officers of the board and OCC. My name is Sherri  
6 Jackson. I'm the president of Multi-Culture Real Estate  
7 Alliance for Urban Change, a nonprofit 501(3)(c) in the  
8 community for over 28 years. We formed, actually, out  
9 of the redlining that happened back when the Rodney King  
10 riots -- riots were going on, and they started redlining  
11 our communities, would not fund our loans. So we  
12 formed, and we are very community-driven. And I -- I  
13 have some things to say as far as the banking issues  
14 with your merger.

15 Just out of experience because I am a mortgage  
16 broker and a real estate broker. So therefore, I -- I'm  
17 in the trenches here, and I see what is going on. And  
18 we would like to see, for your CBA, some -- some areas  
19 that you will actually make a difference in affordable  
20 housing to low and moderate income. The pandemic has  
21 ravaged our community. And so with the  
22 re-gentrification as well, we are struggling so hard  
23 here with homelessness, people losing their homes,  
24 renters being put out and evicted.

25 And we want to see some monies that you have



1 to give to the community to put into programs that are  
2 different from what is here now for affordable housing,  
3 for people to get mortgages. We need something where  
4 the FICO scores aren't so strenuent (phonetic) and that  
5 they change the needle when -- on the FICO scores when  
6 something happens in our world, our community like right  
7 now. We want to see monies that are allocated for  
8 people who have saved their money, but they might have  
9 didn't put the money in the bank.

10           So they are not -- we don't want to  
11 discriminate against them because they did not -- we  
12 can't paper trail the money. I'm not saying that we  
13 want to have illegal things going on, but we want to be  
14 able to use that money that maybe poor families have put  
15 together. And they want to be able to purchase a home.  
16 We want to see that happen. We want to see programs  
17 that -- that you put together strictly for this purpose  
18 to enable us to be able to do this.

19           This is a crisis we are in right now. I've  
20 been in the business over 30 years. I've never seen  
21 anything like this. I also would like to see -- I've  
22 had people with Union Bank and U.S. Bank not qualified  
23 for loans. And I'm -- still don't know why because we  
24 ended up qualifying them, and they were able to buy  
25 homes. So I want to know what is your measure of what

1 -- what your needle is for someone to qualify. What are  
2 you using different from what we're using as wholesale  
3 brokers?

4 I would like the wholesale channel opened back  
5 up with your banking with your branches so that we can  
6 do business together in the community and get some  
7 things done as far as getting people in homes, stopping  
8 evictions, helping the homeless. I know my time is out.  
9 Thank you for inviting me today and listening to me, and  
10 this concludes my presentation.

11 MS. BANTA-LEWIS: Thank you for those  
12 comments, Sherri.

13 I would now like to welcome to the stage  
14 Debora Bright -- Bright-Laney. My apologies. Oh.  
15 Let's make sure that you are unmuted. There you go.  
16 Mm-hmm.

17 MS. BRIGHT-LANEY: Good morning. My name is  
18 Debora Bright-Laney. I am a real estate broker from Los  
19 Angeles, California, Vice President of Multicultural  
20 Real Estate Alliance for Urban Change and a member of  
21 CRC. I would like to thank you for the opportunity to  
22 speak with you about my opposing of the U.S. Bank-Union  
23 Bank merger with -- within my allotted time that you  
24 have granted.

25 One should ask if the proposal -- proposed

1 measure -- merger about the creation of one of the  
2 biggest banks. No. This is about the destruction of  
3 the financial dignity of those in underserved  
4 communities, elimination of the American dream of  
5 purchasing a home for people of color, elimination of  
6 being a entrepreneur within the Black community.

7           For mom-and-pop owners, recent graduates from  
8 high-profile business schools with the desire to return  
9 to their community and make a difference that -- in the  
10 community as far as building wealth, promote strength,  
11 education, togetherness, differences in the community  
12 and build wealth and providing hope for those that are  
13 denied a chance to be a homeowner or business owner plus  
14 raise their community to a level comparable to those  
15 communities on the west side and/or areas where  
16 residents have a tremendous increase in salary and are  
17 granted more favorable options for survival.

18           It's amazing how other cultures such as the  
19 Asian cultures can obtain loans from their own banks and  
20 maintain a thriving community. In the Black community,  
21 there is redlining, lack of loan products for home --  
22 homes, home ownership, affordable housing, commercial  
23 real estate, businesses, no financial support whatsoever  
24 to maintain any business in the Black community. I am  
25 asking for your partnership and cooperation for the

1 following.

2           One, commit your engagement in the Black  
3 community and people of color by a minimum of 50  
4 percent. Keep branches open in the Black community and  
5 properly staff with staff having a training in bias  
6 training. Three, special credit programs for loans for  
7 home ownership in the Black community. Four, implement  
8 special savings programs for the youth to prepare them  
9 for saving and obtaining financial goals. This program  
10 could be promoted and offered through both local  
11 elementary schools in the community surrounding branches  
12 within a one to two-mile radius.

13           Also, just like in the past, years ago, there  
14 used to be Christmas clubs that were offered. Five,  
15 invest and support local schools, athletic team, jobs --  
16 job opportunities, internships in the community. Please  
17 focus your attention on the underserved areas,  
18 communities and public benefits instead of your desire  
19 for power and greed within the banking institute instead  
20 of strong consideration of the needs of those that the  
21 bank is supposed to serve. Thank you for this  
22 opportunity for this time. God bless. This concludes  
23 my report -- my remarks.

24           MS. BANTA-LEWIS: Thank you for those  
25 comments.

1           I would now like to welcome to the stage  
2 Dolores Golden. If you could turn on your camera and  
3 come off mute --

4           MS. GOLDEN: Okay. I think I'm off mute, and  
5 my camera is on.

6           MS. BANTA-LEWIS: There we go. I can see you  
7 perfect. You may begin your comments.

8           MS. GOLDEN: Okay. Thank you, Board of  
9 Governors of the Federal Reserve system. Thank you for  
10 doing what you do and hearing us out. Greetings live  
11 from Los Angeles. You probably wonder why are a bunch  
12 of real estate brokers and agents together with a  
13 nonprofit group. Because we have family. We have  
14 friends. We have clients that are always having issues  
15 because they are Black and Brown.

16           As you know -- I don't have to tell you this,  
17 that the Black home ownership rate and the Black  
18 business rate is totally in the toilet. I'm opposed to  
19 this merger, along with our partners at CRC, because we  
20 do not have a community benefits agreement in writing  
21 yet. So if the -- all the words I heard today, if you  
22 all will sit down with us and make a community benefits  
23 agreement with us so that we can make sure that we  
24 sustain our communities, that's what we want to hear.  
25 Sherri has great ideas about loan products. We've seen

1 a ton of them that don't work. So we're here to tell  
2 you what can work, and we're willing to work as a  
3 community by the organization to make sure this happens.

4 Also, we don't want you to abandon the Black  
5 and Brown communities by closing brick-and-mortar banks.  
6 People need to see banks. They don't need to see Nick's  
7 Check Cashing and all that craziness. We need to see  
8 real banks with real people that are vital to the  
9 community. Also, we want you to offer loans in these  
10 hot areas. We've got gentrification coming in. People  
11 don't have any problem getting a loan that don't look  
12 Black.

13 But our people can't get a loan. I don't  
14 understand it. We've got to make 30 offers for one  
15 buyer before they finally get in a house. That's a lot  
16 of stress. But we want you to work with us. I know a  
17 lot of people that used to work at Union Bank. Now I  
18 know none. I know a lot of good loan reps that have  
19 gone to U.S. Bank recently and hopefully will be able to  
20 work with our local realtor associations and our  
21 nonprofits in the area and get something done.

22 Every time we have a problem, we call poor  
23 Sharon Kinlaw in -- in the Fair Housing Council because  
24 people just don't know where to turn. So they call us  
25 all the time when they have a problem, not just -- we're

1 doing everything. We are every person. We are taking  
2 people out, showing them property, trying to get them a  
3 good loan. We hear the problems if they're getting  
4 thrown out of their apartment, if they've got somebody  
5 missing that's homeless.

6 We're in Los Angeles, which reflects most of  
7 the major cities. We see everything, and we want to ask  
8 your help. We don't want just another big bank that  
9 might be too big to fail. Thank you for allowing me to  
10 make my comments, and I'm sorry we can't see you in  
11 person, but we're going to beat this COVID too and be  
12 back together again. Thank you for your time.

13 MS. BANTA-LEWIS: Thank you for those  
14 comments, Dolores. I would now like to welcome to the  
15 stage Kendra Lewis. If you could turn on your camera  
16 and come off mute -- wonderful. You may begin.

17 MS. LEWIS: Right. Good morning. Thank you  
18 for the -- to the Board of Governors and to the OCC for  
19 this opportunity to present today. My name is Kendra  
20 Noel Lewis. I am the executive director of the  
21 Sacramento Housing Alliance, which is a 30-year-old --  
22 for the last 30 years, we have served the Sacramento  
23 region, the capital city of -- of California. When I  
24 heard about this -- and I'm glad to be able to make  
25 these in-person comments regarding this historic merger

1 in our great state of California. When I read about the  
2 history of the OCC, it's really an honor even more so  
3 knowing that this agency was created by Abraham Lincoln  
4 during the Civil War, which later transformed into the  
5 regulatory agency which is the mission to instill  
6 confidence in federal banking system and to ensure it  
7 operates in a safe and sound manner. And that's why  
8 we're here.

9 I -- as an organization that is focused in  
10 Sacramento with members that are mostly affordable  
11 housing builders, it is critical that the CBA is a part  
12 of this merger. Our concerns are basically that this --  
13 it is an anti-competitive and essentially two very good  
14 banks in affordable housing finance would turn into one  
15 bank. And banks' consolidation is a problem for  
16 affordable housing finance and is really -- this is a  
17 poster child for issues in our Sacramento region and  
18 statewide.

19 U.S. Bank and Union Bank traditionally have  
20 offered debt and equality -- equity offers on almost all  
21 affordable housing deals in cities, example, in  
22 Sacramento, Davis, Woodland, Stockton, just as an  
23 example. They compete. And the most attractive offer  
24 gets the deal. And sometimes the deal was awarded  
25 through Union Bank, and sometimes the deal was awarded



1 through U.S. Bank.

2           The point is that -- that slashing competition  
3 with this -- that competition would be slashed with this  
4 merger. And unless the banks agree to increase its  
5 lending and affordable housing in California through a  
6 CBA, we cannot support this merger. California is  
7 working hard to create a solution to the housing crisis,  
8 and we need partners and resources to ensure that every  
9 Californian has a safe and stable and affordable home.

10           In conclusion, I hope we create a CBA that  
11 benefits all in California consistent with the guiding  
12 principles of both banks to help make sure that  
13 inequality in California -- and we have access to  
14 affordable housing, SBA loans and you consider adopting  
15 the anti-displacement code of -- code of conduct. Thank  
16 you for the opportunity to make comments today, and this  
17 concludes --

18           MS. BANTA-LEWIS: Wonderful. Thank you for  
19 those comments, Kendra.

20           I would now like to welcome to the stage  
21 Darryl Rutherford. If you could turn on your camera,  
22 come off mute. Wonderful. You may begin.

23           MR. RUTHERFORD: Good morning. Thank you to  
24 the OCC and the Board of Governors for convening us  
25 today. My name is Darryl Rutherford. I am the

1 executive director of the Reinvent South Stockton  
2 Coalition. We're a public/private nonprofit  
3 collaborative which works with residents to affect the  
4 root causes of intergenerational poverty through  
5 improvements in housing affordability, job creation,  
6 economic development, safety and community trust,  
7 education and health.

8           We serve as the backbone organization for our  
9 collective impact -- convening and coordinating  
10 partners, increasing their capacity to address community  
11 issues, aligning resources, strategies and incentives  
12 and engaging residents to promote systems change. We're  
13 also the lead organization for five cross-cutting  
14 strategies to improve quality of life for residents,  
15 focusing on meeting the community needs for affordable  
16 housing, increasing trauma-informed services and  
17 resources in the community, rebuilding trust between  
18 residents and institutions meant to serve those  
19 residents.

20           We benefit the community by helping with park  
21 beautification and activation activities, and we're  
22 creating a workforce training pathway so that Stockton  
23 residents can fill higher-wage positions. South  
24 Stockton, the area of San Joaquin County most impacted  
25 by historic underinvestment, redlining and persistent

1 poverty is also the historic hub of Filipinx, Latinx and  
2 African-American communities in the county and home to  
3 the oldest Sikh temple in the country.

4           South Stockton faces significant challenges.  
5 The community is roughly bounded by the old redlines  
6 that defined where immigrant, low-income and farmworker  
7 families were allowed to live within the city. Decades  
8 of neglect, marginalization and a lack of investment  
9 have perpetuated poverty and prevented residents from  
10 assessing the resources, they need to attain their goals  
11 and realize their potential.

12           Just over half of all South Stockton  
13 households have incomes below the poverty level. And  
14 life expectancy is more than 20 years less than in more  
15 affluent areas of the city. Home ownership has declined  
16 for years and is currently only 37 percent, while the  
17 vast majority of renters face a housing cost burden of  
18 more than 30 percent of their income.

19           Nearly 14 percent of residents have -- were  
20 diagnosed with diabetes. Violent crime is a chronic  
21 concern for the community. And approximately two-thirds  
22 of the residents are of Latinx descent. It's also a  
23 young community. Almost 40 percent of residents are  
24 under 25 years old. But how can we heal these  
25 communities when financial institutions don't provide

1 their community development departments with the  
2 resources needed to support work like ours and our  
3 partners that can have a significant impact on creating  
4 healthy communities of color.

5           We have to beg and plead for small grants  
6 ranging from a \$1,000 to \$10,000 because our  
7 Valley communities don't fall within financial  
8 institutions' major assessment areas. We need more  
9 investments in local nonprofits who are doing great work  
10 but may not be connected to mainstream financial  
11 institutions like many of us are today. Our residents  
12 need access to inexpensive mortgage products that aren't  
13 going to harm their chances of building --

14           VOICE: Was that you?

15           MR. RUTHERFORD: -- intergenerational wealth.  
16 Our BIBOC community small business owners --

17           VOICE: Okay.

18           MR. RUTHERFORD: -- who have been the hardest  
19 hit during the pandemic need access to capital now. We  
20 can't see more bank closures. We can't continue to see  
21 a consolidation of financial institutions that won't be  
22 required to increase community investments. A detailed  
23 community benefit agreement for California --

24           MR. OLSON: Mr. Rutherford, I'm sorry to  
25 interrupt you, but you are over time, and we do need to

1 move on to make sure other participants have a chance.

2 MR. RUTHERFORD: That concludes my comments.

3 Thank you very much.

4 MR. OLSON: Thank you.

5 MS. BANTA-LEWIS: Thank you, Darryl.

6 GROUP 2

7 MS. BANTA-LEWIS: I would now like to welcome  
8 Group 2. First -- first to the stage, we're going to  
9 welcome Karen Petrou. I know that you have got a slide  
10 deck here, so I'm just going to pull that up. If you  
11 could give me a verbal prompt to move to the next slide,  
12 that would be great.

13 MS. PETROU: Thank you very much. I would  
14 like to discuss some of the structural issues that I  
15 believe should also cover -- be included in the Federal  
16 Reserve and OCC's thinking about this transaction. We  
17 have heard a great deal about forward-looking community  
18 benefits considerations, and these are important. But I  
19 believe they need to be taken in a forward-looking  
20 understanding of banking as it is and will be, not as it  
21 was and many of us wish it were.

22 So as you'll see on my slide, I think we need  
23 first to understand that banking is no longer the  
24 monopoly it was. Up to even just a few years ago when  
25 comments such as Dan Tarullo's about economies of scale

1 and scope were made, we had a bank-centric market. Now  
2 we don't. Key competitors include fintechs, large tech  
3 platform companies and a few giant banking organizations  
4 or none. To assume that if regional bank transaction  
5 essential to economies of scale and scope does not  
6 complete its -- is not consummated that banking will  
7 continue as it was with two banks I think is  
8 unrealistic.

9           The bank seeking merger may well decide that  
10 it is no longer viable in key markets and exit them. We  
11 need to remember, too, that banking is a different  
12 business and, when strained, can make a very big  
13 difference. We saw from the third to the fourth quarter  
14 of just last year one bank of about \$120 billion in  
15 assets join the FDIC's problem bank list.

16           So first I'd like to emphasize that if there  
17 is a merger that the regulators believe to be sound and  
18 a community benefit plan that meets the law's needs,  
19 assuming that it is not perfect and, therefore, the deal  
20 should be rejected may lead to an unintended consequence  
21 and far less effective community service, especially  
22 within the regulatory parameter key to consumer  
23 protection and community service. Secondly, I would  
24 like to urge the regulators and everyone interested in  
25 bank merger policy to consult new research. The market

1 is, as I said, very different. If you look, for  
2 example, at a key consumer benefit return on savings,  
3 you will find that consumers do better in markets having  
4 nothing to do with concentration. It has, instead, to  
5 do with safety and soundness. Banks that are safe and  
6 sound may pay lower rates to depositors than weaker  
7 banks, but that is, of course, a significant public  
8 benefit to have sound banks. There are also new  
9 trade-offs. For example, if consumers receive higher  
10 rates that may seem good for the consumer, borrowers  
11 also receive higher costs for their loans because, to  
12 survive, banks need a positive, profitable net interest  
13 margin.

14 In conclusion, I urge the regulators and all  
15 of us interested in bank merger policy to put this  
16 debate in the forward-looking context in which banking  
17 is no longer a monopoly. Consumer service will no  
18 longer be possible for more than a few Community Banks  
19 if there are not sound regional banks with the economies  
20 of scale and scope remaining within the regulatory  
21 parameter essential to community and consumer service.  
22 Thank you very much.

23 MS. BANTA-LEWIS: Wonderful. Thank you for  
24 those comments, Karen. I would now like to welcome to  
25 the stage Ismael Guerrero.

1           MS. BANTA-LEWIS: If you could turn on your  
2 camera and go on mute -- Karen, can you turn off your  
3 camera? Wonderful. I see Ismael. You may begin your  
4 comments.

5           MR. GUERRERO: Thank you. Good afternoon,  
6 members of the Board of Governors of the Federal Reserve  
7 and Office of the Comptroller of the Currency. It's a  
8 pleasure to be with you today. My name is Ismael  
9 Guerrero, and I am the president and CEO of Mercy  
10 Housing, headquartered in Denver, Colorado.

11           It's my pleasure to be here with you today to  
12 speak in support of U.S. Bank's acquisition of Union  
13 Bank. Mercy Housing is the largest nonprofit affordable  
14 housing developer/owner in the country with nearly  
15 25,000 units across 20 states. More importantly, every  
16 day, we impact the lives of over 45,000 residents with a  
17 focus on health, education and economic outcomes.

18           Over our 40-year history, U.S. Bank has been a  
19 lender, an investor and a strategic partner alongside  
20 Mercy Housing, positively impacting the communities  
21 around the country where we have developed and own  
22 affordable residential communities. We have had a  
23 relationship with U.S. Bank for over 30 years. And  
24 during that time, we have had the pleasure of working  
25 with numerous U.S. Bank employees and have a good



1 understanding of their commitment to their communities,  
2 their people and providing access to financial services  
3 to all.

4 I have also been struck by their efforts to  
5 operate in a transparent and ethical manner. This  
6 includes a genuine commitment to advancing racial  
7 justice through diversity, inclusion and equitable  
8 outcomes for all. U.S. Bank directly supported Mercy  
9 Housing's racial equity, diversity and inclusion  
10 initiatives by inviting my leadership team to  
11 participate in antibias, antiracism training, which they  
12 sponsored.

13 As for their continuing commitment to invest  
14 in the communities they serve, the following should  
15 provide you with a good idea of why we are strong  
16 supporters of U.S. Bank. U.S. Bank has extended a \$10  
17 million, unsecured line of credit to Mercy Housing,  
18 which we used to finance predevelopment costs related to  
19 our pipeline of nearly 9,000 affordable housing units,  
20 leveraging almost \$4 billion in investments in 15 states  
21 and most of the largest and most expensive housing  
22 markets in America. Two hundred fifteen million dollars  
23 invested in low-income housing tax credits and almost \$40  
24 million in construction and permanent lending for  
25 affordable housing properties in our portfolio and \$5

1 million to support lending activity in Mercy Community  
2 Capital, one of the larger and most impactful CDFIs in  
3 the country.

4           Mercy Community Capital extends our impact by  
5 providing low-cost financing to support affordable  
6 housing development by smaller organizations in 44  
7 states. U.S. Bank is highly regarded in our affordable  
8 housing community for the work they do every day and for  
9 the services they provide. We are proud to partner with  
10 them and look forward to continuing to work with the  
11 combined organization in the future. Thank you for your  
12 time.

13           MS. BANTA-LEWIS: Thank you for those  
14 comments.

15           I would now like to welcome to the stage  
16 Emilia DiMenco. If you could turn on your camera, come  
17 off mute --

18           MS. DIMENCO: Good morning, and happy  
19 International Women's Day. I am Emilia DiMenco,  
20 President and CEO of the Women's Business Development  
21 Center. I've been part of the WBDC for 12 years, and I  
22 sat on its board for seven years prior. The Women's  
23 Business Development Center, headquartered in Chicago,  
24 is a 36-year-old business service organization that  
25 supports and accelerates business development and growth

1 for those it serves while advocating for women and  
2 diverse business owners across the Midwest in nine  
3 states.

4           As we all know, small business success on the  
5 local level reverberates in the national economy.  
6 Previously and importantly, you should know that I'm a  
7 retired executive vice president, BMO Harris, after  
8 serving for 30 years. In my long career in diverse  
9 responsibilities at BMO Harris, I personally led for  
10 many years the bank's efforts and support of small  
11 businesses and diverse markets, including women-owned  
12 businesses.

13           My support of the acquisition of MUFG Union  
14 Bank by U.S. Bank stems from my knowledge of banking,  
15 the needs of the small business community and the  
16 commitment and impact U.S. Bank has had on the  
17 communities the WBDC serves and certainly not any fear  
18 or pressure from U.S. Bank. As you can tell from the  
19 color of my hair, this is not my first rodeo.

20           I am here freely to share with you the support  
21 U.S. Bank has extended to the communities the WBDC has  
22 served over the last five years and the programs and  
23 services the organization has been able to deliver  
24 supporting small business owners throughout its  
25 nine-state region. U.S. Bank is represented on our

1 board and advisory committees. Subject matter expertise  
2 and financial support of \$630,000 has been provided.  
3 Various curricula, sponsorship, including curricula  
4 focused on Black and Brown women business owners has  
5 been delivered.

6 Expanded support was provided during COVID-19  
7 to meet our needs and increased a hundred percent for  
8 access to capital and technical support. Digital  
9 expansion of our programs and services were enabled as a  
10 result of that support. Very importantly, debt, equity  
11 and grants were delivered. Businesses were sustained.  
12 Some even grew.

13 I firmly believe that the commitment to  
14 community, small businesses and diverse markets is a  
15 hallmark of the U.S. Bank culture and business and will  
16 continue in all the markets that it enters. Thank you  
17 for providing me this opportunity to testify in support  
18 of the acquisition. This concludes my remarks.

19 MS. BANTA-LEWIS: Thank you for those  
20 comments, Emilia.

21 I would now like to welcome to the stage  
22 Ronald Garnett. If you could turn on your camera and  
23 come off mute --

24 MR. GARNETT: Okay, great. Thank you to the  
25 Board of Governors and the OCC for the opportunity to

1 make comments at this hearing today. My name is Ron  
2 Garnett, and I'm the president and CEO of the Council  
3 for Supplier Diversity headquartered in San Diego,  
4 California. We are a 501(c)(3) nonprofit organization.

5 Our mission is to leverage the discipline of  
6 supplier diversity to help develop economic empowerment  
7 in underserved communities. Now, to accomplish this  
8 mission, we need the support of banking institutions and  
9 other corporate citizens. Since at least the mid-80s,  
10 bank consolidations have reduced the number of banks,  
11 institutions by almost two-thirds. Mergers and  
12 acquisitions have driven a substantial part of this  
13 result.

14 Union Bank has been unique among financial  
15 institutions of its type in terms of the supporting the  
16 diverse business enterprise community. They have been a  
17 constant and -- and exceptional contributor to both  
18 monetary and support and the leadership engagement  
19 within our organization and others in our community.

20 In the case of our organization, Union Bank  
21 provided the seed money for our organization to fulfill  
22 a void in the large and substantially diverse community.  
23 Not only did they support existing organizations, but  
24 they made important investments to ensure that the  
25 underserved and the LMI communities had the local

1 resources needed for economic advancement.

2 Over the past 16 years, we have had many  
3 relationships with banking institutions. None have been  
4 more dedicated than Union Bank in helping to support in  
5 development and growth of diverse business enterprises.  
6 Union Bank has continued to be our strongest and most  
7 consistent contributor over the years. They support our  
8 ability to provide our Young Entrepreneur Academy. This  
9 is to create opportunities for a better future for  
10 underserved youth.

11 They also support our executive and business  
12 development program, a collaboration we have with the  
13 University of San Diego School of Business. And they  
14 certainly support our sourcing programs to help  
15 suppliers get better prepared to do business with large  
16 corporations, even though it's outside of their own  
17 organization.

18 From funding to board, direct leadership, they  
19 have been a model for best practices in this area. I  
20 hope that the effects of this acquisition, from what  
21 I've heard today, will bring the same level of  
22 commitment to minority women service-disabled veteran,  
23 LGBTQ businesses and the underserved communities. I  
24 hope that the next -- the new entity will continue to  
25 support the mission of organizations like the Council

1 for Supplier Diversity and recognize the important added  
2 value we bring to the organization. These are important  
3 considerations for the -- for the Board in considering  
4 this merger. Thank you for the opportunity. This  
5 concludes my remarks.

6 MS. BANTA-LEWIS: Thank you for those  
7 comments, Ron.

8 I would now like to welcome to the stage Paul  
9 Woodruff. If you could turn on your camera, come off  
10 mute. Wonderful. You may begin.

11 MR. WOODRUFF: Good afternoon. My name is  
12 Paul Woodruff, and I'm the vice president of community  
13 development receivables, Community Credit Union, which  
14 is a certified community development financial  
15 institution or CDFI, as well as a minority depository  
16 institution located in and serving the greater St.  
17 Louis, Missouri metropolitan area.

18 In fact, we're one of the nation's largest  
19 Black-owned credit unions. I join you today to voice my  
20 support for U.S. Bank's acquisition of Union Bank. My  
21 comments today will be focused on the relationship that  
22 my institution has shared with U.S. Bank -- with U.S.  
23 Bank as related to community development finance. U.S.  
24 Bank has been an invaluable partner of my institution in  
25 securing and deploying new markets tax credits for the

1 purpose of building new and renovating existing  
2 financial service facilities in highly economically  
3 distressed portions of St. Louis. Of note, as a part of  
4 a transaction facilitated by U.S. Bank in 2017, my  
5 institution built a state-of-the-art branch on the site  
6 of the historic Gateway Bank.

7 Gateway Bank was launched in 1965 as one of  
8 the only Black-owned banks in the Midwest. I repeat,  
9 the only Black-owned bank in the Midwest.  
10 Unfortunately, years later, the institution was not  
11 solvent. St. Louis Community Credit Union, a Black-  
12 owned minority depository institution, was able to  
13 preserve the history of the institution by migrating  
14 Gateway customers to our systems but, most importantly,  
15 by bringing to life a new, beautiful and functioning  
16 facility to serve the financial needs of the residents  
17 of North St. Louis City, which is a notorious desert for  
18 financial services.

19 U.S. Bank's involvement in this deal has  
20 served to generate millions of dollars in new economic  
21 activity for the surrounding community and ensured that  
22 the needs of low-income African-American residents did  
23 not go unmet. I highlight this experience because, from  
24 a business perspective, this new markets tax credit  
25 transaction was small and relatively inefficient. In



1 short, it wasn't a huge financial win for the bank.

2           However, the bank was and continues to be a  
3 champion of this effort because they understand the  
4 critical nature of ensuring quality, affordable  
5 financial products and services to communities whether  
6 that comes from their institution or partner CDFIs like  
7 myself.

8           Since 2017, I have served as a member of U.S.  
9 Bank's Community Advisory Committee. And at the  
10 inception of the CAC, the bank shared insight on a new  
11 emergency loan product, the simple loan, which was to be  
12 launched in 2018. Transparent, accessible, and  
13 sustainable, these are the three tenets of the simple  
14 loan. And through a cooperative and open process, I  
15 have been amazed to see the level of involvement from  
16 staff members from mid-level all the way up through  
17 senior. The simple loan journey has been nothing short  
18 of a success. U.S. Bank maintains its commitments to  
19 ensuring that people of modest means and people who lack  
20 access to mainstream credit have access to those  
21 services when an emergency occurs. Based on my  
22 experiences, I have found that U.S. Bank is genuine and  
23 concerned and motivated to act in the best interest of  
24 consumers and community, whether in my area or areas  
25 across the country. It's for these reasons, among many,

1 that I am supportive of U.S. Bank's acquisition of Union  
2 Bank. Thank you. This concludes my remarks.

3 MS. BANTA LEWIS: Thank you for those  
4 comments, Paul.

5 I would like to now welcome to the stage  
6 Christine Hess if you could turn on your camera, come  
7 off mute. Wonderful. You may begin.

8 MS. HESS: Hi. Good morning, Board of  
9 Governors and OCC. My name is Christine Hess, and I am  
10 the executive director for the Nevada Housing Coalition.  
11 The Nevada Housing Coalition is a statewide nonprofit to  
12 advance and promote affordable housing for all Nevadans.  
13 Our strategic priorities are advocacy, education and  
14 collaboration.

15 We work with our community partners, including  
16 U.S. Bank, to support affordability across the  
17 affordable housing spectrum from permanent supportive  
18 housing to affordable rentals and home ownership.  
19 Nevada has one of our country's most severe shortages of  
20 affordable housing. Statewide and across income levels,  
21 Nevadans are struggling with their housing costs, which  
22 means that attention to basic needs like medical care,  
23 food, education, transportation and work stability  
24 suffer.

25 According to the National Low-Income Housing

1 Coalition, over 90 percent of our extremely low-income  
2 households are paying more than one-third of their  
3 income on rent. And over 80 percent of those households  
4 pay more than half of their income on rent. As part of  
5 our education initiative, the U.S. Bank team members are  
6 regular participants in our events, including our  
7 monthly lunch and learn, our special affordable housing  
8 updates and our annual statewide housing conference.

9           They have been a member organization of ours  
10 at the partner level since 2019, the coalition's  
11 inception. They have also sponsored our two annual  
12 housing conferences. Additionally, their team members  
13 are always available for any questions or technical  
14 support. As home prices increase in Nevada, homebuyer  
15 programs are becoming more critical to providing access  
16 to the benefits of home ownership.

17           Both Reno and Las Vegas have seen for-sale  
18 home prices increase well over 20 percent year-over-year  
19 with median home prices hitting \$560,000 in Reno and  
20 \$400,000 in Las Vegas, out of reach for too many  
21 hard-working Nevadans. U.S. Bank provides support to  
22 our agencies to administer affordable home ownership  
23 programs, including our state housing finance agency,  
24 the Nevada Housing Division, and Nevada Rural Housing  
25 Authority.

1 Overall, they help provide affordable  
2 mortgages to approximately 2,500 to 3,000 low and  
3 moderate-income Nevadans annually. They also sponsor  
4 lender roundtables for both agencies. We are grateful  
5 to include U.S. Bank as a community partner and  
6 coalition member as we work to ensure affordable housing  
7 options for all Nevadans. As Nevada prioritizes  
8 affordable housing, we look forward to continued active  
9 engagement by U.S. Bank and the combined organization.  
10 Thank you so much for your time this afternoon.

11 MS. BANTA-LEWIS: Thank you for those  
12 comments, Christine.

13 I would now like to welcome to the stage Tina  
14 Quigley if you could turn on your camera and come off  
15 mute.

16 MS. QUIGLEY: Oh. There we go.

17 MS. BANTA-LEWIS: Wonderful. You may begin.

18 MS. QUIGLEY: Great. Thank you. Again, my  
19 name is Tina Quigley. I am the president and CEO of the  
20 Las Vegas Global Economic Alliance, which is Southern  
21 Nevada's regional economic development agency. We are  
22 funded by the state, but we also are funded by our  
23 private investors. And I want to take a minute just to  
24 explain to you the leadership that specifically Clark  
25 Wood, who is the market president and located here in

1 Las Vegas and is the vice chair of the Global Economic  
2 Alliance has brought to Southern Nevada. We struggled  
3 tremendously with diversifying our economy. As you  
4 know, Las Vegas is heavily dependent on the travel and  
5 leisure tourism industry.

6           And as a result, we go through periods of boom  
7 and bust. We have struggled for a long time to figure  
8 out how to grow beyond just that portfolio. And so this  
9 is where I want to talk about leadership. Clark is the  
10 vice chair. And under his leadership, as he has grown  
11 with us in our organization, has worked with the rest of  
12 our 50 board members to come up with targeted industries  
13 that we now have strategic action plans moving towards,  
14 specifically, advanced manufacturing, transportation and  
15 logistics, healthcare, information and technology, clean  
16 energy, creative industries and also business and  
17 finance.

18           And I will mention just real quick that U.S.  
19 Bank is a tremendous contributor to our Junior  
20 Achievement Chapter here. So you'll hear a lot of the  
21 good things that U.S. Bank has done for communities  
22 across the United States. But I really want to just  
23 take this moment to emphasize the leadership portion  
24 that U.S. Bank has shown a commitment to Southern Nevada  
25 to truly helping grow our economy beyond our

1 boom-and-bust cycles. So with that, I would like to  
2 express our support for the action today and for the  
3 U.S. Bank partnership.

4 MS. BANTA-LEWIS: Wonderful. Thank you for  
5 those comments, Tina.

6 I would now like to welcome to the stage  
7 Damian Buchman. If you could turn on your camera, come  
8 off mute.

9 MR. BUCHMAN: Hello. Greetings. My name is  
10 Damian Buchman. I am the founder and executive director  
11 of an organization in Milwaukee, Wisconsin known as The  
12 Ability Center. I'd like to thank the Board of  
13 Governors and OCC for this opportunity to speak in  
14 support of U.S. Bank's merger with Union Bank. And I  
15 want it to be noted that no part of me feels forced or  
16 compelled to testify today. In fact, I feel actually  
17 compelled and honored to do so.

18 We -- I think it's important to note that we  
19 are a human services-related organization in the greater  
20 Milwaukee area, and I see the value in U.S. Bank's  
21 support for our organization and people with  
22 disabilities in the fact that we are just a small  
23 organization that's trying to preserve the community,  
24 and there is no benefit in it to U.S. Bank other than  
25 being good stewards of their local community. In a

1 world where people with disabilities are often  
2 forgotten, U.S. Bank has not only supported our mission,  
3 but they value this minority group equitably throughout.  
4 Our mission is simple, to provide people impacted by  
5 disabilities with a daily opportunity to be fit, active  
6 and healthy.

7           In fact, U.S. Bank has partnered with us in  
8 multiple aspects, both in financial contributions,  
9 community and volunteer support, leadership support and  
10 knowledge-sharing on topics of inclusion, ableism and  
11 universal design. They have shown us this multilevel  
12 interest in supporting our mission, not just a singular  
13 one.

14           U.S. Bank has also been very supportive in all  
15 three of our pillars, seeing the value both in bringing  
16 access and opportunity for people with disabilities  
17 inside of the community and, bringing families  
18 together with disabilities to play in open gym scenarios  
19 in making sure that we have a strong basis in education  
20 and inclusion inside of our schools in the greater  
21 Milwaukee and, indeed, the entire Wisconsin area. They  
22 have also supported the local initiative support  
23 corporation locally in which there is an awards ceremony  
24 called the Milwaukee Awards for Neighborhood Development  
25 Initiatives. And it's the MANDI awards. And they

1 supported that organization, which also supports our  
2 organization, and we actually won for transforming our  
3 local beach into the country's most inclusive and  
4 accessible beach, especially not on a coastal site.

5           Finally, echoing Tina's comments, their  
6 leadership has been extraordinary for our organization,  
7 and they stepped up from day one upon request where  
8 their global chair of U.S. Bank's disability resource  
9 business group, Kelly Risser, has joined our board of  
10 directors as well to continue to provide that equitable  
11 opportunity for families impacted by and with  
12 disabilities, both physical and intellectual.

13           So while we are not anywhere touching the  
14 banking industry, it is important to note that U.S.  
15 Bank, while they are not located or headquartered in  
16 Milwaukee, they take a strong hold, clearly to me, in any  
17 community in which they stand. I want to thank you for  
18 this opportunity to testify, and that concludes my  
19 comments.

20           MS. BANTA-LEWIS: Thank you for those  
21 comments, Damian.

22           I would now like to welcome to the stage Kevin  
23 Wilson. If you could turn on your camera, come off mute  
24 -- wonderful. You may begin.

25           MR. WILSON: Good morning, everyone. My name



1 is Kevin Wilson, and I'm executive director of the Small  
2 Business Empowerment Center here in St. Louis, and I'm  
3 here to speak in support of U.S. Bank. Small Business  
4 Empowerment Center is a nonprofit SBA technical  
5 assistance provider helping minority and women business  
6 owners in low-income communities gain access to capital  
7 and contracting opportunities.

8 I'm also part of the U.S. Bank Community  
9 Advisory Committee or the CAC. As a member of the CAC,  
10 I have witnessed firsthand U.S. Bank's commitment to  
11 community to bring positive change as well as their  
12 efforts towards corporate social responsibility to help  
13 build wealth while redefining how the bank serves  
14 diverse communities and provides more opportunities for  
15 diverse employees within their bank.

16 Over the past several years, these are the  
17 things I've come to know are true. U.S. Bank has made a  
18 commitment to support BIPOC-led small businesses. The  
19 bank has extended finance opportunities for BIPOC-led  
20 small business owners through their CDFI partners. The  
21 bank has increased its procurement span with BIPOC-led  
22 businesses. U.S. Bank volunteers have consistently  
23 stepped up to mentor and coach my clients. I've also  
24 worked with U.S. Bank with many of my entrepreneurs to  
25 access SBA loans, lines of credit to grow/start their

1 businesses. This, in turn, has led to job creation in  
2 these diverse communities.

3 Finally, I believe U.S. Bank continues to  
4 listen and make community investments with and through  
5 their community partners in the CAC. My fellow CAC  
6 members and I are always amazed how U.S. Bank staff asks  
7 us to help them on strategic initiatives to engage the  
8 community, and then they implement many of these  
9 suggestions. We continue to be impressed with their  
10 ability to hear us and then make changes based on our  
11 feedback.

12 If there are any additional -- any additional  
13 information you all require, please don't hesitate to  
14 give me a call. I am in full support of U.S. Bank.  
15 They've been fantastic. Thank you so much for this  
16 opportunity and this time today. This concludes my  
17 remarks.

18 MS. BANTA-LEWIS: Thank you for those  
19 comments, Kevin.

20 I would now like to welcome to the stage Kerry  
21 Doi. If you could turn on your camera, come off mute --

22 MR. DOI: Thank you very much for allowing me  
23 to speak. My name is Kerry Doi. I'm the president and  
24 CEO of PACE, the Pacific Asian Consortium in Employment.  
25 We are a multifaceted community development

1 organization. We're the CDFI, a CDE or certified SBA  
2 lender and MBDA lender and a minority business  
3 development center.

4 In addition, we are an AJCC, America's Job  
5 Center of California, sponsored by DOL. Our  
6 environmental justice programs weatherize approximately  
7 1,500 homes per year, while our early childhood education  
8 programs educate approximately 1,200 preschoolers  
9 throughout 14 different low-income area -- neighborhoods  
10 in Los Angeles. Altogether, we provide services to over  
11 40,000 people a year, 95 percent of which fall below the  
12 poverty line.

13 Hundreds of small businesses are assisted  
14 while helping thousands of jobseekers from resume  
15 writing to vocational counseling to job training and  
16 placement, as well as helping them navigate the state  
17 bureaucracy and accessing unemployment benefits. But  
18 just as important, we serve Japanese, Chinese, Korean,  
19 Filipino, Vietnamese, Cambodian, Thai, South Asian  
20 Indian, Pakistani, Armenian, Iranian and many others.  
21 We serve people from Mexico, Guatemala, Puerto Rico and  
22 Columbia. We're proud to say that we serve more Latinos  
23 than we do Chinese. In addition, we serve more  
24 African-Americans than we do Koreans. Altogether, we  
25 speak more than 40 different languages and dialects. In

1 other words, when it comes to cultural diversity, we  
2 walk the walk, not just talk the talk. Because of the  
3 work we do, we have the opportunity to work with many  
4 industries in the private sector. The concept of CSR,  
5 as well as DEI are concepts that we worked with for over  
6 four decades. It's indeed impressive to us that U.S.  
7 Bank, as well as Union Bank, not only adhere to those  
8 concepts but embrace them and not only talk the talk but  
9 walk the walk.

10           It's without a doubt that we believe that this  
11 merger will only strengthen their commitment to DEI and  
12 CSR. About 15 years ago, one of the largest banks in  
13 America at an interagency conference declared that their  
14 CRA portfolio outperformed its regular portfolio. U.S.  
15 Bank understands that not only is their responsibility  
16 to be a good corporate citizen but knows that it's  
17 profitable as well.

18           The noted economist, Gene Sperling, senior  
19 economic advisor to two presidents, recently wrote a  
20 book arguing that the end goal of economic policy should  
21 be economic dignity. We believe in that theory and  
22 believe that U.S. Bank also buys into that theory as --  
23 and as such, we support the merger of U.S. Bank and  
24 Union Bank. This concludes my remarks. Thank you.

25           MS. BANTA-LEWIS: Thank you for those

1 comments, Kerry.

2 GROUP 3

3 MS. BANTA-LEWIS: We will now move into Group  
4 No. 3. I would like to welcome first to the stage  
5 Michelle Merced. If you could turn on your camera, come  
6 off mute. Wonderful. You may begin.

7 MS. MERCED: Hi. Good morning, everybody. My  
8 name is Michelle Merced, and I'm the president/CEO of  
9 Neighborhood Housing Services of Southern Nevada. I am  
10 honored to testify today in regards to U.S. Bank and  
11 Union Bank merger. This year, our organization  
12 celebrates serving our community for over 30 years here  
13 in Southern Nevada in everything housing.

14 Our mission is to help build better  
15 neighborhoods block by block, and I'm proud to testify  
16 today and share how U.S. Bank has been part of that  
17 journey in helping so many individuals and families  
18 throughout Southern Nevada. U.S. Bank has and continues  
19 to provide funding towards home ownership efforts. With  
20 the funds that they've provided, we were able to help  
21 over 1,100 households by providing homebuyer education to  
22 those that are seeking to purchase their first home. In  
23 addition, they fully support and continue to advocate  
24 for affordable housing. From 2012 to 2015, they helped  
25 offset rehab costs at one of our communities called

1 Calcaterra.

2           This is a six-building, 42-unit community that  
3 houses households that fall at 80 percent of the area  
4 median income. By providing their support, we can  
5 update new air conditioning systems, and we're also able  
6 to put new roofs on our buildings. We also own and  
7 manage a 59-unit apartment complex dedicated towards  
8 transitional housing.

9           And in 2017, it caught fire, and  
10 unfortunately, it displaced 60 individuals. U.S. Bank  
11 has helped again or helped again and assisted us in  
12 upgrading plumbing to code throughout the building and,  
13 today, we are fully occupied. From 2018 to date, U.S.  
14 Bank continues to lead the way in providing general  
15 operating support towards all projects we have regarding  
16 affordable housing.

17           This is huge, as it allows for our agency to  
18 still focus on our mission, and it reflects a trust that  
19 has been built between partners based on aligned  
20 strategic goals. We are able to be creative and  
21 identify different initiatives. For example, today, our  
22 teams are working together in an initiative in closing  
23 the Las Vegas Black home ownership gap.

24           The goal is to educate together to raise  
25 awareness on the challenges and promote resources to

1 help as many Black families as possible in buying their  
2 first home. I will add that the leadership from U.S.  
3 Bank locally and also from our surrounding state is very  
4 supportive. In closing, I will state the leadership --  
5 in-state, we fully support the merger of U.S. Bank and  
6 Union Bank and are confident we will continue to -- they  
7 will continue to support and help fight the fight for  
8 adding affordable housing in our community. Thank you,  
9 and this concludes my remarks.

10 MS. BANTA-LEWIS: Thank you for those  
11 comments, Michelle.

12 I would now like to welcome to the stage  
13 Lenwood Long, Sr. If you could turn on your camera and  
14 come off mute --

15 MR. LONG: Thank you so much. Good afternoon.  
16 My name is Lenwood Long. I am the president and CEO of  
17 the African-American Alliance of CDFI CEOs. And I speak in  
18 support of the merger of U.S. Bank and Union Bank. The  
19 African-American Alliance of CDFI CEOs is a membership  
20 driven intermediary of 59 Black-led CDFIs that aims to  
21 address in a robust way the closing of the racial wealth  
22 gap. I think we did not take it lightly, look at it  
23 lightly, to address why we support this merger. One,  
24 there are several reasons based upon performance that we  
25 support this merger. In the fall of 2021, nine of our

1 members received \$13 million in patient capital via the  
2 U.S. Bank Access Fund. This fund was for women of color  
3 and microbusiness owners. This infusion of lending  
4 capital allowed each organization to increase their  
5 capacity, which is very important to deploy those fund.

6 In addition to that, each of those -- 14 of  
7 those members received \$900,000 in grants, roughly range  
8 of \$45,000 to \$75,000 in grants. I would add that  
9 Black-led CDFIs play a critical role in bringing  
10 investment and other resources to underserved  
11 communities of color, particularly those who lack  
12 sufficient access to training and capital.

13 We also appreciate U.S. Bank collaboration in  
14 our efforts on new market tax credits. U.S. Bank team  
15 broadly offered their assistance with entry-level  
16 participation for our members interested in the new  
17 market tax credit program very critically.

18 Unfortunately, we would like to say, Black-led CDFIs,  
19 compared to their White counterparts, have historically  
20 faced uneven playing field. So in conclusion,  
21 African-American Alliance of CDFI CEOs support this  
22 merger and -- and is confident that this merger is a  
23 major step towards reversing the structure and  
24 historical inequities that have led to insufficient  
25 funding of Black-led CDFI -- CDFIs.



1           We further believe that this merger could  
2 yield significant community reinvestment in underserved  
3 neighborhood nationwide once a community benefit  
4 agreement is finalized to form a plan to strategically  
5 address the unique needs of the community that now would  
6 be in -- and certainly change to impact in a positive  
7 way. Thank you so much. And again, we support this  
8 merger. Thank you.

9           MS. BANTA-LEWIS: Thank you for those  
10 comments, Lenwood.

11           I would now like to welcome to the stage  
12 Beverly Noerr. If you could turn on your camera and  
13 come off mute -- Beverly, are you able to connect? Oh,  
14 I think your --

15           MS. GOLDBERG: Muted.

16           MS. BANTA-LEWIS: -- audio -- yeah.

17           MS. GOLDBERG: Can you please unmute yourself?

18           MS. BANTA-LEWIS: It looks like you're  
19 unmuted, but perhaps your microphone isn't accurately  
20 selected. So if you click the caret on the mute button,  
21 you might have another microphone option there.

22           MS. NOERR: How about now?

23           MS. BANTA-LEWIS: Wonderful. Yup. You may go  
24 ahead and begin those comments.

25           MS. NOERR: Okay. My name is Beverly Noerr.

1 I am executive director of Redlands Bowl Performing  
2 Arts, located in the two-county Inland Empire region of  
3 Southern California. Our core mission work includes the  
4 Redlands Bowl Summer Music Festival, which is the oldest  
5 continuously running music festival in the United States  
6 where no admission is charged and serves over 100,000  
7 people annually.

8 We also present a robust arts education  
9 program serving 35,000 youth and an established young  
10 artist scholarship program. Redlands Bowl Performing  
11 Arts' goal is to provide access to world-class quality  
12 performing arts for all by removing the cost barriers to  
13 participation. Today, it is my great pleasure to speak  
14 to you in support of U.S. Bank.

15 U.S. Bank serves as an exemplary corporate  
16 partner to our organization and many others. A few  
17 years ago when RBPA wished to increase our service  
18 numbers, U.S. Bank understood and supported our  
19 aggressive goal to raise our service numbers from 5,000  
20 to 35,000 children within two years.

21 Knowing the need and lack of arts education  
22 and access for low-income and underserved youth in our  
23 region, U.S. Bank came alongside us in this goal and  
24 significantly increased their investment in our youth.  
25 This funding helped us to leverage our services via

1 workshops, music assemblies in our schools and arts  
2 opportunities with partnering youth service agencies.

3           Especially during the pandemic when children  
4 were particularly at risk to isolation, the funding  
5 provided by U.S. Bank helped us to pivot to online  
6 programming. I cannot underscore enough the importance  
7 of this programming in providing an emotional safety net  
8 for our kids during this tumultuous time for the world.

9           In addition, last summer when we joyfully  
10 reopened our festival programming, U.S. Bank provided  
11 boots-on-the-ground volunteers to assist in the  
12 festival. It is my opinion that U.S. Bank is not merely  
13 a sideline corporate partner checking off the nonprofit  
14 box but is a purposeful, intentional neighbor in our  
15 community. I give my highest support and recommendation  
16 to U.S. Bank in this merger. This concludes my  
17 statement. Thank you.

18           MS. BANTA-LEWIS: Thank you for those  
19 comments, Beverly.

20           I would now like to welcome to the stage  
21 Patricia Garcia Duarte. If you could turn on your  
22 camera, come off mute --

23           MS. DUARTE: Good morning, Board of Governors.  
24 Thank you for this opportunity. I am Patricia Garcia  
25 Duarte, president and CEO at Trellis. Trellis is an

1 Arizona nonprofit organization dedicated to making  
2 stable homes and communities possible by programs that  
3 support and encourage wealth creation through home  
4 ownership.

5 Trellis has no experience with MUFJ. However,  
6 Trellis has had a good relationship with U.S. Bank.  
7 Locally in Phoenix Metro, we believe that U.S. Bank's  
8 culture is one that supports community development.  
9 U.S. Bank has, over many years and consistently, invested  
10 in Trellis's mission, providing -- providing  
11 philanthropic support to help run our home ownership  
12 center where we offer one-on-one housing counseling,  
13 financial coaching and homebuyer education.

14 U.S. Bank is also providing construction  
15 financing for our very first low-income housing tax  
16 credit -- housing development which will provide  
17 affordable rental housing and eventually convert into  
18 home ownership after the low-income housing tax credit  
19 compliance period.

20 U.S. Bank has invested in down payment  
21 programs and has helped us convert clients into actual  
22 homeowners, helping us increase home ownership among  
23 Hispanic, Black, indigenous and Asian people. In  
24 Trellis' history, 46 years, we've created over 3,900  
25 homeowners. Home ownership is at the core of our

1 mission. And truly U.S. Bank has supported that.

2 Equally, it's important for me to note that we  
3 have had the advantage of having a very active U.S. Bank  
4 employee, the community affairs manager, who has played  
5 a very important leadership role on our board of  
6 directors and board committees and related entities.  
7 His time has been very valuable in governing our  
8 organization and helping set strategic plans and goals  
9 in helping with fundraising efforts to support the  
10 mission. He truly is a model board member.

11 In my opinion, the proposed merger between  
12 U.S. Bank and MUFG Union Bank will be positive as long  
13 as there is a clear public benefit commitment that  
14 supports the community financial needs and the  
15 nonprofits who do the heavy lifting in trying to address  
16 the community issues around housing and community and  
17 economic development. Thank you. That concludes my  
18 remarks.

19 MS. BANTA-LEWIS: Thank you for those remarks,  
20 Patricia.

21 We are now going to try and unmute Allysunn  
22 Williams. We may not be able to see her, but we might  
23 be able to hear her. So let's give that a try.

24 MS. WILLIAMS: Hello. Can you hear me?

25 MS. BANTA-LEWIS: Hi, Allysunn?

1 MS. WILLIAMS: Yes. Can you hear me?

2 MS. BANTA-LEWIS: Wonderful. Yes. We can  
3 hear you. If you --

4 MS. WILLIAMS: Thank you.

5 MS. BANTA-LEWIS: -- would like to give your  
6 verbal remarks, you can begin now.

7 MS. WILLIAMS: Thank you. Good afternoon,  
8 everyone. My name is Allysunn Walker Williams. I am a  
9 small business owner and management consultant. My  
10 remarks are in support of the U.S. Bank and Union Bank  
11 Merger with a request for increased support for low  
12 wealth and underinvested communities. Several years ago,  
13 I was appointed to the Union Bank Community Advisory  
14 Board that brought together grantees and leaders in the  
15 community economic development space. I represented  
16 Fresno, a city with one of the highest concentrations of  
17 poverty of any major U.S. city. The Community Advisory  
18 Board met quarterly to discuss CRA strategies and  
19 products, services, investments and lending performance  
20 goals. That year, instead of the traditional CRA  
21 process where banks take a retrospective review of their  
22 book of business in certain low-income census tracks,  
23 the Community Advisory Board asked the bank if we could  
24 adopt a proactive place-based CRA investment strategy  
25 versus a product-based strategy.

1           The Community Advisory Board selected Fresno  
2 as a demonstration given the bank's -- given Union  
3 Bank's 14 retail stores in the city and Fresno's  
4 economic challenges that are exacerbated by chronic and  
5 persistent poverty that were measurable. Through  
6 incredible leadership from Julius Robinson and Carl  
7 Ballton at Union Bank, we crafted -- we drafted a CRA  
8 investment strategy, shifting from that retrospective  
9 review to forward-looking goals around Union Bank's  
10 economic opportunity mortgage product for low-income  
11 homeowners, small business lending for Black and Brown  
12 businesses and large multi-year grants to pilot a  
13 Technical Resource Assistance Center. It's called the  
14 TRAC, T-R-A-C, for Black and Brown small businesses,  
15 primarily in the downtown and Southwest Fresno areas.  
16 The TRAC served as somewhat of a national model for  
17 Union Bank in partnership with existing CDFIs and other  
18 chambers and providers to increase access to capital for  
19 small and microbusinesses.

20           As a show of clear support, Union Bank brought  
21 25 executives from San Francisco to Fresno with the  
22 community advisory -- with the Community Advisory Board  
23 and met with the mayor of our city and 60 community  
24 members and leaders to listen and plan how they could  
25 accelerate our local economic development activities in

1 some of our poorest neighborhoods.

2 This was revolutionary. It set precedent for  
3 approximately \$10 million in investment in the Fresno  
4 region each year. I left the Community Advisory Board  
5 and became a consultant to Union Bank to support this  
6 initiative. Because mergers suggest consolidation, I  
7 urge Union Bank and U.S. Bank to consider Union Bank's  
8 wide footprint in the Fresno area and to keep those 14  
9 assets intact to serve our underbanked community.

10 The downtown branch of Union Bank is one of --  
11 is one of the only banks that serves a residential area  
12 of more than 50,000 underbanked people in an area where  
13 there are dozens of check-cashing centers preying upon  
14 our local neighbors. Union Bank's attention to the  
15 needs of the small business community and Fresno's  
16 growing home ownership community is invaluable as we  
17 seek to correct decades of redlining and discriminatory  
18 behavior by the finance banking and real estate  
19 industries toward people of color. In this vein, I ask  
20 that there be no reduction in the CRA spending of both  
21 banks individually but, instead, that there would be an  
22 increase in those investments given that both banks have  
23 outperformed their financial projections in recent  
24 years. I respectfully request continued investment in  
25 this region commensurate with those significant



1 financial gains. Thank you for this opportunity.

2 MR. OLSON: All right. Thank you, Ms.  
3 Williams, and thank you to all of our presenters or  
4 speakers in the first three groups. We are now going to  
5 take a break until 1:05 p.m. Eastern time, and then we  
6 will reconvene with Group 4. Thank you.

7 (A brief recess was taken.)

8 MS. MURPHY: Good afternoon or good morning,  
9 everyone, and welcome back. It's 1:05 p.m. Eastern  
10 time. So we are going to move into our next group of  
11 presenters, and I'm going to hand it over to Meagan to  
12 welcome them.

13 GROUP 4

14 MS. BANTA-LEWIS: Wonderful. Thank you,  
15 Donna. First up, we have got Christine Avlon. If you  
16 could turn on your video and come off mute, I know  
17 you've got a presentation, so if you could give me a  
18 verbal cue for those slides, that'd be great.

19 MS. AVLON: Thank you. My name is Christine  
20 Avlon. I am a certified fraud examiner, and I have a  
21 degree from the Yale University School of Management,  
22 and I spent my career as a lifelong compliance banker.  
23 I have two points I'd like to stress today. The first  
24 one is that the OCC should verify the existence of  
25 effective whistleblower programs and money laundering

1 detection programs for both the buyer and the seller.

2           The OCC, in its examinations, does a very poor  
3 job of scoping the corporate governance at the audit  
4 committee level, and I think that the OCC can improve  
5 through this acquisition assessment in those areas.  
6 Secondly, the OCC should confirm directly with OSHA  
7 whether or not the buyer or seller have any open,  
8 pending whistleblower or labor matter complaints that  
9 are being investigated by OSHA. Slide 2, please.

10           Today's hearing does include a scope for  
11 combating money-laundering activities. I'd like to  
12 point out two important aspects. The risk of human  
13 trafficking and the risk of illegal gun trafficking  
14 harms our communities. And the banks are at the  
15 frontlines of detecting those risks. But in addition to  
16 those risks, what if a banker thought that the Community  
17 Reinvestment Act was being violated. Would their  
18 complaint inside the bank be investigated independently?  
19 The audit committee is the governance feature that would  
20 ensure that that banker's complaint was investigated  
21 independently and not by the people who perhaps were  
22 implicated. Slide 3, please. This shows that U.S. Bank  
23 had a consent order in 2018 for a failed  
24 money-laundering program. In fact, quote, the bank also  
25 concealed its wrongful approach from the OCC. Slide 4,

1 please.

2 U.S. Bank paid \$528 million for that and were  
3 charged criminally. Slide 5, please. The U.S. Bank  
4 chief operational risk officer was fined \$450,000  
5 personally. Slide 6, please. Those relate to U.S.  
6 Bank. But now we look at the history of Union Bank and  
7 its consent orders with the OCC.

8 They started in 2017. The one on the screen  
9 is in 2019. And these regard the anti-money laundering  
10 controls. Slide 7, please. This shows that Union Bank  
11 had a cease-and-desist for operational risk governance.  
12 Slide 8 shows -- thank you -- that the parent of Union  
13 Bank has audit committee accountability for  
14 whistleblower programs. But unfortunately, Union Bank  
15 USA does not appear to have.

16 Slide 9 says that Union Bank is going to  
17 prepare written plans regarding the remediation of the  
18 consent order from September. These plans should be  
19 shared with the public. And the last slide, No. 10,  
20 just summarizes the recommendations I've made today.  
21 Thank you very much. My contact information is on Slide  
22 11, and I am very grateful for the opportunity to  
23 provide this testimony to the OCC and the Office of the  
24 Comptroller. Thank you. This concludes my remarks.

25 MS. BANTA-LEWIS: Thank you for those

1 comments, Christine.

2 We are now going to try and unmute Matthew  
3 Lee. Matthew Lee, are you able to unmute yourself now?  
4 Just give him one moment.

5 MS. GOLDBERG: Mr. Lee, are you able to unmute  
6 yourself? We apologize. We aren't able to get your  
7 video working. If not, we'll move on to the next  
8 attendee, and we can have you present at the end at 6  
9 p.m.

10 MS. BANTA-LEWIS: Okay. Wonderful. We will  
11 circle back to you, Matthew. For now, we are going to  
12 welcome Al Pina to the stage. Al, if you could unmute  
13 and show your video --

14 MR. PINA: Do you have my video?

15 MS. BANTA-LEWIS: We have got you. Okay.  
16 Wonderful. You may begin your comments.

17 MR. PINA: Thank you to the members of the  
18 Federal Reserve Board and OCC for this opportunity to  
19 speak at this proposed hearing between U.S. Bank and  
20 Union Bank. I'm Al Pina, chair of the Florida Minority  
21 Community Reinvestment Coalition, also co-chair of the  
22 National Minority Community Reinvestment Co-operative and  
23 also co-chair of Alliance to End the Racial Wealth Gap to  
24 work closely with U.S. Bank in development of this  
25 historic and racially relevant CRA plan.

1 I'm in Detroit, Michigan today. And I think  
2 it's only fitting that I'm in Detroit, Michigan because  
3 Detroit is symbolic of the racial economic exclusion in  
4 all major cities across our country. An example of this  
5 are the top five banks in Detroit, Blacks who make up  
6 over 72 percent of this city's population only count for  
7 less than 15 percent of those banks' home loans.

8 And it gets much worse, much worse when you  
9 look at small business lending, and Section 1071 is  
10 certainly going to expose that. We witnessed the  
11 byproduct of this radical economic exclusion in this  
12 pandemic. This pandemic exposed a monstrous racial  
13 economic fault line in our economy, yet bank mergers and  
14 CRA exams can't address this.

15 U.S. Bank regulators must incorporate racial  
16 lending data to both CRA exams and mergers. There must  
17 be racial relevancy and economic inclusions. Banks are  
18 lenders. They are not foundations. They are lenders.  
19 Racial economic inclusion, it starts and it stops with  
20 home and small-business lending. It is critical for  
21 Blacks and Latinos to gain greater access to home loans  
22 and business expansion start-ups, unlike the data that I  
23 showed you. Why is this important? Census showed us --  
24 this last census showed us that people of color are now  
25 40 percent of this country's population. And it's

1 growing.

2           Yet expanded and true racial economic  
3 inclusion is going to result in increased productivity  
4 and consumption by Blacks and Latinos. That's going to  
5 result in increased racial and intellectual and  
6 financial bandwidth. That's going to result in many  
7 more doctors, scientists, engineers, business owners  
8 and, yes, bank CEOs.

9           That's going to result in a stronger United  
10 States of America in this global economy. This racially  
11 relevant, historic U.S. Bank CRA plan that we worked with  
12 them on, it reminds me of a saying, "I came upon a verge  
13 in the road, and I took the path less traveled, and it  
14 has made all the difference."

15           This historic plan does that. It's because of  
16 that that I support this merger, this proposed merger.  
17 But I also put the bank regulators at all banks on  
18 notice because of this. You must follow this racially,  
19 economic inclusive plan that U.S. Bank has set forth.  
20 You must take this path less traveled because race is  
21 relevant to the U.S. economy. It is very relevant.

22           This U.S. Bank historic racially relevant CRA  
23 plan not only will strengthen Black and Latino  
24 communities. It strengthens the United States of  
25 America. This concludes my remarks.

1           MS. BANTA-LEWIS: Thank you for those  
2 comments, Al.

3           We are now going to welcome to the stage  
4 Matthew Lee. Matthew, can you turn on your video and  
5 come off mute?

6           MR. LEE: Sure.

7           MS. BANTA-LEWIS: Wonderful.

8           MR. LEE: Thanks a lot. I'm Matthew Lee.  
9 Sorry if it's echo. I'm not sure why that is taking  
10 place. I don't know if you guys can fix it. Anyway, on  
11 behalf of Fair Financial Watch, Inner-City Press, this  
12 is in opposition to the merger. We've looked at the  
13 data of both institutions and found a number of  
14 disparities that we think you should take a look at.

15           Just, for example, here in New York State,  
16 U.S. Bank in 2020, the most recent year for which the  
17 data is available, made only 26 mortgage loans to  
18 African-Americans and denied 66. That's about, you know  
19 -- you can see the ratio.

20           It made 842 loans to Whites and many fewer  
21 denials, 567. We've identified similar disparities in  
22 Florida, Michigan and elsewhere. Mitsubishi UFJ  
23 Financial Group, we found similar disparities. I want  
24 to make -- there is one thing I think you haven't heard,  
25 at least in the part of the hearing that I've been

1 listening to.

2           And it's a very timely issue, and it's one  
3 that I think is relevant under both the managerial and  
4 financial factor, the Bank Holding Company Act and  
5 otherwise. You'll find, unless they've, in the last 20  
6 minutes, scrubbed it off their website, you'll find on  
7 Mitsubishi UFJ Financial Group's website not only a  
8 disclosure but, in essence, bragging that they continue  
9 to be present in and do business in Russia amid the  
10 slaughter in Ukraine.

11           Now, you might say this goes beyond the -- the  
12 factors that you are to consider for the Bank Merger Act  
13 and the Bank Holding Company Act. But I disagree. I  
14 think that you'll -- you've seen, number one, as a  
15 policy matter, clearly you've seen de-SWIFTed. But I  
16 think as a matter of your analysis of the two  
17 institutions at issue here and on other -- on other  
18 applications coming your way, for example, Toronto,  
19 Dominion and others. I think the Federal Reserve Board,  
20 as a matter of managerial issues and financial issues,  
21 we found similar issues at Citigroup and HSBC -- needs  
22 to inquire into this, not as a matter of politics or  
23 morality or human rights but as a matter of doing your  
24 job under the financial and managerial factors. I feel  
25 the same way on -- I've noticed -- I'm sort of going



1 impromptu here, but the Fed has taken to basically  
2 looking at disparities on -- data and saying, well, the  
3 data is accurate, but it doesn't really prove anything.

4 Well, it's your job to dig a little deeper  
5 when that happens. It's not a popularity contest. It's  
6 a matter of these laws are meant to protect these  
7 communities. I feel that the -- with the Board, with  
8 two new governors nominated, it may be time on this  
9 application, on other ones coming down, to wait for them  
10 to be confirmed.

11 And when specifically -- because you may not  
12 hear it elsewhere. You've heard about branch closings.  
13 You've heard about disparities. You've heard praise of  
14 some perfectly fine bank programs. But I encourage you  
15 to take specific notice and inquire into banks who  
16 continue to do business in Russia and the financial,  
17 managerial and moral impact on the banks you supervise.  
18 Thanks a lot.

19 MS. BANTA-LEWIS: Thank you for those  
20 comments, Matthew.

21 I would now like to welcome to the stage  
22 Kenneth Thomas. Ken, are you able to turn on your  
23 camera and come off mute?

24 MR. THOMAS: Yes. Good afternoon. I'm Ken  
25 Thomas, author of the CRA Handbook. I've taught finance

1 at Wharton for over 40 years, although Minneapolis  
2 President Neel Kashkari was not one of my students.  
3 I've served on the board of financial institutions for  
4 decades. I've consulted with banks as well as community  
5 groups and federal bank regulators, and I've had the  
6 honor to know and work with Senator Proxmire, the father  
7 of CRA, who endorsed the CRA Handbook, the only one he  
8 ever made.

9           However, my comments today represent my  
10 personal views and not those of any university,  
11 financial institution or other organization that I am or  
12 previously had been associated with. When I was asked  
13 whether I supported or opposed this merger, I responded  
14 "other." With all due respect to the Fed, it's never  
15 met a merger it doesn't like.

16           If I was forced to choose, I would support  
17 this merger on the condition that the Fed and the OCC  
18 required the resultant bank to publish on its website  
19 each and every financial and other detail of the  
20 proposed \$100 billion five-year CBA. This would include  
21 annual updates and all correspondence with regulators  
22 and impacted community groups rather than a brief online  
23 summary. There must be a public accounting of how the  
24 \$100 billion is being allocated, including all direct  
25 and indirect benefits to all community groups and

1 coalitions.

2           This is presently not the case and is a  
3 serious public policy problem. This is because these  
4 CBAs are really de facto conditions of approval, whereby  
5 the opposing community groups support the merger. The  
6 Fed has correctly stated that CBAs are not required by  
7 CRA or any other law.

8           The BHC and BMA require mergers meet the  
9 convenience and needs of the community. But how do we  
10 know if the public interest is being met when all the  
11 details of these CBAs that allow these mergers to  
12 proceed are confidential? This is especially the case  
13 when these mega-merger banks have outdated CRA exams.

14           U.S. Bank's last PE is from 2017, nearly 5  
15 years old. The only CRA information we get during the  
16 interim other than required annual lending data, is what  
17 the PR flacks decide to release. Community coalitions  
18 should likewise publish the annual updates and all  
19 details and correspondence with the subject banks and  
20 regulators on all previous CBAs totaling nearly a half  
21 trillion dollars, rather than the brief summary of them  
22 they now release. These confidential CBAs and updates  
23 frustrated my recent CRA performance of a big California  
24 bank. Although CRC published its CBA with them, it did  
25 not publish the annual updates and was not able to

1 provide them.

2           The bank likewise refused on multiple requests  
3 to provide them, as did the regional director of the San  
4 Francisco FDIC. This is unacceptable and not in the  
5 public interest. In summary, this merger should not be  
6 approved unless there is full disclosure of all  
7 financial and other details of the proposed CBA as  
8 previously described. This concludes my remarks. Thank  
9 you.

10           MS. BANTA-LEWIS: Thank you for those  
11 comments.

12           I would now like to welcome to the stage  
13 Michael Gosman. Michael, are you able to turn on your  
14 camera and come off mute?

15           MR. GOSMAN: I'm --

16           MS. BANTA-LEWIS: Michael, are you able to  
17 turn on your camera? There you go. Wonderful. You may  
18 begin.

19           MR. GOSMAN: Good afternoon. I am the CEO of  
20 ACTS Housing, a home ownership nonprofit that has helped  
21 more than 3,000 families purchase homes in Milwaukee,  
22 Wisconsin over the past 26 years. Our clients are  
23 greater than 80 percent Black, indigenous people of  
24 color, and 90 percent of them earn less than 80 percent  
25 of our county median income.

1           I'm not knowledgeable about the calculus that  
2 determines whether to approve a bank merger. However,  
3 having led ACTS Housing for nearly a decade, I am  
4 knowledgeable about what things a financial institution  
5 can do to invest in and support low-to-moderate-income  
6 communities and communities of color when it comes to  
7 home ownership.

8           We look for financial institutions to do three  
9 things, provide volunteers, donate funds and provide  
10 accessible and attractive mortgage products. In all  
11 three areas, U.S. Bank has been a leader volunteering.  
12 We have consistently had a U.S. Bank representative on  
13 our board of directors, one of our committees or both.  
14 And those individuals have always brought with them the  
15 support of the bank and delivered significant value.

16           Donations. U.S. Bank has made donation  
17 commitments of more than a half a million dollars to  
18 ACTS Housing over the last 10 years with 70 percent of  
19 those commitments occurring over the last two years. In  
20 mortgage lending, U.S. Bank's American Dream mortgage  
21 lending product is accessible and attractive to the  
22 families we serve. We have nine families in the last  
23 year who have or will shortly close on mortgages using  
24 U.S. Bank financing, more than 75 percent of whom are  
25 Black families.

1           I hope this report of the positive impact U.S.  
2 Bank is making in the Wisconsin market is helpful to you  
3 as you consider whether to approve the merger. Thanks  
4 so much.

5           MS. BANTA-LEWIS: Thank you for those  
6 comments.

7           I would now like to welcome to the stage  
8 Brenda Rodriguez. Brenda, if you could turn on your  
9 camera and come off mute -- Brenda, there we go.

10          MS. CAMPBELL: Yes. This is Brenda Campbell,  
11 and I'm supposed to be in the next segment, but would  
12 you like me to make my statement now?

13          MS. BANTA-LEWIS: Sure. You may begin.

14          MS. CAMPBELL: Okay. Good afternoon and thank  
15 you to the presiding officers and panelists for this  
16 opportunity to provide this statement in support of the  
17 U.S. Bank acquisition of MUFG Union Bank. I am Brenda  
18 Campbell, President and CEO of SecureFutures. We are a  
19 Milwaukee-based nonprofit dedicated to empowering teens  
20 with financial education and coaching. We provided this  
21 programming to more than 90,000 students over the past  
22 15 years. This acquisition will allow U.S. Bank to  
23 expand its impact and contributions in a new region of  
24 the country and ensure more consumers can make real  
25 financial progress and overcome barriers.

1           Our longstanding partnership with U.S. Bank  
2 has been critical to our success, and the resulting  
3 impact in the communities we serve is significant. U.S.  
4 Bank has provided philanthropic support and served as a  
5 key sponsor of our annual investment conference over the  
6 past 14 years. Through this support, U.S. Bank has  
7 empowered thousands of high school students with the  
8 financial education and coaching they need to build true  
9 financial capability, secure their futures and become  
10 productive members of the communities where they live  
11 and work.

12           Close to half of the students we serve are  
13 from families with a lower socioeconomic status. U.S.  
14 Bank executives and team members have served and  
15 continue to serve on the SecureFutures advisory council  
16 and board of directors and as committee members and  
17 classroom volunteers delivering financial education and  
18 coaching to the teens we serve. This willingness to  
19 devote time, talent and leadership is indicative of the  
20 level of dedication to the community from the U.S. Bank  
21 team. We're excited at the prospect of U.S. Bank  
22 bringing the same level of support, expertise and  
23 positive impact to the individuals and organizations in  
24 other areas around the country. U.S. Bank's leadership  
25 and partnership has been extremely valuable, and this

1 acquisition will allow U.S. Bank to expand this  
2 important work even further. Thank you.

3 MS. BANTA-LEWIS: Thank you for those  
4 comments.

5 I'd now like to welcome Brenda Rodriguez to  
6 the stage. If you could come on camera and come off  
7 mute -- Brenda Rodriguez, are you able to come on camera  
8 and come off mute?

9 MS. GOLDBERG: Ms. Rodriguez, are you able to  
10 come off mute and come on camera? If not, we can go  
11 ahead to the next panelist, and we can come back to you.  
12 Okay. I think we -- we should move on to the next  
13 person. Thanks.

14 MS. BANTA-LEWIS: Okay. Our next panelist is  
15 Ms. Fernea.

16 MS. GOLDBERG: Laura Fernea.

17 MS. FERNEA: Hello. My name is Laura Ann  
18 Fernea, and I'm the executive director of the City  
19 Heights Community Development Corporation in San Diego,  
20 California. For 40 years, we worked to enhance the  
21 quality of life in City Heights by working with our  
22 community to create and sustain quality, affordable  
23 housing, livable neighborhoods and foster economic  
24 self-sufficiency.

25 U.S. Bank and Union Bank are both longtime



1 funding partners of ours, and we are very grateful for  
2 their partnership and their investment in City Heights  
3 over the last -- most of the last 17 years. In  
4 particular, they have funded our operations and our  
5 small business programming and have supported us by  
6 being on our board at times.

7 City Heights is a community in San Diego of 16  
8 neighborhoods with an estimated population of 100,000  
9 people. It's one of the most diverse communities in the  
10 United States with over 52 languages spoken. As one of  
11 the top United Nations refugee sites in the country, for  
12 many years, we have a wealth of cultures and assets  
13 which we must protect and support.

14 City Heights is also a very densely populated  
15 community and one of the lowest income areas in  
16 California with 77 percent renters and an average annual  
17 income of \$40,000 for a family of four. City Heights is  
18 a perfect example of the negative effects of redlining  
19 and the ghettoization of poor families to the same  
20 neighborhoods that has happened and continues to happen  
21 all over the U.S.

22 The current lack of affordable housing is a  
23 direct result of low housing supply, population growth  
24 and the encroachment of higher income residents who are  
25 looking for housing and moving into the area. This

1 shortage of housing has caused a 29.3 percent rent  
2 increase in the last year. Most low-income families  
3 were struggling to survive before the pandemic.

4           And the almost 30 percent rent increase has  
5 driven many to the streets and to sharing garages,  
6 living in cars and apartments with two to three other  
7 families to have some kind of shelter. This is the  
8 context in which I speak to you today. We are very  
9 afraid that the merger will decrease the resources that  
10 these two banks were already providing to the community  
11 and organizations like ours.

12           City Heights is the type of community that  
13 needs significant increases in investment through  
14 accessible loans, education and grants, not a reduction  
15 of resources and services. We would be happy to support  
16 the merger if it means, one, that the U.S. Bank  
17 community benefit plan includes a significant commitment  
18 to increasing CRA funding in our community and  
19 surpassing the commitment currently by both banks in  
20 each of the low-income areas of the country where U.S.  
21 and Union Bank are active.

22           Two, that the U.S. Bank community benefit plan  
23 demonstrate clear, equitable public benefit coming from  
24 the merger and, three, that U.S. Bank will specify and  
25 guarantee the amounts of their community investment

1 before the merger takes place. Thank you for taking the  
2 time to listen to me and consider our concerns. Thanks.

3 MS. BANTA-LEWIS: Thank you for those  
4 comments.

5 We will now move on to Jorge Franco. Jorge,  
6 if you could turn on your camera and come off mute --

7 MR. FRANCO: Thank you very much. My camera  
8 is on. Can you see me?

9 MS. BANTA-LEWIS: Wonderful. Yup. You may  
10 begin.

11 MR. FRANCO: Thank you. I am cochair and  
12 chief executive of the U.S. Economic and Workforce  
13 Leadership Coalition based at 1455 Pennsylvania Avenue  
14 in Washington, D.C. Thank you, panelists, members of  
15 the Federal Reserve and the OCC for this opportunity.  
16 We represent the interests of 91 million living in LMI  
17 communities nationwide. Our mission and focus is LMI  
18 upward mobility demonstrated via increases in annual  
19 income. Advances in technology, institutional finance  
20 and outstanding job market demand mean that, for the  
21 first time in the history of the American economy, there  
22 is an opportunity to facilitate LMI upward mobility more  
23 than ever before. As to some of the earlier comments  
24 about presentations by recipients of funding from U.S.  
25 Bank, we receive absolutely no funding today, yet we

1 speak here in support of this merger.

2           While there are many factors that are behind  
3 -- and I'm sure you're expert in those factors that  
4 determine whether or not a merger should be approved,  
5 the true mark of an organization is found in their  
6 leader. Andy Cecere, an outstanding, strong leader,  
7 including LMI leadership. We need only look at his  
8 history, not while a merger is underway but independent  
9 of any merger.

10           For example, Andy's LMI housing and social  
11 services leadership and role in his own backyard tells a  
12 compelling story regarding his leadership in a \$100  
13 million campaign for the Dorothy Day Center for the  
14 benefit of LMI housing and LMI social services.  
15 However, with the success of U.S. Bank leading to this  
16 merger comes additional opportunity for the nation's LMI  
17 communities. Over 10 years, a \$1.65 billion 12 CFR Part  
18 24 community investment could help educate, train, place  
19 and retain into upward mobility 25 million in the LMI  
20 workforce and repaid by employers through 17,000 LMI  
21 service providers available today. As communicated  
22 directly with the Fed chairman, Jay Powell, and Governor  
23 Brainard, the Federal Reserve can help drive LMI  
24 pandemic recovery private funding throughout LMI  
25 communities nationwide. The Fed discount window is an

1 example of an available resource to help expedite and  
2 drive \$365 billion leveraged off that \$1.65 billion in  
3 CRA qualified community development debt funding, again,  
4 repaid by employers. This is a great opportunity, and  
5 we look forward to working with U.S. Bank to help drive  
6 private sector-funded, market-driven LMI pandemic  
7 recovery. Thank you again for this opportunity.

8 MS. BANTA-LEWIS: Thank you for those  
9 comments.

10 GROUP 5

11 MS. BANTA-LEWIS: We will now move into Group  
12 5, which will begin with Parisa Esmaili. Ms. Esmaili,  
13 if you could turn on your camera and come off mute --

14 MS. ESMAILI: Hello, and thank you to the  
15 Board of Governors and the OCC for the opportunity to  
16 speak. My name is Parisa Esmaili, and I am the  
17 executive director of Community Financial Resources, a  
18 national nonprofit providing pathways to financial  
19 well-being for low-income, low-wealth individuals. I am  
20 here today to voice my support for the merger between  
21 U.S. Bank and Union Bank. CFR has been in partnership  
22 with U.S. Bank since 2011 to ensure people have access  
23 to a safe, reliable and affordable transaction account  
24 based on U.S. Bank's prepaid debit card platform. To  
25 date, we have established over 50,000 accounts through

1 our relationship with U.S. Bank.

2 The accounts that we provide can be used as  
3 ongoing transaction accounts that have no minimum  
4 balance requirement, no monthly maintenance fees, no  
5 overdraft fees, no check system or credit check  
6 requirements, free ATM access and a free link savings  
7 account. You can also be as young as 14 and receive the  
8 card without a custodial signature.

9 Over the last 10-plus years, no other product  
10 on the market provided these extremely valuable features  
11 so needed by low-income families. We believe that other  
12 banks should look to U.S. Bank's relationship with CFR  
13 as an example of how to support individuals who are  
14 either un- or more commonly underbanked in America.

15 Through our partnership with U.S. Bank, CFR is  
16 able to provide enrollment access to the Focus Card, the  
17 U.S. Bank product we use, to our partners across the  
18 country from traditional CBOs, workforce development  
19 agencies, social enterprises, organizations running  
20 VITA, the Volunteer Income Tax Assistance Program,  
21 guaranteed income pilots and more.

22 Not only do these accounts have little to no  
23 barriers to receive because of the reasons I mentioned  
24 but also because a person can enroll and receive the  
25 account number in less than 60 seconds. Our VITA

1 program is a powerful example of how we utilize the  
2 Focus Card and its importance in our work.

3 CFR was the first nonprofit to offer a general  
4 purpose reloadable prepaid debit card at VITA sites.  
5 Our Focus Card ensures that people can take advantage of  
6 the safety and convenience of direct deposit for their  
7 refund. This is the first step towards building a  
8 safety net savings. When we began our work with VITA  
9 sites more than 10 years ago, roughly 30 percent of tax  
10 filers took advantage of direct deposit.

11 Today, more than 70 percent of tax filers opt  
12 in to direct deposit. Tax refunds through direct  
13 deposit became even more crucial at the height of the  
14 pandemic when the economic impacts payments were --  
15 became facilitated through the IRS. For our users,  
16 folks received their stimulus payment within the first  
17 two weeks of those funds being dispersed.

18 Last year, over 5,000 people received more  
19 than \$15 million in their tax returns, stimulus funds  
20 and the monthly child tax credit payments. We are  
21 grateful and proud of the long-standing relationship  
22 that we have with U.S. Bank. They have diligently  
23 worked with our organization to improve their product  
24 and how it can be efficiently and effectively delivered  
25 to people who often face barriers to banking.

1           We hope that this merger will broaden U.S.  
2 Bank's outreach to more communities and deepen their  
3 commitment to supporting those on their pathway towards  
4 financial well-being. Thank you.

5           MS. BANTA-LEWIS: Thank you for those  
6 comments.

7           I'd now like to welcome to the stage Ms.  
8 Rodriguez. Ms. Rodriguez, if you could turn on your  
9 camera and come off mute --

10           MS. RODRIGUEZ: Good morning, everyone. It's  
11 still morning here in California. My name is Brenda  
12 Rodriguez. I'm the executive director of Affordable  
13 Housing Clearinghouse, a 30-year nonprofit organization  
14 where our vision is to create a small -- a future where  
15 families live in stable, affordable housing. Our  
16 affordable housing clearinghouse organization  
17 collaborates with community stakeholders to provide  
18 housing opportunities to very low, low and moderate  
19 income populations. Over the last 10 years, Union Bank  
20 has been a strong partner of ours, and we appreciate  
21 their transparency in having a community benefits plan  
22 to ensure that they are addressing the evolving needs of  
23 affordable housing. And having that been the case, I  
24 want to encourage U.S. Bank, as it moves forward with  
25 this merger, to also produce a community benefits



1 agreement that will benefit not just LMI households but  
2 all people of color to ensure that they have access to  
3 affordable housing.

4 We have not seen the same initiatives U.S.  
5 Bank has -- Union Bank has offered in the past with U.S.  
6 Bank, and we'd like to see them take the example that  
7 Union Bank has set in the past, especially working in  
8 the state of California, and those are my comments for  
9 today.

10 MS. BANTA-LEWIS: Thank you for those  
11 comments.

12 Now I would like to move on to Renee Sattiewhite.  
13 You  
14 could turn on your camera and come off mute.

15 MS. SATTIEWHITE: I've come off mute. I don't  
16 seem to be on camera. Can you hear me?

17 MS. BANTA-LEWIS: We can hear you. Sometimes  
18 machines will have a button at the top of the screen.  
19 There is something usually in front of the camera if you  
20 can move that to the side. But if not, you can go ahead  
21 and move forward with your comments. We can hear you.

22 MS. SATTIEWHITE: All right. Thank you so  
23 much. Good afternoon. My name is Renee Sattiewhite,  
24 and I'm the president and CEO of the African-American  
25 Credit Union Coalition, also known as the AACUC. We were

1 founded in 1999 as a 501(c)(3) organization dedicated to  
2 increasing the strength of the national and global  
3 credit union community through a focus on diversity,  
4 equity and inclusion.

5           Our membership includes the most diverse set  
6 of multicultural professionals and volunteers in the  
7 credit union industry with participation from the  
8 smallest to the largest credit unions in the country.  
9 Finally, all 36 credit union leagues are members of AACUC  
10 and support our mentoring and internship programs which  
11 are unparalleled in our industry.

12           Today, I wanted to provide public testimony in  
13 support of the proposal by U.S. Bancorp, Minneapolis,  
14 Minnesota to acquire MUFU Union Bank. Across the  
15 country, U.S. Bank has demonstrated a commitment to  
16 preserving its branch locations and provides highly  
17 personalized assistance to small business owners and  
18 consumers. Our work with U.S. Bank and their Community  
19 Development Corporation has been primarily focused on  
20 the U.S. Bank access commitment. U.S. Bank is one of  
21 the largest supporters of the AACUC commitment to change,  
22 Credit Unions United Against Racism Initiative, which  
23 implements transformative programs and technical  
24 assistance for both community-based organizations and  
25 MDIs.

1           This type of direct funding, support from U.S.  
2 Bank, is one of a variety of ways that are supporting  
3 and preserving minority depository institutions and the  
4 U.S. Bank access commitment, the bank's long-term  
5 approach to help build wealth while redefining how the  
6 bank serves racially diverse communities and providing  
7 more opportunities for diverse employees.

8           Credit unions and other MDIs are critical to  
9 providing equitable access to capital for families,  
10 businesses and communities nationwide. Together, we're  
11 exploring a variety of ways that U.S. Bank and AACUC can  
12 support them in alignment with our joint focus on racial  
13 equity and access to capital strategies. Additionally,  
14 my staff at AACUC has been making a number of referrals  
15 to the U.S. Bank innovation team, including major  
16 projects seeking new market tax credits, Black-led  
17 fintechs, challenger banks and de novo credit unions,  
18 Black-led and Black-serving community-based  
19 organizations.

20           Finally, it is an honor -- it is an honor of  
21 -- value to have this collaboration with U.S. Bank for  
22 creating real change and real impact in our communities.  
23 Thank you for allowing AACUC to make this public  
24 testimony in support of the proposed merger.

25           MS. BANTA-LEWIS: Thank you for those

1 comments.

2 We would now like to welcome to the stage Ms.  
3 Viek if you could turn on your camera and come off mute.

4 MS. VIEK: There we go. Can you hear me?

5 MS. BANTA-LEWIS: We can hear you, yes.

6 MS. VIEK: I'm trying to do the video. There  
7 we go. Hi. All right. I thought I missed my chance.  
8 I'm Claudia Viek, founder of the Invest in Women  
9 Entrepreneurs Initiative, and I've been involved for  
10 many years in community-based entrepreneurship  
11 development.

12 For the last five years, I've served on Union  
13 Bank's Community Advisory Board, and I obtained deep  
14 insights into the bank's operations, values and their  
15 CRA commitments.

16 So today, I'm not speaking for or against the  
17 merger. Rather, I want to highlight some critical  
18 features that must be incorporated if this merger is to  
19 benefit Californians, particularly low- and moderate-  
20 income communities. Since almost from the beginning of  
21 my career in this field, Union Bank has been actively  
22 engaged, often with a strong push from Greenlining and  
23 CRC. The bank made long-term and significant dollar  
24 commitments and created legacy programs that have  
25 benefited thousands of women and emerging majority small

1 businesses.

2           These legacy programs have been effective and  
3 should be continued and expanded. So let me highlight a  
4 few. First, special-purpose credit products for  
5 targeting underserved businesses have become a national  
6 model that other banks are now currently considering, as  
7 Andrew Moss knows. Bank branches located in high  
8 schools in Los Angeles provide career training and the  
9 long-term commitments to technical assistance for  
10 microbusinesses in rural regions were very special.

11           But I want to highlight particularly the more  
12 recent program called WE CAN, Women Entrepreneurs,  
13 Capacity-Building, Advocacy and Networks. It's a  
14 million-and-a-half-dollar commitment. It's the only  
15 bank-sponsored program in the U.S. that not just makes  
16 grants to women's business centers but also builds their  
17 capacity to serve more women and amplify their impacts  
18 in Sacramento and Washington, D.C.

19           With this support, women's business centers  
20 more than doubled their numbers served during the  
21 pandemic. And the program is actually creating a  
22 movement on behalf of women entrepreneurs. It's -- it's  
23 really with a heavy heart I contemplate the loss of a  
24 true partner bank. It's my fervent hope that U.S. Bank  
25 and you, the regulators, will ensure that these legacy

1 programs and even more, the commitment to building  
2 strong community partnerships will be not just continued  
3 but enhanced by U.S. Bank.

4 There is great opportunity here to cultivate  
5 underserved markets and strengthen communities. I  
6 believe that Union Bank has provided the roadmap, and  
7 U.S. Bank needs to use it as a condition for any merger  
8 agreement. Thanks. Thank you for your time.

9 MS. BANTA-LEWIS: Thank you for those  
10 comments. I'd now like to welcome Mr. Altman to the  
11 stage. If you could turn on your camera and come off  
12 mute --

13 MR. ALTMAN: Hello. My name is Frank Altman,  
14 and I am a cofounder and CEO of Community Reinvestment  
15 Fund USA. We are a national community development  
16 financial institution headquartered in Minneapolis,  
17 Minnesota. And I speak in favor of the acquisition of  
18 Union Bank by U.S. Bank. CRF was started about 34 years  
19 ago, and right at the beginning of our activities, U.S.  
20 Bank was there. U.S. Bank, over the years, has been an  
21 investor in virtually every transaction that we've done.  
22 We've been a major partner with U.S. Bank on new markets  
23 tax credits, and other activities and really been able  
24 to distribute capital throughout the United States to  
25 businesses located in low- and moderate-income

1 communities.

2           With U.S. Bank's help and that of other  
3 investors as well, CRF has delivered more than \$3.5  
4 billion in capital to businesses owned by low-income  
5 people, particularly people of color as well as  
6 businesses located in low-income communities in all 50  
7 states and more than a thousand communities, many of  
8 those communities in U.S. Bank's footprint.

9           So I -- I speak from a long period of  
10 partnership with this bank and have seen it in operation  
11 across many different states and many different venues.  
12 I also am pleased to be a member of the Community  
13 Advisory Committee for U.S. Bank. And in that capacity,  
14 I have been able to see the bank's commitment to  
15 inclusive finance, particularly after the tragedy of the  
16 murder of George Floyd in our community and the  
17 commitment that the bank has made, renewed commitment,  
18 to increase its inclusive lending.

19           We have a number of partnerships with the  
20 bank, not only financial but also in areas where we can  
21 jointly serve disadvantaged businesses. The bank was  
22 the first bank to sign up for delivering resources and  
23 borrowers to our online platform called Connect 2  
24 Capital, which has now distributed more than \$200  
25 million in relief loans through a marketplace of

1 community development lenders across the country. And  
2 U.S. Bank was a founding bank in that activity.

3 And finally, I want to talk about this bank's  
4 commitment. In 2008 when the market crashed, CRF owed  
5 the bank almost \$50 million. The bank didn't put us out  
6 of business. They worked with us and kept us alive for  
7 another day where we've been able to serve thousands and  
8 thousands of businesses. So I speak in favor of this  
9 merger. Thank you very much for your time.

10 MS. BANTA-LEWIS: Thank you for those  
11 comments.

12 I'd now like to welcome to the stage Mr.  
13 Ungos. If you could turn on your camera and come off  
14 mute --

15 MR. UNGOS: Good afternoon, board of direct --  
16 Board of Governors. Can you hear me okay?

17 MS. BANTA-LEWIS: We can. Yup.

18 MR. UNGOS: Okay. My name is Jay Ungos,  
19 program director, past president of the Asian Business  
20 Association of Orange County. We were founded in 1992,  
21 a nonprofit business, 501(c)(3) serving the Orange  
22 County area. You know, we're here. For over 30 years,  
23 we've been a leader of community service in the Asian  
24 community in Orange County. We've successfully  
25 organized networking mixers, procurement events,



1 outreach programs through the support of our members,  
2 sponsors and community affiliates.

3           ABAOC events programs inspire and stimulate  
4 small business owners, startups, entrepreneurs to grow  
5 and prosper through the creation of new opportunities,  
6 education networking and community participation. What  
7 does that mean? I am a product of ABAOC. Sorry. I get  
8 a little choked up.

9           U.S. Bank has been very committed to our  
10 community, especially during COVID. It's helped  
11 businesses like myself be able to procure opportunities,  
12 be able to get contracts. They're -- they're one of the  
13 few banks that, you know, when they want to give us  
14 support, they don't want anything in return. Some other  
15 banks, sponsors, they always want, like, what's in it  
16 for me. What type of accounts am I going to get out of  
17 it? But U.S. Bank's always been very passionate within  
18 our community. And it's really inspired me to really  
19 continue this work together that we're impacting small  
20 business owners to really help them, you know, get the  
21 education they need, get certified so then, that way,  
22 they can have more procurement opportunities to be able  
23 to help grow their businesses. We're in full support of  
24 this merger. We do a lot of work with U.S. Bank and  
25 even Union Bank, so we're very excited. We want to

1 continue making impact within our community and to be  
2 able to help the small businesses and our community  
3 members here in the Orange County area. So I want to  
4 thank you again for allowing me to speak today on behalf  
5 of U.S. Bank. And we're in full support of this. Thank  
6 you.

7 MS. BANTA-LEWIS: Thank you for those  
8 comments.

9 Now I would like to move on to Nathaniel Rhoton.  
10 If you could turn on your camera and come off mute --

11 MR. RHOTON: Good afternoon. I am Nathaniel  
12 Rhoton, the CEO of one\*n\*ten, Inc. an Arizona-based  
13 organization serving LGBTQ youth and young adults, ages  
14 11 to 24, for the last 29 years. Over the last seven  
15 years, U.S. Bank has been actively involved and truly a  
16 part of the fabric of our programs providing funding,  
17 lay leadership for the organization, volunteers.

18 We envision a world where all LGBTQ youth and  
19 young adults are embraced for who they are, actively  
20 engaged in their communities and empowered to lead. And  
21 U.S. Bank helps us do just that. For that reason, I am  
22 here today in support of the merger.

23 Through volunteer efforts, U.S. Bank has  
24 supported and helped us grow our Promise of a New Day  
25 workforce program. Through active service, they have

1 taught critical skills such as financial literacy,  
2 resume writing, interview skills and others preparing  
3 our youth for gainful employment in livable-wage jobs  
4 and careers.

5 U.S. Bank is as actively involved in our  
6 community as a local bank but with the resources to  
7 transform the lives we serve at one\*n\*ten. Due to this  
8 track record of service and dedication to marginalized  
9 communities across America, I fully support the proposed  
10 merger having local -- knowing local communities will  
11 benefit from this partnership. Thank you for your time  
12 today. And I appreciate you supporting the merger.

13 MS. BANTA-LEWIS: Thank you for those  
14 comments.

15 We'd now like to welcome Sharon  
16 Smith-Akinsanya. If you could turn on your camera and  
17 come off mute --

18 MS. SMITH-AKINSANYA: I am off mute.

19 MS. BANTA-LEWIS: Wonderful. You may begin.

20 MS. SMITH-AKINSANYA: My name is Sharon  
21 Smith-Akinsanya. I am the founder and CEO of the Rae  
22 McKenzie Group. We're a diversity, equity and inclusion  
23 marketing firm based here in Minneapolis, Minnesota. I  
24 have been a U.S. Bank customer since the 1990s. U.S.  
25 Bank has always been there for me regarding the

1 financial assistance I've needed both personally and for  
2 my small business.

3 But I became even better acquainted with U.S.  
4 Bank through my work as regional development director  
5 for UNCF, United Negro College Fund. As the bank began  
6 its relationship with UNCF, it was the C-suite officers  
7 themselves that got involved. They did not delegate the  
8 work. And then when I left UNCF in 2016 and relaunched  
9 my small business, U.S. Bank was one of my first clients  
10 on board. Our partnership began with ensuring that the  
11 bank was casting a wide net when searching for talent of  
12 color.

13 Since then, our work together has expanded to  
14 include initiatives promoting and supporting Black-owned  
15 businesses in the region, laser-focused on doing a  
16 better job at providing (audio drops) to be a part of  
17 the Inaugural Access Commitment Advisory Group. It's  
18 composed of Black business and community leaders. Now,  
19 this group will advise U.S. Bank in fulfilling its  
20 access commitment pledge aimed at increasing wealth in  
21 the Black community. In my experience, U.S. Bank  
22 leaders have demonstrated a willingness to expand their  
23 personal experiences. I've had the pleasure of  
24 consulting U.S. Bank leaders and have professional  
25 relationships with several C-suite executives. My

1 relationships with two CEOs, Andy Cecere and Richard  
2 Davis, Chief Administrative Officer Kate Quinn, Vice  
3 Chairman Tim Welsh and Twin Cities Market President Phil  
4 Trier and their chief diversity officer, Greg  
5 Cunningham, have been positive.

6           We've built a trusted space to ensure that  
7 good intentions of primarily White executives result in  
8 good execution for marginalized communities that the  
9 bank seeks to serve. Through (sic) my interactions with  
10 the C-Suite leaders are sometimes tense -- though they  
11 are sometimes tense, we never lose sight of our joint  
12 goal of diversifying the bank's leadership.

13           As an advisor to executives, I engage in  
14 discussions about how employees of color and customers  
15 are impacted by traumatic community issues and how the  
16 bank can support community during difficult times. U.S.  
17 Bank has demonstrated its commitment by remaining in  
18 Black communities when other institutions have closed or  
19 avoided them altogether after George Floyd.

20           They continue to support and pour resources  
21 into their branch in North Minneapolis and still  
22 supports their branch and never left the branch in  
23 Ferguson, Missouri, even after big companies left after  
24 the killing of Michael Brown. I fully am in support of  
25 this merger. Thank you for your time.

1           MS. BANTA-LEWIS: Thank you for those  
2 comments.

3           Now I would like to welcome to the stage Athena  
4 Williams. If you could turn on your camera and come off  
5 mute --

6           MS. WILLIAMS: There we go. Greetings,  
7 panelists. My name is Athena Williams, and thank you  
8 for allowing me to present today. I am the executive  
9 director of the Oak Park Regional Housing Center, which  
10 is based in the Chicagoland community. We serve the LMI  
11 communities of the Chicago's West Side and the West  
12 Suburban Cook County.

13           Our agency offers fair housing education,  
14 homebuyer education, financial empowerment as well as  
15 rental counseling. Our agency has been partners with  
16 U.S. Bank for the past 10 years even though our agency  
17 is a 50-year-old agency that has focused on eliminating  
18 White flight and eliminating redlining. During our  
19 10-year partnership with U.S. Bank, U.S. Bank has been a  
20 very, very strong partner to help support all of the  
21 initiatives that we serve. U.S. Bank has shown strong  
22 leadership through volunteerism to help provide  
23 education in all the areas of where we provide service.  
24 U.S. Bank has been a great listener, whereas we have  
25 reached out to U.S. Bank about certain products that we

1 needed to really work with the clients that we serve.  
2 Some of those products include the Small-Dollar Loan  
3 Program that U.S. Bank has here in the Chicagoland area,  
4 in addition to the secure credit card, which we often  
5 refer many clients to our banking partners for that.

6           So at this time, I would like to show support  
7 of this merger or acquisition of U.S. Bank -- I'm sorry  
8 -- of Union Bank to U.S. Bank, and I would also like to  
9 speak as a consumer because I am also a banker with U.S.  
10 Bank, and I have to share that they offer exemplary  
11 customer service. And I am sure that with this  
12 acquisition that all of these great traits that U.S.  
13 Bank have will roll over to this new acquisition that  
14 takes place. So thank you for allowing me this time,  
15 and I am done with my comments.

16           MS. BANTA-LEWIS: Thank you for those  
17 comments. Now I would like to welcome to the stage Danny  
18 Sherlock. Danny, if you could turn on your camera and  
19 come off mute --

20           MR. SHERLOCK: Thank you for the opportunity  
21 to speak. My name is Danny Sherlock. I am president  
22 and CEO of the Boys' and Girls' Clubs of Greater San  
23 Diego. We serve children at 19 locations in San Diego  
24 County. Seventy-three percent of these children live in  
25 low-income households. I have been with this

1 organization for 36 years.

2           During the past 22 years, U.S. Bank has  
3 invested significant funding to empower youth to excel  
4 in school, become good citizens and lead healthy,  
5 productive lives. I would like to highlight two major  
6 investments which U.S. Bank has made in our communities  
7 of need. U.S. Bank participated in a partnership with  
8 the San Diego Padres and McCarthy Builders which  
9 resulted in the renovation of our 80-year-old clubhouse  
10 in Logan Heights, which is the lowest income community  
11 in San Diego.

12           Improvements included an upgraded gymnasium,  
13 improved exterior landscaping, enhanced playgrounds and  
14 recreation areas, renovation of an interior games room  
15 and construction of a STEM lab. U.S. Bank also made a  
16 generous contribution to our Healthy Lifestyles  
17 Programs, which develop young people's capacity to  
18 engage in positive behaviors, to nurture their  
19 well-being, set personal goals and grow into  
20 self-sufficient adults.

21           While these financial contributions were  
22 highly impactful, it is their corporate culture, which  
23 encourages employee volunteerism, that has proven to be  
24 especially meaningful. U.S. Bank recruited an executive  
25 to serve on our board of directors for insight into



1 our communities of need, and her contacts with thought  
2 leaders in these communities has opened doors of  
3 opportunity to expand and improve our services.

4 With their assistance, we are creating an  
5 initiative for diversity, equity and inclusion. She has  
6 also encouraged her colleagues to volunteer in our  
7 organization. Teams from U.S. Bank have attended and  
8 served food at club events such as facility dedications  
9 and youth of the year parties. They have also collected  
10 supplies for back-to-school campaigns.

11 We wish that all companies were as involved  
12 and supportive as U.S. Bank, and we encourage your  
13 support of the merger. Thank you for listening.

14 MS. BANTA-LEWIS: Thank you for those  
15 comments.

16 GROUP 6

17 MS. BANTA-LEWIS: We'll now move into Group 6.  
18 Mark Stivers, if you could turn on your camera and come  
19 off mute --

20 MR. STIVERS: Hi. My name is Mark Stivers.  
21 I'm with the California Housing Partnership. We are a  
22 state-wide advocacy and technical assistance  
23 organization working on affordable housing. California is  
24 facing a record number of homeless and severely  
25 cost-burden households. We need to build an additional

1 1.2 million homes affordable to low-income households  
2 over the next 10 years to meet our needs. And we have  
3 161,000 individuals who are homeless in any given night.

4 California state leaders have stepped up to  
5 provide additional resources, including additional state  
6 low-income housing tax credits that have resulted in  
7 more than doubling the production of affordable rental  
8 homes over just the past two years. And this is still  
9 not meeting the needs. Nonetheless, even with these  
10 resources, there are barely enough investors for the 4  
11 billion in federal and state low-income housing tax  
12 credits that California allocates annually today.

13 We desperately need more private investment in  
14 these credits if we wish to further increase affordable  
15 housing production. Unless the combined bank makes a  
16 firm public commitment to the contrary, this merger will  
17 clearly decrease investment in affordable housing, both  
18 through a reduction in aggregate low-income housing tax  
19 credit investments as well as through a loss of Union  
20 Bank's competitive CRA loan rates and fees. This  
21 reduction in housing credit investment and lending will  
22 mean the California nonprofit housing providers will  
23 receive significantly less in housing credit equity and  
24 that state and local governments will have to make up  
25 the difference. This impact on affordable housing

1 production will be borne by low-income people who are  
2 disproportionately of color in California.

3           How can this merger be determined to provide a  
4 public benefit if support for affordable housing will  
5 decrease and cost to nonprofit and state and local  
6 governments will go up? We urge regulators to reject  
7 this merger proposal unless U.S. Bank commits to a  
8 strong community benefits agreement that is negotiated  
9 with the community groups and includes a 50 percent  
10 increase in both low-income housing tax credit and  
11 affordable investments and affordable housing lending.  
12 The agreement must also have adequate mechanisms in  
13 place to ensure compliance. We thank you for your  
14 consideration of these comments, and we urge you to  
15 reject the merger until there is a community benefits  
16 agreement. Thank you.

17           MS. BANTA-LEWIS: Thank you for your comments.  
18 We'd now like to welcome Katie Lamont. If you could  
19 turn on your camera and come off mute --

20           MS. LAMONT: Hi. Good afternoon. I'm Katie  
21 Lamont, senior director of housing development with  
22 Tenderloin Neighborhood Development Corporation or TNDC.  
23 I'm also a board member of the Nonprofit Housing  
24 Association of Northern California. TNDC uses  
25 low-income housing tax credits or LIHTC investments and

1 affordable-housing construction debt to develop deeply  
2 affordable housing.

3 Over 80 percent of the people that live in our  
4 housing have incomes less than 20,000 per year and can  
5 pay only very limited amounts in rent. We rely on tax  
6 credit equity to build the housing and on rental and  
7 operating subsidies to cover the gap between the cost to  
8 operate high-quality housing and what tenants can afford  
9 to pay.

10 We are also, first and foremost, a place-based  
11 community developer. While we work throughout the city  
12 of San Francisco to create and connect to opportunity,  
13 we maintain a special relationship with the Tenderloin  
14 neighborhood. It is critically important that the Fed  
15 and OCC ensure that banks like U.S. Bank invest in  
16 neighborhoods where people with limited incomes live and  
17 that have historically suffered from lack of investment  
18 like the Tenderloin.

19 At this moment, we are seeing that the  
20 significant local dollars that the City of San Francisco  
21 and the State of California have allocated to provide  
22 homes and services for people with limited incomes and  
23 people without homes are not sufficiently matched by  
24 federal investments. In this environment, it is  
25 critically important that we maximize the value of every

1 low-income tax credit and secure the most favorable debt  
2 terms in order to stretch these local and state  
3 investments as far as possible. We need the merged bank  
4 to increase its investment in this space by 50 percent.

5           We work with U.S. Bank today. They're funding  
6 one of our largest and most important reinvestments in  
7 two Tenderloin supportive housing buildings that  
8 together serve over 230 people living on extremely low  
9 incomes. We know what U.S. Bank can do and what Union  
10 Bank has done with its favorable debt terms and its tax  
11 credit investments. And we know that the combined bank  
12 can and must do even better.

13           We expect them to do so in service to the  
14 communities like San Francisco where they make their  
15 money. In closing, the Fed and the OCC must scrutinize  
16 this application to ensure there is a clear, public  
17 benefit established. And the only way to measure the  
18 benefit and hold the combined bank accountable is with a  
19 strong community benefits agreement.

20           In this merger, the state of California and  
21 its people are hugely impacted since over 90 percent of  
22 Union Bank's deposits are in California, and Union Bank  
23 has been a significant actor in the affordable housing  
24 investment landscape. Please, the Fed and OCC must  
25 condition any merger approval on compliance with a

1 strong CBA. Thank you for your time.

2 MS. BANTA-LEWIS: Thank you for your comments.

3 We'll now move on to Paul Ainger. If you  
4 could turn on your camera and come off mute --

5 MR. AINGER: Good afternoon. I am Paul  
6 Ainger. I am a member of the Sacramento Housing  
7 Alliance Board of Directors as well as the California  
8 Reinvestment Coalition Board of Directors. But I am  
9 here mostly as a recently retired affordable housing  
10 developer in the nonprofit sector. It's no secret there  
11 is a chronic shortage of affordable housing in  
12 California, particularly for the low-income, very low  
13 income and extremely low-income families.

14 Over the past 32 years, I've been involved in  
15 developing affordable housing for these low-income  
16 groups, mostly rental housing. And over the past 20  
17 years, I've worked with Union Bank and, to a lesser  
18 extent, U.S. Bank in affordable housing finance. Both  
19 banks are active in both lending and investing in these  
20 deals.

21 Both have competed for my deals, which  
22 increased the stock of affordable housing for low-income  
23 folks. But the OCC and Federal Reserve need to know  
24 this. Bank consolidation is bad for affordable housing  
25 finance. It reduces competition, which ultimately leads

1 to less, not more, affordable housing.

2 This acquisition is the poster child for a  
3 deal that reduces competition in the affordable housing  
4 finance industry, particularly in California. CRC  
5 proposes that U.S. Bank agreed to increase affordable  
6 housing financing by at least 30 percent per year, but  
7 I, as a mitigation measure, in a -- in a community -- in  
8 a CBA, I -- but I agree with Mark Stiver and Katie  
9 Lamont that we really need a 50 percent increase by the  
10 combined bank.

11 I believe this commitment is -- is essential  
12 to ensure that there is community benefit from this  
13 acquisition. Otherwise, the Fed and the OCC should  
14 oppose this acquisition, said it would result in less --  
15 in the production of less, not more, affordable housing.  
16 Thank you.

17 MS. BANTA-LEWIS: Thank you for your comments.  
18 We'll now move on to Ms. Sen. Ms. Sen, we're having  
19 issues getting your camera to turn on, but we have  
20 unmuted you.

21 MS. SEN: Yes, hi. Yeah, hi. This is Rabeya  
22 Sen. I am the director of policy for Esperanza  
23 Community Housing, an affordable housing provider in  
24 South Los Angeles. We oppose this merger. Esperanza's  
25 mission is to achieve long-term comprehensive

1 community-led and community benefiting equitable  
2 development.

3           We recognize that South LA's communities are  
4 disproportionately impacted by systemic inequities that  
5 not just ignore them but that have also treated them as  
6 sacrificed zones subject to a long history of racist  
7 redlining practices whose impact still reverberates  
8 today throughout the city. The result is devastating.  
9 We lived in -- we live in a highly segregated landscape  
10 where access to land and capital is still seen as out of  
11 reach for so many in our communities, where serial  
12 disinvestment, then followed by unbridled private equity  
13 investment in these same neighborhoods have continued to  
14 lead to the demolition of highly affordable housing,  
15 skyrocketing rents, increased displacement and an  
16 increased rate of homelessness.

17           A snapshot of the challenges facing South LA,  
18 while the majority of the -- of -- of the city's  
19 residents, about 73 percent, are rent-burdened, the fact  
20 is that Black and Latino communities represent a much  
21 higher proportion of this, shelling out more than 50 to  
22 60 percent of their income. Black home ownership rates  
23 is just around 21 percent, as opposed to that for  
24 Whites. South LA continues to experience the highest  
25 rates of homelessness year after year, showing an



1 increase of more than 70 percent in the last count. And  
2 prior to the pandemic, Black and Latino residents in  
3 South LA were the ones disproportionately targeted by  
4 landlords for illegal lockouts and evictions.

5           And while, during this pandemic, we have some  
6 eviction protections in place, once those expire, we are  
7 facing an eviction tsunami. The city itself needs at  
8 least 500,000 affordable housing units to meet the need,  
9 especially at the deepest affordability levels. So this  
10 is why we're a mission-based affordable housing  
11 provider.

12           We recognize that housing is a health and  
13 human right and not something to be commodified and  
14 gambled away on the unregulated, speculative market. We  
15 cannot afford any risk that the little progress we've  
16 made is now going to be erased. We need partners who,  
17 at the very least, will do no harm. We need partnering  
18 financial institutions who understand and work to meet  
19 the community's credit needs to prevent displacement and  
20 stabilize the neighborhoods, not tear it apart.

21           We need partners who will help increase the  
22 stock of affordable housing, not rubber-stamped Wall  
23 Street-driven bank mergers that will only serve to  
24 decrease and destabilize our neighborhoods. While we  
25 appreciate U.S. Bank's partnership, the fact is that we

1 have no assurance that that kind of relationship will  
2 continue or that we will not now have one less lender in  
3 the community.

4 This, by the way, is just the baseline. We  
5 need so much more. We need U.S. Bank to be a  
6 responsible partner, not harm our communities. So we  
7 urge you to reject this until you can ensure that a  
8 clear public benefit is established through the  
9 enactment of a strong community benefits agreement.  
10 Thank you.

11 MS. BANTA-LEWIS: Thank you for those  
12 comments.

13 We'll now move on to Johanna Torres. Johanna  
14 Torres, if you could turn on your camera and come off  
15 mute --

16 MS. TORRES: Hello. Can you hear me?

17 MS. BANTA-LEWIS: We can. You may begin.

18 MS. TORRES: My name is Johanna Torres. I'm a  
19 community advocate from California Rural Legal  
20 Assistance under the Fair Housing and Foreclosure  
21 Prevention Program. I work out of the Madera regional  
22 office, which is located in the Central Valley of  
23 California. And today, we join California Reinvestment  
24 Coalition in strongly opposing the merger. In my  
25 professional capacity, I have witnessed U.S. Bank

1 foreclose on struggling homeowners. It has also been my  
2 experience that mortgage services that work with Legal  
3 Aids and other housing nonprofit agencies help prevent  
4 foreclosure at a higher rate, which U.S. Bank does not  
5 do.

6           For that reason, I continue to urge U.S. Bank  
7 to commit to working with housing nonprofit experts to  
8 help distressed borrowers prior to proceeding with  
9 foreclosure, especially for those borrowers who U.S.  
10 Bank has had no contact with. Something so simple as  
11 having an escalation contact with U.S. Bank can help  
12 stabilize our communities and prevent further  
13 homelessness in the midst of this housing crisis.

14           Also, we continue to thank U.S. Bank for  
15 participating in California's Housing Assistance Fund  
16 Program. As you all may be aware, there are one too  
17 many homeowners in -- foreclosure status due to the  
18 ongoing pandemic. For that reason, participating in the  
19 program is not enough. U.S. Bank should commit to  
20 pausing the foreclosure status when borrowers have  
21 pending homeowner assistance fund program applications.  
22 We also ask that U.S. Bank considers adding the  
23 forbearance amounts to the back end of the loans for  
24 loans not insured under the government, and the  
25 modifications are offered to borrowers who cannot afford

1 their current payment. This is the bare minimum this  
2 distressed borrowers deserve. It is not their fault  
3 that the ongoing pandemic prevented them from meeting  
4 their obligations. In my personal capacity, I'd like to  
5 share that I bank with Union Bank. There are very few  
6 branches in our region of the Central Valley.

7 I asked for the opinion of this merger from  
8 the local branch staff. They did not know about the  
9 merger and felt uneasy about the lack of transparency.  
10 I ask that the agreement commence to not closing any of  
11 the few local branches we have in our rural California  
12 communities. We have been greatly impacted by other big  
13 bank exodus since the pandemic started.

14 Closing any branch would continue to harm our  
15 community, our most disadvantaged communities. As the  
16 in-support comments have attested, the banks are capable  
17 of committing to these simple acts that demonstrate the  
18 merger will keep the community's best interest in mind.  
19 Without a strong commitment, we will continue to  
20 strongly oppose the merger and respectfully ask that the  
21 Federal Reserve and OCC do as well. Thank you.

22 MS. BANTA-LEWIS: Thank you for those  
23 comments.

24 GROUP 7

25 MS. BANTA-LEWIS: We'll now move into Group 7.

1 First up, we've got Nicholas Williams. Nicholas  
2 Williams, if you could turn on your camera and come off  
3 mute --

4 MR. WILLIAMS: Hello. My name is Nick  
5 Williams, and I'm the CFO at the Albuquerque Community  
6 Foundation. I am joining today in support of U.S.  
7 Bank's proposed merger with Union Bank. The Albuquerque  
8 Community Foundation is a funding nonprofit supporting  
9 nonprofits throughout the greater Albuquerque area. We  
10 just celebrated our 40th anniversary serving our  
11 community.

12 The foundation has had a long-standing  
13 relationship with U.S. Bank since it entered the  
14 Albuquerque market. U.S. Bank serves as the custodian  
15 for the foundation's endowment as well as holds our  
16 checking and corporate credit card accounts. We have  
17 been very pleased with their level of support and  
18 customer service.

19 But more importantly, U.S. Bank has been a  
20 strong community supporter since they entered the  
21 Albuquerque market. They have been a corporate partner  
22 with the foundation for many years, providing  
23 significant resources for the most pressing needs in our  
24 community. U.S. Bank has taken the lead on several  
25 philanthropic initiatives in our community as a leader

1 in the business community. U.S. Bank's regional  
2 president had served as a trustee for five years and is  
3 an important member of our organization's leadership and  
4 volunteers through many organizations in the community.  
5 We are proud to be partners with U.S. Bank in our  
6 philanthropy and are proud to speak in support of them  
7 today. Thank you.

8 MS. BANTA-LEWIS: Thank you for those  
9 comments.

10 We'll now move on to Louis King. If you could  
11 turn on your camera and come off mute --

12 MR. KING: Good afternoon, members of the  
13 committee. I'm Louis King. I am the CEO of Summit  
14 Academy OIC and president and CEO of Summit of IOC of  
15 America, a network of 31 training organizations in 19  
16 states across the United States. I'm also a former Army  
17 officer for 10 years, attaining the rank of major. And  
18 I do sit on the board of a small financial system  
19 network. I am here today to speak in support of the  
20 merger, primarily because of the people, the practices  
21 and leadership of U.S. Bank in my experience. I have  
22 worked with them now for two decades. And previously  
23 with the leadership that's on board now, we've launched  
24 a GED campaign. We worked together on public safety  
25 after the George Floyd incident and murder in

1 Minneapolis. And we are currently developing a banker  
2 mortgage loan officer program. We found out that less  
3 than 1 percent of bank loan officers in this country are  
4 Black. That speaks to who gets the loans.

5 Our main focus is increasing the incomes of  
6 people. Here in Minneapolis, we double their income  
7 from 20,000 to \$40,000 a year in 20 weeks with no  
8 out-of-pocket expenses. U.S. Bank has folks on our  
9 board. They have been partners with us. I have  
10 personal relationships with senior executives, and I've  
11 watched them operate with integrity and also not simply  
12 follow the band but to take stands during difficult  
13 times and provide leadership.

14 I don't just present myself as a grant  
15 recipient. I'm a leader of this community. I follow  
16 leadership. I develop leadership, and I have a great  
17 deal of confidence in the integrity of the people  
18 running this organization and their track record. Thank  
19 you very much for the opportunity to present today.

20 MS. BANTA-LEWIS: Thank you for those  
21 comments. I'd now like to welcome Holly Benson. If you  
22 could turn on your camera and come off mute --

23 MS. BENSON: Good afternoon. My name is Holly  
24 Benson, and I am the chief operating officer at Abode  
25 Communities. We are a Los Angeles-based nonprofit

1 organization that designs, develops and operates  
2 service-enriched affordable housing throughout  
3 California. On behalf of Abode Communities, I'm here to  
4 voice our support of U.S. Bank and its proposal to  
5 acquire Union Bank and to also ask that the overall  
6 investment in affordable housing be increased as a  
7 result of this acquisition.

8 Abode Communities has been a trusted partner  
9 of U.S. Bank for more than a decade. The bank's support  
10 of our organization and its mission has included the  
11 production and rehabilitation of nearly 650 affordable  
12 and supportive rental homes, resulting in more than \$113  
13 million in economic investment. Several members of the  
14 bank have dedicated their skilled, strategic direction,  
15 industry insight and personal passion and commitment to  
16 our organization via volunteer service as board members.

17 Currently, Lisa Gutierrez, senior vice  
18 president, U.S. Bancorp Community Development Corp., is  
19 serving a three-year term. We love her. And then  
20 finally, U.S. Bank has been a vital philanthropic  
21 partner, having granted nearly \$400,000 in philanthropic  
22 funding to support our mission-critical resident  
23 services program. Without their support, this program  
24 could not be sustained.

25 All that said, Abode Communities has also had



1 a very long-standing, positive relationship with Union  
2 Bank, and they've been incredibly important partner in  
3 providing much-needed investment in our work. So while  
4 we do support this acquisition, given the dire need to  
5 support affordable housing activities and especially in  
6 California, we ask that there is not only no net loss  
7 for affordable housing support but that this acquisition  
8 results in an overall increase in the current combined  
9 level of Union Bank and U.S. Bank's lending, investment  
10 as well as the charitable giving activities. Thanks for  
11 your time and consideration.

12 MS. BANTA-LEWIS: Thank you for your comments.

13 Now I would like to welcome Dave Glaser. If you  
14 could turn on your camera and come off mute --

15 MR. GLASER: Thank you for the opportunity --  
16 opportunity to testify today. My name is Dave Glaser.  
17 I'm the president of MoFi, a community development  
18 financial institution that serves the Rocky Mountain  
19 West. We do that with small business lending, down  
20 payment assistance and new markets tax credits financing  
21 to serve underserved communities in that region. I'm  
22 speaking today in two parts, one, as the CEO of MoFi and  
23 our long-standing relationship with U.S. Bank. We are  
24 in support of the merger between U.S. Bank and Union  
25 Bank. U.S. Bank is, without question, one of the most

1 important partners in our work to serve underserved  
2 communities in our region. And I believe wholeheartedly  
3 that, with this merger, they would bring the same spirit  
4 to the communities served in that region.

5 I'm also testifying today as a member of the  
6 U.S. Bank Community Advisory Committee. I've been a  
7 member now for three-and-a-half years. And I can tell  
8 you that U.S. Bank and the leadership at U.S. Bank  
9 actively encourage our participation. They ask  
10 questions, and they want to continue to push to have  
11 U.S. Bank be an incredible partner in communities across  
12 the United States and engaging underserved communities  
13 and providing responsible, flexible capital to those  
14 communities. Thank you.

15 MS. BANTA-LEWIS: Thank you for those  
16 comments. Now I would like to welcome Cecil Plummer. If  
17 you could turn on your camera and come off mute --

18 MR. PLUMMER: Hello. Can you hear me?

19 MS. BANTA-LEWIS: We can.

20 MR. PLUMMER: Thank you. Thank you, committee  
21 members. My name is Cecil Plummer, President and CEO of  
22 the Western Regional Minority Supplier Development  
23 Council, one of the 23 regional councils for the  
24 National Minority Supplier and Development Council and  
25 also a member of the Community Advisory Council for the

1 San Francisco Federal Reserve Bank.

2 In my experience, Union Bank's level of  
3 community involvement is unparalleled in the industry.  
4 It's one of the reasons that we support this merger.  
5 The number of hours spent volunteering on nonprofit  
6 boards mentoring minority business owners, providing  
7 critical business training has had a significant and  
8 unique impact on our region.

9 And that's not just the people whose jobs it  
10 is full-time to engage in such activities. Union Bank's  
11 executive level, C level and personnel have also engaged  
12 personally and volunteering their hours and lending  
13 their expertise. This is all in addition to  
14 participating in and hosting events that connect  
15 minority businesses with internal decision-makers for  
16 contracting opportunities. We've seen millions and  
17 millions of dollars of contracts being given to minority  
18 suppliers being given the opportunity for minority  
19 suppliers to compete in and win. And we've seen them  
20 win.

21 These results are documented in annual reports  
22 but also in the contracts that are actually won by the  
23 minority business owners with other participating  
24 corporations that Union Bank has shown leadership for.  
25 The pandemic has shown us all the importance of small

1 business to the overall health of the community and to  
2 local communities in particular. The impact to  
3 communities of color was particularly severe during the  
4 pandemic and still is.

5           Support for diverse businesses is one of the  
6 most significant investments a corporation can make for  
7 communities of color. No community can thrive without a  
8 healthy middle-class group of consumers, and since small  
9 businesses play a more significant role in job creation  
10 for people of color, it's very important to have  
11 corporations provide long-term sustainable support in  
12 the form of education, training for small businesses  
13 and, of course, the awarding of contracts.

14           Many of the social issues that underserved  
15 communities suffer from disproportionately are most  
16 effectively and sustainably addressed through the  
17 support of small minority-owned businesses. Access to  
18 housing, healthcare and higher education comes through  
19 employment and the transfer of intergenerational wealth  
20 that comes through entrepreneurship and property  
21 ownership. According to Fidelity Investments, 88  
22 percent of millionaires are entrepreneurs. Facilitating  
23 the continued growth of minority business community is  
24 essential in addressing income disparities in the  
25 transfer of intergenerational wealth, which translates

1 into access to fair credit.

2 Union Bank has demonstrated that it  
3 understands the importance in investing in minority  
4 communities and minority entrepreneurship and funding  
5 organizations that deliver the programming necessary for  
6 those communities to thrive. It is my hope that this  
7 merger will be the beginning of an even greater impact  
8 and an even greater legacy for minority communities.  
9 Thank you.

10 MS. BANTA-LEWIS: Thank you for your comments.

11 We'd now like to welcome Les McCabe. If you  
12 could turn on your camera and come off mute --

13 MR. MCCABE: Hi. Hopefully they can see me  
14 and hear me.

15 MS. BANTA-LEWIS: We can. You may begin.

16 MR. MCCABE: My name is Dr. Les McCabe. And  
17 I'm the president and CEO of Junior Achievement of  
18 Southern California. Thank you for this opportunity to  
19 testify in support of the merger between U.S. Bank and  
20 Union Bank. Junior Achievement is a 501(c)(3) nonprofit  
21 organization that has worked with U.S. Bank for over 25  
22 years and Union Bank for 32 years as partners in our  
23 delivery of our educational programs in the areas of  
24 financial literacy, entrepreneurship and career  
25 readiness to pre-pandemic, over 58,000 K through 12

1 low-to-moderate-income youth from underserved  
2 communities. Over 70 percent of those students we serve  
3 represent ethnic minorities.

4 Together, U.S. Bank and Union Bank account for  
5 significant funding support to Junior Achievement each  
6 year. Additionally, both Union Bank and U.S. Bank have  
7 representatives on our board of directors. While our  
8 programs rely on the financial support and volunteers  
9 from both institutions, based on discussions I've had  
10 with representative at both banks, Junior Achievement  
11 does not foresee any impact of a merger on our ability  
12 to provide important financial literacy lessons to  
13 students in areas throughout Southern California where  
14 both institutions currently have a presence.

15 U.S. Bank assures us of continued funding at  
16 the amount currently received from both institutions and  
17 the ongoing ability to source bank employees as  
18 volunteers throughout the combined locations of both  
19 Union and U.S. Banks throughout Southern California.  
20 Given these commitments, Junior Achievement supports the  
21 merger of U.S. Bank and Union Bank without reservation  
22 and, in fact, we believe the consolidation of the two  
23 banks will provide for a better, more seamless funding  
24 and volunteer opportunities for the delivery of our K  
25 through 12 programs throughout Southern California.

1           It's -- as such, it's our position that the  
2 merger will strengthen the impact of our programs on  
3 low-to-moderate income students and, by extension, their  
4 families we serve in the communities in which they  
5 reside. Thank you for allowing me to provide this  
6 testimony in support of the merger between U.S. Bank and  
7 Union Bank.

8           MS. BANTA-LEWIS: Thank you for those  
9 comments.

10           We'll now move on to Don Wells. If you could  
11 turn on your camera and come off mute --

12           MR. WELLS: Good afternoon, everyone. My  
13 comments are going to echo some of the other ones you've  
14 heard from previous speakers who've had enduring  
15 relationships with U.S. Bank. I'm the chief empowerment  
16 officer for Just in Time for Foster Youth in San Diego.  
17 We help young people who have aged out of the foster  
18 care system at 18 who often leave foster care without  
19 money, employment or any way to learn how to manage  
20 money. They don't have the support systems that exist  
21 for their peers. And what we do is create a community  
22 of volunteers that help these young people to have the  
23 resources and relationships they need to thrive. And  
24 part of that is all around financial literacy and -- and  
25 having to deal with credit card debt, how to -- how to

1 get out of that, how to start to look at money  
2 differently so that they save and invest.

3           And we -- this community of caring volunteers,  
4 we mobilized to fill a gap for these young people. It  
5 is a vision that's supported by U.S. Bank. For 10  
6 years, they have been consistent partners with us.  
7 Specifically, they've been instrumental in creating a  
8 resource for young people leaving the foster care system  
9 through financial empowerment services designed to  
10 expose them to financial management skills, create a  
11 durable, positive outlook on financial security and  
12 prepare them for higher level savings, asset-building  
13 and investing decisions with the support of a volunteer  
14 asset advisor.

15           And while U.S. Bank has made financial --  
16 financial contributions to Just in Time, surpassing  
17 \$300,000, the support has been much more than financial.  
18 This included volunteer engagement, workshop  
19 facilitation, one-on-one mentoring advocacy, consistent  
20 participation as board members and regular attendance at  
21 our events where U.S. Bank employees personally engage  
22 with our participants and become ambassadors for our  
23 mission within the San Diego community. This dependable  
24 source of significant financial and human investment has  
25 allowed us to deliver essential resources, expand



1 services, innovate new solutions to create greater  
2 wealth equity for young people impacted by foster care.

3 This was true for about 1600 young people during the  
4 height of the pandemic. And 80 percent of the young  
5 people we serve are people of color.

6 When U.S. Bank showed philanthropic vision and  
7 leadership by reaching out to us, asking what they could  
8 do in making it possible to keep our doors open,  
9 actually add to staff and actually expand our impact  
10 during the pandemic -- in short, our experience has been  
11 that U.S. Bank's commitment to the well-being and growth  
12 of the San Diego community is unparalleled within the  
13 banking industry.

14 That history and our overwhelmingly positive  
15 experience is why we enthusiastically support U.S.  
16 Bank's expansion. They have been extraordinary partners  
17 for Just in Time in advancing our efforts to create a  
18 consistent network -- support for young people leaving  
19 the foster care system after in -- 18. Thank you for  
20 allowing me to do this endorsement. And again, I echo  
21 many of the people you've heard already who have  
22 existing relationship with U.S. Bank.

23 MS. BANTA-LEWIS: Thank you for your comments.

24 We'd now like to welcome Carmen Castro. If  
25 you could turn on your camera and come off mute --

1 MS. CASTRO: Good morning, everyone.  
2 Actually, I'm in the Pacific side, so it's good  
3 afternoon for you. Thank you for this opportunity. I'm  
4 Carmen Castro, executive director for the Hispanic  
5 Metropolitan Chamber located in Portland, Oregon.

6 The Hispanic Metropolitan chamber serves both  
7 the state of Oregon and Southwest Washington. We're a  
8 501(c)(3) organization. I am here to share our  
9 experience with U.S. Bank for the past 28 years. In  
10 1994, U.S. Bank helped us form our organization as a  
11 founding member. Since then, U.S. Bank has served on  
12 our board of directors to help guide us through  
13 challenges over the years.

14 For over 28 years, U.S. Bank has provided  
15 grants to the Hispanic Chamber to help us assist  
16 low-income Hispanic microbusinesses start and grow their  
17 businesses. And for the past couple years, survive the  
18 pandemic. Over 55 percent of the business we assist are  
19 female head-of-households that are supporting themselves  
20 and their children. Ninety-five percent of the folks we  
21 serve are Hispanic. The Hispanic Metropolitan Chamber's  
22 small business development program is a lifeline to the  
23 population we serve, and the program provides bilingual  
24 and bicultural technical assistance to Hispanic micro  
25 and small businesses. This includes one-on-one sessions

1 with our business advisors as well as monthly business  
2 education workshops conducted in Spanish.

3           These past two years, the Hispanic Chamber has  
4 focused on helping businesses keep their doors open.  
5 This work has included disbursing small grants,  
6 providing professional services like tax preparation,  
7 bookkeeping and website building. The purpose of this  
8 work has been to help businesses we serve access  
9 financial resources and bridge the digital divide to  
10 ensure they're visible to potential customers.

11           To date, the Hispanic Chamber has served over  
12 4,500 businesses. Just last year alone, we disbursed  
13 \$1.3 million in grants and professional services to the  
14 community. U.S. Bank has been a small -- has been a  
15 strong partner to Hispanic business and to the Hispanic  
16 chambers, particular, all these years. The work we do  
17 helps a community that has been long underserved. And  
18 without the support of partners like U.S. Bank, it would  
19 be that much harder to do. In essence, by supporting  
20 our work, U.S. Bank has an important role in changing  
21 the lives of our community for the better. This is why  
22 we are here -- I am here today to support U.S. Bank.  
23 Thank you so much for this opportunity.

24           MS. BANTA-LEWIS: Thank you for those  
25 comments.

1           Now I would like to move on to Alfred Osborne.  
2 Turn on your camera and come off mute.

3           MR. OSBORNE: Thank you very much. By way of  
4 introduction, my name is Alfred Osborne, and I'm a  
5 senior associate dean and a professor at UCLA. And I  
6 also serve as founder and faculty director of the Paul  
7 (sic) and Pauline Price Center for Entrepreneurship,  
8 called the Price Center. I also serve on MUFG's Union  
9 Bank CSR advisory board.

10           Today, I wish to note MUFG Union Bank's  
11 commitment and appreciation for the long-term value of  
12 education and training programs for small businesses.  
13 Union Bank's commitment to training is not limited to  
14 business in the supply chain. The bank is a strategic  
15 partner with community organizations in an effort to  
16 reach a larger group of businesses that might benefit  
17 from business education. These partners include NABO  
18 (phonetic), the Asian Business Association, the Hispanic  
19 Chamber of Commerce that you just heard from, the  
20 African-American Chamber of Commerce and many others,  
21 including veterans' organizations. Business owners from  
22 these associations can receive scholarships to further  
23 their business education by attending UCLA Anderson's  
24 Management Development Program for Minority and Women  
25 Entrepreneurs conducted by the Price Center.

1           The program, which I will not get into, is  
2 strong and extensive. And some folks is passionate to  
3 be essentially a mini-MBA. But if it wasn't for MUFG  
4 Union Bank's philanthropy, we would not be able to have  
5 the quality, nor the consistency of faculty and support  
6 that we have continued to enjoy helping these owners  
7 improve their ability to grow and create jobs in the  
8 community.

9           Since inception, which started in 2002, more  
10 than 1500 business owners have attended the MDE program.  
11 While this is not the place to describe the program,  
12 it's a certificate program of great consequence. I will  
13 provide written -- in my written material an appendix  
14 which will describe what it is. So on behalf of the MDE  
15 program and what the business owners says that  
16 benefited, I am delighted to be able to support this  
17 merger between two giants in our industry who have  
18 sponsored and developed themselves through the merits of  
19 community banking and particularly to education. And  
20 sustaining these programs is vital to a sector that is  
21 underrepresented typically where access is difficult.  
22 And for that, a social responsibility of the banks will  
23 not go unnoticed should this merger move forward. Thank  
24 you for the opportunity to address you today.

25           MS. BANTA-LEWIS: Thank you for your comments.

1 We'll now hear from Joe Cavanaugh. If you could turn on  
2 your camera and come off mute --

3 MR. CAVANAUGH: Good afternoon here in  
4 Minneapolis. My name is Joe Cavanaugh. I'm the CEO of  
5 Youth Frontiers. And we're a 35-year-old nonprofit, and  
6 we've worked with over 2 million people, mostly young  
7 people with a mission of inspiring and developing people  
8 of character. And to that end, there are three pillars  
9 that I would like to share with you as you gather  
10 information from the community.

11 The first is relationship. One of the key  
12 ways our organizational reputation has focused on  
13 character is seen by the organizations and the people we  
14 partner with. And we have been truly honored to have  
15 partnered with and have had a relationship with U.S.  
16 Bank for over two decades.

17 And this relationship has taken the form of  
18 not only significant financial sponsorships of our  
19 programming but also individual donations from U.S. Bank  
20 employees. U.S. Bank and its employees together have  
21 contributed close to a quarter of a million dollars,  
22 which has directly impacted over 14,000 young people  
23 throughout the Midwest. Some of the key U.S. Bank  
24 leaders who have given their time beyond just financial  
25 investments in critical volunteer roles are former board

1 Chair Heather Teskey, helped guide us at a critical role  
2 in our history.

3 Both Tim Welsh and Richard Davis have keynoted  
4 our ethical leadership luncheons over the years,  
5 involving hundreds and hundreds of community and  
6 corporate leaders. Just this morning, we were fortunate  
7 to have U.S. Bank employees participate in some of our  
8 adult programming that we develop and provide the  
9 community on training character-driven community  
10 leaders.

11 To date, over 125 U.S. Bank employees have  
12 been part of that. U.S. Bank has also helped us expand  
13 throughout the Midwest with engagement in Milwaukee and  
14 in the Omaha communities through their regional banks in  
15 that -- in those areas. The second pillar is the  
16 character of a bank. And as you probably know,  
17 Ethisphere Institute has rated U.S. Bank for over seven  
18 years one of the world's most ethical companies. The  
19 people at U.S. Bank are the way you can judge an  
20 organization.

21 People like Reba Dominski, Ben Carpenter,  
22 Katie Lawler, Greg Cunningham, many others, these are  
23 the people you want as next-door neighbors. And lastly,  
24 the last pillar is as a community citizen, U.S. Bank's  
25 commitment to community. Perhaps the most important

1 thing for you to know is that how my peers like Louis  
2 King in the nonprofit community see U.S. Bank.  
3 Nonprofit CEOs and executive directors know better than  
4 anyone when a corporate partner or a foundation sees us  
5 as a transaction or a relationship.

6 U.S. Bank rises to the top, perhaps the very  
7 top of partners who see us not as people to send money  
8 to but as community resources to invest in to stand  
9 side-by-side to create a stronger --

10 MS. MURPHY: Mr. Cavanaugh --

11 MR. CAVANAUGH: -- community for all. Thank  
12 you.

13 MS. MURPHY: Sorry to interrupt, Mr.  
14 Cavanaugh, but you are out of time.

15 MR. CAVANAUGH: Thank you. Thank you. Thank  
16 you for your time and for listening to my thoughts.

17 MS. MURPHY: Thank you. And with that, I want  
18 to thank all of the speakers from these last several  
19 groups. We are going to take a lunch break until, I  
20 believe -- let's see -- make sure I get the right time  
21 zone here -- until 3:25 p.m. Eastern time -- that's  
22 Eastern time.

23 And we would ask all the speakers who are  
24 scheduled in Group 8 to join the Webex at 3:15 Eastern  
25 time, 10 minutes before so that you have time to work



1 through any technical issues. Again, we are now on a  
2 lunch break until 3:25 Eastern time. That is 45 minutes  
3 from now. Thank you very much.

4 (A luncheon recess was taken at 2:42 p.m.  
5 Eastern.)

6 MR. OLSON: All right. Let me welcome everyone back  
7 from our lunch break, and we are now going to resume the  
8 public meeting. And we are starting with group number  
9 8.

10 GROUP 8

11 MS. BANTA-LEWIS: Excellent. If we can  
12 have Jonathan Zeichner turn on their camera and come off  
13 mute.

14 MR. ZEICHNER: Good afternoon.

15 MS. BANTA-LEWIS: Wonderful. You may  
16 begin your comments.

17 MR. ZEICHNER: Very good. Well, first of  
18 all, I'd like to thank -- thank you for the opportunity  
19 to testify today. My name is Jonathan Zeichner. I am  
20 the chief executive officer for a mid-sized community-  
21 based nonprofit organization in south central Los  
22 Angeles called A Place Called Home, APCH.org.

23 I am not an expert in banking or mergers  
24 and acquisitions. I will rely on the ethics watchdogs  
25 to make sure that the institutions involved are adhering



1 has been a factor for us. We've had an executive  
2 serving on our board during that time who has  
3 contributed hundreds of hours of his time and some of  
4 his resources as well. But the Bank, itself, has  
5 also contributed several hundred thousand dollars and  
6 lots of time in volunteer activities and engagement.  
7 They've given us grants and sponsorships. They've  
8 adopted families. They've provided financial literacy  
9 classes. And they've been really consistent partners  
10 for us in the community.

11 We have found their team to be DEI strong,  
12 extremely attentive to our needs and actively engage and  
13 interested in our mission and the community we serve, to  
14 the point that they've even asked us for input about  
15 where to locate a new branch in this underbanked  
16 community. And their CEO has shown up to do financial  
17 literacy classes.

18 So I think the bottom line for me is I can  
19 tell the difference between kind of performative actions  
20 and folks who really care about what we're doing and  
21 other non-profits as well. And U.S. Bank has shown up  
22 that way. They also helped us negotiate and facilitate  
23

24 MR. OLSON: Mr. Zeichner, I'm sorry to  
25 interrupt you, but you are past time so we would ask if

1 you could please conclude your remarks.

2 MR. ZEICHNER: Okay. Great. Well, I'll  
3 just conclude by saying that I -- they've been a  
4 wonderful community partner for us and that's my  
5 testimony is that my experience with them has been  
6 extremely positive.

7 MS. BANTA-LEWIS: Thank you for your  
8 comments. We'll now move on to Sharon Evans. If you  
9 could turn on your camera and come off mute.

10 MS. EVANS: Hello. Are you able to see  
11 me? My name is Sharon Evans. Thank you for having me.  
12 It's good to see some familiar faces. I am the  
13 director of Business Resource Group. We are a 21 year  
14 old community-based non-profit what -- operating in  
15 three regions across California with a headquarters in  
16 Los Angeles County.

17 I also served as the officer of the  
18 California African American Chamber of Commerce and the  
19 DEI director for the National Association of Women  
20 Business Owners. BRG particularly knows these banks  
21 very well. We've had a long-standing partnership with  
22 both institutions for over 14 years. We provide  
23 training and financially focused technical assistance  
24 and development services for small businesses.

25 We also have partnered with both

1 institutions to create programs that are specifically  
2 designed to address the local market.

3 I will tell you they are different, and  
4 they are unique and each has a distinct value in the Los  
5 Angeles and California markets. We have offices in Kern  
6 County, San Diego, and Los Angeles.

7 U.S. Bank has been a critical resource in  
8 microlending. They offer market priced -- market priced  
9 equipment loans, small business lines of credit, credit  
10 cards, and even term loans for business and firms that  
11 are less than six months old. That was an innovation at  
12 the bank.

13 However, they -- even though they've done  
14 -- they do a really great job in volunteerism and  
15 affordable housing, I have concerns. And my concerns  
16 are that the innovation and the size of this merger has  
17 the potential to really strip our market of the  
18 responsiveness and the support that we get from the  
19 Union Bank platform.

20 Union Bank has had an innovative approach  
21 where they come into the local market with regional  
22 partners. They convene our local agencies. We do deep  
23 dives into the nuances and needs of our local markets.  
24 And they listen and then create programming coupled with  
25 philanthropic investment to achieve the desired

1 outcomes. That is not the U.S. Bank model.

2 We have asked that U.S. Bank retain the  
3 staff of Union Bank in these local markets because they  
4 are part of the fabric of what makes CRA work. The  
5 nuances of California are so distinct. And what we need  
6 -- and Antelope Valley is not what we need in an Inland  
7 Empire or in the skirts of our Wilmington front in San  
8 Pedro.

9 The bank has not been responsive on this  
10 request. Additionally, I have major concerns because  
11 we've asked for transparency in the supplier diversity  
12 area, and we don't know what's going to happen. We have  
13 businesses that have a stellar track record of getting  
14 contracts with Union Bank, and they don't know if  
15 they're going to have to terminate their staff or shut  
16 down as a result of this merger.

17 I work heavily in supply chain and train  
18 over 1,300 woman owned businesses every year. Union  
19 Bank combined with U.S. Bank can work, but with a very  
20 clear community benefits agreement that ensures that our  
21 markets will not suffer. Thank you.

22 MS. BANTA-LEWIS: Thank you for your  
23 comments. We'll now move on to Tom Kilgannon. If you  
24 could turn on your camera and come off mute.

25 MR. KILGANNON: Hello. My name is Tom

1 Kilgannon. I am the president of Freedom Alliance. We  
2 are a military support organization. We help combat  
3 veterans and military families overcome the wounds of  
4 war.

5                   As you all know, for the last 20 years  
6 nearly 3 million of our fellow Americans have deployed  
7 overseas and fought for our country. And tens of  
8 thousands of them have come home wounded: some severely  
9 wounded with physical, emotional, and spiritual  
10 injuries. And our charge at Freedom Alliance is to help  
11 them achieve the most complete rehabilitation that they  
12 are able.

13                   We do this in a variety of ways, three  
14 that I'd like to tell you about today. One is we are  
15 providing mortgage free homes. And this is particularly  
16 important to veterans who might have a difficulty in  
17 keeping steady employment because of their injuries,  
18 providing safety and continuity for their family, being  
19 in a good neighborhood.

20                   We also are providing loan free vehicles.  
21 These are cars that are nearly new that are given to  
22 veterans to help them be able to get to their medical  
23 appointments.

24                   Some families that we have helped have had  
25 children who have medical needs requiring them to go to

1 specialists at quite a distance from their home or going  
2 several times a week. And veterans obviously have  
3 specialized needs, and sometimes the VA in their area is  
4 60 or 70 or 80 miles away and so they need reliable  
5 transportation.

6                   We are also helping with home repair  
7 projects, making the home a little bit safer and more  
8 stable for those who have brain injuries or are amputees  
9 and need a -- just some repairs to make it easier to get  
10 around.

11                   Now, you might ask how can a small non  
12 profit provide these big-ticket items, and in truth we  
13 can't if we're doing it on our own. But we've been  
14 blessed and fortunate to work with U.S. Bank for the  
15 last nine years, and they make it possible for us to  
16 provide these life changing types of support.

17                   And it's not only the assistance that they  
18 are providing, but they bring to it a tremendous  
19 corporate spirit from both the executive level and the  
20 frontline staff who turn out. We normally have a  
21 ceremony to present a mortgage free home.

22                   The employees come out in large number  
23 with great enthusiasm. They roll up their sleeves.  
24 They rake the yard, move the furniture, paint -- do  
25 whatever is needed. They come out and support the



1 veteran and create a lasting memory and a positive  
2 memory for them.

3                   The thought I would leave you with is  
4 this: because of our partnership with U.S. Bank, I can  
5 tell you that there are young men and women who are  
6 alive today; there are families who are intact because  
7 of the assistance that U.S. Bank has provided to Freedom  
8 Alliance that we've been able to help them. I thank you  
9 for your time.

10                   MS. BANTA-LEWIS: Thank you for your  
11 comments. We'll now hear from Tammy Marine. If you  
12 could turn on your camera and come off mute. Are you  
13 able to come off mute?

14                   MS. MARINE: Yes. I apologize for that.  
15 Good afternoon. My name is Tammy Marine, and I am the  
16 executive director of Habitat for Humanity Inland Valley.  
17 We're located in Temecula, California and cover six  
18 cities in southwest Riverside County. And I'm here to  
19 speak on behalf of our partnership with U.S. Bank.

20                   U.S. Bank and Habitat for Humanity have  
21 been working together for many, many years in a  
22 multitude of capacities. Habitat for Humanity is an  
23 affordable housing developer, and we also improve living  
24 conditions through a wide array of home repair programs,  
25 education, and through our resource.

1                   With the support of U.S. Bank, over the  
2 last four years, we've actually doubled the size of our  
3 budget and been able to serve more families even during  
4 the downturn and during the challenges with COVID.

5                   And in part I accredit that to our board  
6 member, Scott Williams, who is a representative of U.S.  
7 Bank who has served in a multitude of capacities and  
8 been a catalyst for further involvement with the bank.

9                   Scott sits on our board, but also is a  
10 part of several of the committees that we hold and is a  
11 very active, regular participant in the things we do  
12 each and every day. And I seek Scott out on many  
13 occasions to ask for his leadership and guidance, and I  
14 very much respect having a part of our leadership team.

15 I feel like he's helped us grow the affiliate  
16 immensely.

17                   He's also rallied support from U.S. Bank  
18 in the region, and so they are frequently on hand for  
19 volunteer opportunities and to participate in events.  
20 So in addition to the leadership side of things, we also  
21 gain from volunteerism and also from the support that's  
22 given from the bank.

23                   I can't think of a better partner --  
24 banking partner that we've had to date. I'm very proud  
25 of the relationship that we have with U.S. Bank, and I

1 hope it continues for weeks and months to come. And I  
2 just appreciate the opportunity to be here and speak  
3 with you.

4 MS. BANTA-LEWIS: Thank you for those  
5 comments. We'll now hear from Kevin Jackson. If you  
6 could turn on your camera and come off mute.

7 MR. JACKSON: Good afternoon. Thank you.  
8 Can you hear me?

9 MS. BANTA-LEWIS: Yeah, you may begin your  
10 comments.

11 MR. JACKSON: Hi. Good afternoon. My  
12 name is Kevin Jackson. I'm the executive director of  
13 the Chicago Rehab Network. The Network is a coalition  
14 of the mission based non-profit community development  
15 corporations. We were founded by a dozen non-profits  
16 back in 1977.

17 So our history for the past 45 years has  
18 been steeped in Community Reinvestment Act and in  
19 partnership with our financial institutions. We are  
20 here today to make sure to acknowledge the fundamental  
21 importance of a community benefits agreement that  
22 enables people to understand what are the possibilities  
23 and opportunities for our neighborhoods.

24 We also want to underscore and recognize  
25 the leadership of U.S. Bank and their attention to

1 Chicago neighborhoods in the past decade. They came in  
2 after a bank failure and met with the Rehab Network on -  
3 - throughout the years.

4 And we've never stopped meeting. They've  
5 had a strong financial partner, and it is -- proof is in  
6 the pudding about the CRA and its importance.

7 There's a neighborhood down south of  
8 Chicago that was totally disinvested, and today because  
9 of the long-standing partnership with U.S. Bank has been  
10 transformed. That's the neighborhood of Pullman --  
11 where the Pullman Companies are and is now a National Park.

12 It -- so also as you heard from my  
13 colleague, Athena, on the west side, they've been there,  
14 and they're talking about moving forward.

15 At the same time, I want to recognize that  
16 the challenges that we face in the City of Chicago with  
17 affordable housing and the income inequity that has  
18 risen and grown is going to take some really strong,  
19 strong innovation and partnerships to move us forward in  
20 a way that we all want to see in our cities and for a  
21 democratic society that everyone enjoys and the commerce  
22 of community.

23 So to that end, we need to be thinking  
24 about new type of housing options, particularly, I'm  
25 thinking of shared ownership options and cooperative

1 housing. These are areas that can provide a third way  
2 that we're not seeing as much as.

3 We're seeing some land trust happening and  
4 land banking, but it's really important to think about  
5 the cooperative model as a collective, economic activity  
6 that we could really see opportunities for people who  
7 otherwise are priced out of ownership and rents are  
8 escalating beyond their reach here in Chicago.

9 It might not be as difficult as some of  
10 the cities on the West Coast, but we're very alarmed  
11 about who is going to be able to stay in the city, and  
12 we have to always look -- take a lens of who benefits.

13 It's time for us to continue to  
14 support the community development corporations who are  
15 on the frontline of our neighborhoods in making sure  
16 that people are included in economic growth. Thank you.

17 That concludes --

18 MS. BANTA-LEWIS: Thank you.

19 MR. JACKSON: -- my comments.

20 MS. BANTA-LEWIS: Thank you for your  
21 comments. We'll now move to Joey Quinto.

22 MR. QUINTO: Hi.

23 MS. BANTA-LEWIS: If you could turn your  
24 camera --

25 MR. QUINTO: Yeah, can you hear me?

1 MS. BANTA-LEWIS: We can.

2 MR. QUINTO: Hi. I'm Joey Quinto. I'm  
3 the publisher of California Journal for Filipino  
4 Americans, council member of the California Community  
5 Builders, and a member of the Alliance to End Racial  
6 Wealth Gap.

7 What does the merger of U.S. Bank and MUFG  
8 Union Bank mean to the minority communities. We all  
9 want to see the success of this merger, and since the  
10 success and profitability of banks in the U.S. depend on  
11 reaching out to wider markets, the minority community  
12 market should be greatly considered.

13 The minority community market is very  
14 vital since it could lead to a bigger market that could  
15 sum out through greater service and better profits.

16 Therefore, the future leadership and  
17 involvement of U.S. Bank's CEO to reach out to minority  
18 communities regarding small business contracting, home  
19 loans, business loans among others, as well as through  
20 adding of more minorities as employees, officers, and  
21 board members for greater diversity, I highly recommend  
22 it.

23 In this regard, we propose that the CEO  
24 of U.S. Bank to attend at least one annual meeting with  
25 the community groups -- again, one annual meeting to the

1 community groups. We propose to see a five year  
2 commitment signed by the CEO of U.S. Bank which could  
3 benefit various minority communities.

4                   We propose a report card to be submitted  
5 to the CEO of U.S. Bank and to the OCC and the Federal  
6 Reserve. Moreover, in order to reach more minority  
7 communities, the ethnic media spending to minority owned  
8 media should be increase in proportionate to the  
9 population and in comparison to the budget of bigger  
10 banks based on their market capitalization.

11                   If the above proposals are done, the  
12 merger of U.S. Bank and MUFG Union Bank could be an  
13 exemplary model for future bank mergers. Let the bank  
14 minorities become bankable. Let them have access to  
15 U.S. Bank's financial projects and services. Let the  
16 lower class become middle class. Let the middle class  
17 become upper class.

18                   How could this be obtained? Let the  
19 minority communities have more access to U.S. Bank's  
20 financial projects and services.

21                   By doing so, this could create more  
22 economic opportunities to minority communities, and U.S.  
23 Bank would have a better opportunity to be more successful  
24 -- in other words, in -- when all minority communities  
25 become successful, U.S. Bank would then become more

1 successful. Thank you very much.

2 MS. BANTA-LEWIS: Thank you for your  
3 comments. We'll now move to Marisa Barrera. If you  
4 could turn on your camera and come off mute.

5 MS. BARRERA: Good afternoon. Thank you  
6 for this opportunity to provide information. My name is  
7 Marisa Barrera, and I serve as DreamSpring chief impact  
8 officer.

9 DreamSpring is an award-winning community  
10 development financial institution, a non-profit mission  
11 based lender that focuses on increasing access to  
12 business credit and providing loans to enable  
13 underserved entrepreneurs to realize their dreams.

14 We were founded in 1994 in Albuquerque,  
15 New Mexico, and our work has grown to support  
16 entrepreneurs across the country. Our clients come from  
17 diverse backgrounds, geographies, and industries, and  
18 they all share an entrepreneurial desire and an urgent  
19 need for access to small business capital.

20 Since our inception, we've provided \$465  
21 million in loans to some 29,000 small businesses  
22 that have created or supported 72,000 jobs now across 19  
23 states. And DreamSpring is fortunate to have had a  
24 longstanding relationship with U.S. Bank and their  
25 partnership along so many of the steps in the growth of



1 our impact and work.

2                   For example, during the roughly ten year  
3 period from 2012 to today, U.S. Bank has provided over  
4 \$360,000 in philanthropic funds to support DreamSprings'  
5 work with populations that include entrepreneurs of color,  
6 entrepreneurs in a low to moderate income household, women  
7 business owners, and business owners with disabilities.

8                   DreamSpring has also received \$20,000 in  
9 charitable funding since 2018 from MUFG Union Bank. In  
10 addition to philanthropic support, U.S. Bank has a  
11 limited liability company investment in DreamSpring for  
12 \$1.2 million without any required rate of return which  
13 provides our organization with patient debt capital for  
14 our lending efforts.

15                   U.S. Bank has also engaged in our work in  
16 other meaningful ways. For example, the Bank has made  
17 it possible for three DreamSpring team members to  
18 attend a multiday anti-racism workshop.

19                   In 2019, U.S. Bank's chief social  
20 responsibility officer served as a speaker for a DreamSpring  
21 lead panel session at the Money 2020 Conference  
22 last year. And DreamSpring's president and CEO, Ann  
23 Haynes, is a volunteer member of U.S. Bank's community  
24 advisory council.

25                   Our organization is committed to financial

1 inclusion of underserved entrepreneurs, and we  
2 appreciate the many ways U.S. Bank has helped advance  
3 our work over many years. Thank you for your time  
4 today.

5 MS. BANTA-LEWIS: Thank you for your  
6 comments. We'll now move to Brateil Aghasi. If you  
7 could turn on your camera and come off mute.

8 MS. AGHASI: Can you hear me?

9 MS. BANTA-LEWIS: We can. You may begin  
10 your comments.

11 MS. AGHASI: Thank you so much. If you  
12 ask me to describe U.S. Bank in one word, the very first  
13 word that effortlessly comes to mind is community. U.S.  
14 Bank has supported us at WISEPlace, a women's homeless  
15 shelter in California for over two decades.

16 In the non-profit industry, we refer to  
17 time, talent, and treasure as essentially the trifecta  
18 of support, and U.S. Bank truly embodies all three of  
19 these pillars.

20 U.S. Bank has not only embraced our  
21 mission to end homelessness for vulnerable women in our  
22 community by providing a much needed financial support,  
23 but U.S. Bank has a full embrace of continual  
24 volunteerism. U.S. Bank has armed our organization with  
25 hundreds of volunteers who are passionate and have done

1 it all -- no volunteer opportunity is too small or too  
2 big to tackle together.

3 I've seen U.S. Bank volunteers roll up  
4 their sleeves and (inaudible) buildings, help us  
5 remodeling shelter homes, to month long collections of  
6 much needed items, along with providing expertise to the  
7 women and the populations that we serve on budgeting,  
8 financing, banking to strategic planning and leadership  
9 focused on diversity and equity.

10 And these conversations with U.S. Bank  
11 volunteers at all levels of their organization and all  
12 levels of our organization have really helped shape and  
13 customize our programs and services.

14 There are people who wait to be asked for  
15 help. And what I have personally experienced with U.S.  
16 Bank is that they are first to reach out and ask how  
17 they can help. I've personally experienced that the  
18 last two years.

19 During the pandemic while running a  
20 homeless shelter for vulnerable populations, U.S. Bank  
21 was the first to call me and say, "What do you need.  
22 How can we help?" And I will never forget that. So for  
23 these reasons and so many more, we enthusiastically  
24 offer our support of U.S. Bank and just wholeheartedly  
25 thank them for their community engagement and spirit

1 volunteerism in our community. Thank you.

2 MS. BANTA-LEWIS: Thank you for your  
3 comments. We'll now move to Erika Van Merr. If you  
4 could turn on your camera and come off mute.

5 MS. VAN MERR: Good afternoon. My name is  
6 Erika Van Merr, and I'm the associate director of  
7 philanthropy at FareStart. Over my ten years in  
8 employment at FareStart, I've worked extensively with  
9 both U.S. Bank and Union Bank.

10 FareStart is a Seattle based non-profit  
11 organization that transforms lives, disrupts poverty,  
12 and nourishes community through food, life skills, and  
13 job training.

14 Over our 30 year history, we have provided  
15 opportunities for nearly 13,000 adults and youth while  
16 serving over 14.5 million meals to Seattle area schools,  
17 homeless shelters, and healthcare facilities.

18 FareStart does not support or oppose the  
19 acquisition, but I want to provide some comment about  
20 U.S. Bank's partnership in support of our organization.

21 Since 1998, U.S. Bank has been a corporate  
22 supporter and partner providing consistent funding to  
23 our job training programs. Their employees volunteer  
24 their time and talent as well.

25 Most recently in 2021, they contributed

1 over 183 volunteer hours. In -- in 2020, U.S. Bank had  
2 planned to launch a mobile food truck to reach new  
3 customers and engage with the communities, but due to  
4 the pandemic, the vehicle could no longer be utilized  
5 as intended.

6 As a result, they reached out to us and  
7 used a truck to deliver training materials and  
8 technology packages to FareStart students when we  
9 launched a virtual version (inaudible) program which had  
10 been on pause due to COVID-19. That concludes my  
11 comments for today. Thank you so much for your time.

12 GROUP 9

13 MS. BANTA-LEWIS: Thank you for your  
14 comments. We'll now move into group number 9. And  
15 we'll begin with Gina Cunningham. If you could turn on  
16 your camera and come off mute.

17 MS. CUNNINGHAM: Good afternoon. My name  
18 is Gina Cunningham, and I am the executive director of  
19 HomeAid Orange County. We are a California non-profit  
20 organization with the mission to build a future without  
21 homelessness. We believe that housing is a human right.  
22 We accomplish our critical mission through the  
23 development of housing, community engagement, and  
24 education.

25 We are in full support of the acquisition

1 of MUFG Union Bank by U.S. Bancorp. Both of these  
2 financial institutions have supported HomeAid's mission  
3 for more than a decade. Their support has come in both  
4 employee volunteerism through our community engagement  
5 activities and with financial support through grant  
6 funding opportunities.

7 We are also very grateful to have a  
8 volunteer on our board of directors from U.S. Bancorp  
9 here locally in Orange County.

10 HomeAid's work in our community would not  
11 be possible without partners like U.S. Bancorp and MUFG  
12 Union Bank. With nearly 7,000 people experiencing  
13 homelessness in Orange County, we know the one thing  
14 that will end homelessness is very simple: it's housing.

15 HomeAid Orange County is in support of  
16 the acquisition and merger of these two great financial  
17 institutions. Thank you for your time today.

18 MS. BANTA-LEWIS: Thank you for your  
19 comments. We'll now move to Sarah Letts. If you could  
20 turn on your camera and come off mute.

21 MS. LETTS: Good afternoon. My name is  
22 Sarah Letts, and I'm the executive director of Hollywood  
23 Community Housing Corporation. Our non-profit was  
24 incorporated in 1989, and 33 years later our focus  
25 continues to be community development through the

1 renovation and new construction of service enriched  
2 affordable housing.

3                   We've been working with U.S. Bank for 15  
4 years, and we value them as a financing partner. U.S.  
5 Bank is the equity investor in three of our buildings,  
6 and they are financed with low income housing tax  
7 credits or LIHTC. Their total equity investment in  
8 these three properties is \$42 million.

9                   And from the beginning of the underwriting  
10 process to closing loans and then working with their  
11 asset management team during operations, U.S. Bank has  
12 demonstrated an ability to meet our evolving needs.

13                   Throughout the years, U.S. Bank has also  
14 demonstrated their continuing commitment to low income  
15 communities. LIHTC investors in many of our other  
16 buildings have sold their interests in our properties to  
17 other investors, but U.S. Bank has remained committed to  
18 our properties and to the people we serve.

19                   In closing, we support U.S. Bank's  
20 acquisition of Union Bank because of their strong  
21 commitment to low income communities. Thank you.

22                   MS. BANTA-LEWIS: Thank you for your  
23 comments. We'll now hear from Agnes Noonan. If you  
24 could turn on your camera and come off mute.

25                   MS. NOONAN: Good afternoon. My name is

1 Agnes Noonan, and I'm the president of the Women's  
2 Economic Self-Sufficiency Team, DBA WESST, which is  
3 headquartered in Albuquerque. WESST is a statewide  
4 501(c)(3) with a mission of providing access and  
5 resources to any New Mexican who wants to start and grow  
6 their own business. Particularly for our target market,  
7 it's women, people of color, and low wealth New  
8 Mexicans.

9 WESST is a CDFI, an SBA microlender, and  
10 host to six women's business centers in New Mexico. I  
11 was very pleased to learn of the pending U.S. Bank  
12 acquisition of MUFG Union Bank, and we're delighted to  
13 provide our strong endorsement of this acquisition  
14 because we have experienced firsthand what a great  
15 community partner U.S. Bank is.

16 During its ten-year history in New  
17 Mexico, U.S. Bank has educated itself about the  
18 financial and economic challenges facing New Mexicans.

19 Shortly after their entrance into the New  
20 Mexico market, the bank partnered with United Way of  
21 Central New Mexico to sponsor communitywide capacity  
22 building, training, and development activities for the  
23 non-profit sector which assisted with their efforts to  
24 create a more equitable economy.

25 Through volunteerism, including board



1 service and financial support of WESST's mission, U.S.  
2 Bank has and is assisting our efforts to reach  
3 underserved communities and individuals, including  
4 immigrants, native Spanish speakers, political refugees,  
5 and indigenous Americans who seek to become self  
6 sufficient through sustainable entrepreneurship.

7 In turn, the Bank's support over the last  
8 five years alone has helped WESST's clients create 1,781  
9 new jobs, 365 business starts, and generate \$365 million  
10 in sales revenues -- all with the clientele which is 90  
11 percent diverse and typically a business of no more than  
12 five employees.

13 We believe U.S. Bank's acquisition of  
14 Union Bank will provide all the impacted communities  
15 with the great bank partner who will help them improve  
16 the lives and livelihoods of community residents. We  
17 strongly endorse their application without reservation.

18 Thank you very much.

19 MS. BANTA-LEWIS: Thank you for your  
20 comments. We'll now move to Mary Tingerthal. If you  
21 could turn on your camera and come off mute.

22 MS. TINGERTHAL: Thank you very much. My  
23 name is Mary Tingerthal. I appreciate the opportunity  
24 to present testimony today. I'm speaking today on my  
25 own behalf and not behalf of any organization.

1                   From 2011 to 2019, I served as  
2 commissioner of the Minnesota State Housing Finance  
3 Agency and as a member of the Governor's cabinet. Prior  
4 to that opportunity, I've had multiple positions focused  
5 on affordable housing and community development both in  
6 the non-profit and for-profit sectors and have several  
7 opportunities to intersect with U.S. Bank in that work.

8                   I'd like to recount two examples of  
9 working with U.S. Bank business units where the bank  
10 really showed its support for programs that support the  
11 community.

12                   I first want to discuss an important  
13 experience with U.S. Bank mortgage. When I joined  
14 Minnesota housing in 2011, we were still in the wake of  
15 the 2008 foreclosure crisis.

16                   In 2011, we at the agency made mortgages  
17 to only 555 households of color to buy their first  
18 homes. Worse yet that represented only 15 percent of  
19 all the mortgages we funded that year.

20                   So the next year, we set out to redesign  
21 our entire mortgage program to increase overall mortgage  
22 activity and to make sure that the percentage going to  
23 households of color was dramatically increased.

24                   I'm pleased to say that by 2019, we had  
25 made great progress on both goals. We served three

1 times as many households of color, over 1,650 households  
2 and 35 percent of our mortgages went to households of  
3 color. We still have more to do, but it's great  
4 progress.

5                   And in order to do this, we had to  
6 redesign our products because they weren't focused on  
7 the right households.

8                   We could not have done that without the  
9 assistance of U.S. Bank mortgage which turned around  
10 very quickly our ability to offer different kinds of  
11 down payment assistance that we could not have offered  
12 on our own. It's a great example of a behind the scenes  
13 role that the bank plays not only in Minnesota but in  
14 several housing finance agencies around the country.

15                   I also want to say that I've been proud to  
16 serve on the advisory board of the U.S. Bank Community  
17 development entity, the business unit that makes  
18 investments using the new market's tax credit.

19                   And in the past four years, and I've been  
20 on the advisory board for 10 years, the leadership and  
21 staff supporting this business unit have been very  
22 explicit about their commitment to invest in businesses  
23 lead by people of color. To help in accomplishing that  
24 goal, they provided training on diversity and equity,  
25 not only for the staff but the advisory board as well.

1                   Thank you so much for my opportunity to  
2 share this with you, and I appreciate your hearings and  
3 letting this testimony be heard. Thank you.

4                   MS. BANTA-LEWIS: Thank you for those  
5 comments. We'll now hear from Rebecca Aguilera  
6 Gardiner. We are unmuting Ms. Aguilera Gardiner because  
7 of technical issues, but we should be able to hear her.

8                   MS. AGUILERA-GARDINER: Excellent. Can  
9 you hear me now?

10                  MS. BANTA-LEWIS: We can.

11                  MS. AGUILERA-GARDINER: Great.

12                  MS. BANTA-LEWIS: You may begin your  
13 comments.

14                  MS. AGUILERA-GARDINER: All right.  
15 Excellent. Good afternoon. I am Rebecca Aguilera-  
16 Gardiner, the CEO and co-founder for Veterans in  
17 Business Network, a non-profit 501(c)(3) organization.  
18 The VIB network advocates on behalf of the Veteran and  
19 the service-disabled veteran business community  
20 nationwide. We help connect veteran business owners to  
21 corporations and government agencies for contracting  
22 opportunities.

23                  Veterans are a diverse  
24 collection of all types of individuals made up of all  
25 races, creeds, orientations, abilities, and genders.

1 Veteran businesses make up about 5.9 percent of all  
2 businesses in the United States with an estimated \$947  
3 billion in receipts, approximately 3.9 million  
4 employees, and about 177 billion in annual pay role.

5           Thanks to our corporate partners, Union  
6 Bank, we have been able to offer business resources,  
7 training of veteran business directors, scholarships to  
8 the UCLA Management Development for Entrepreneurs  
9 program and more, all at no cost to the veteran business  
10 community.

11           Union Bank has been an active partner to  
12 the Veterans in Business Network since our inception in  
13 2016. And they have also -- and they also have a seat  
14 on our corporate board. They have helped educate  
15 veteran businesses on how to win contracts with Union  
16 Bank, and the benefits of supplier diversity.

17           Union Bank has conducted financial  
18 business workshops for us in the past. In fact, one of  
19 the highest attended webinars we did with them was at  
20 the end of 2020 to help veteran businesses understand  
21 how to close out their year so they could start 2021  
22 strong.

23           The VIB network salutes Union Bank for  
24 their dedication to the veteran business community, and  
25 we hope this acquisition will continue to help and

1 support veteran businesses nationwide grow and thrive.  
2 Thank you for your time and thank you for allowing me to  
3 share my comments.

4 MS. BANTA-LEWIS: Thank you for your  
5 comments. We'll now hear from Leah Miller. If you  
6 could turn on your camera and come off mute.

7 MS. MILLER: Hey, there, good afternoon.  
8 My name is Leah Miller. I am the president of CEO of  
9 Habitat for Humanity of Greater Sacramento. Thank you  
10 so much for the opportunity to speak today regarding the  
11 many ways that U.S. Bank has made the work of our  
12 organization possible.

13 U.S. Bank has been very engaged in  
14 supporting our organization -- the organizations  
15 throughout our community here in the Sacramento region  
16 in Northern California.

17 Specifically speaking regarding the  
18 support for our Habitat for Humanity affiliate, U.S.  
19 Bank has been a strong supporter of local -- our local  
20 organization for over 25 years, and they've donated more  
21 than \$500,000 to support the work that we do to develop  
22 affordable home ownership opportunities to further the  
23 preservation of existing affordable housing in our  
24 community and to support numerous fundraising events and  
25 campaigns.

1                   They've also hosted numerous financial  
2 education webinars for the new home owners that we serve  
3 as well as for our Habitat Young Professionals group.  
4 Over the years, numerous members of the Habitat -- of  
5 the U.S. Bank team have served on our board of directors  
6 as well as various event and fundraising committees.

7                   In total in the past years since 1997,  
8 U.S. Bank team members have volunteered more than 21,000  
9 hours to make the work of Habitat for Humanity of  
10 Greater Sacramento possible.

11                   U.S. Bank has been and continues to be one  
12 of the most engaged and supportive partners of our  
13 organization. They have been an important part in  
14 making the work that we do in the community possible.

15                   Their leadership has consistently  
16 demonstrated a genuine and generous investment and  
17 partnership with our organization and so many others  
18 through our community at large. Thank you for this  
19 opportunity.

20                   MS. BANTA-LEWIS: Thank you for those  
21 comments. We'll now hear from David Lizarraga. If you  
22 could turn on your camera and come off mute. Just give  
23 him one moment. David, are you able to come off mute?

24                   It looks like we may have lost Mr.  
25 Lizarraga so I think we should move on to the next

1 person, and then we come back to him if he -- he joins  
2 in the next couple minutes or at the very end in group  
3 14. Okay. We will move on to Katherine Siddens. If  
4 you could turn on your camera and come off mute.

5 MS. SIDDENS: Here. Good afternoon to the  
6 members of the Board of the Federal Reserve and the OCC.

7 I'm honored to be here today to show my support for the  
8 U.S. Bank, Union Bank merger. My name is Kathy Siddens,  
9 and I'm the executive director of Prosperity Connection  
10 which is located in St. Louis, Missouri.

11 We're a non-profit organization that  
12 serves the bi-state region. Our mission is to promote  
13 economic success for everyone in the region by providing  
14 financial education and access to reliable products and  
15 services.

16 We offer financial coaching and personal  
17 finances classes at no cost to our customers. These key  
18 resources make it possible for individuals to earn  
19 economic independence.

20 We envision an equitable community where  
21 everyone has the access, skills, tools, and confidence  
22 to achieve their financial aspirations. Through our  
23 coaching and educational resources, we aspire to bring  
24 financial justice and economic dignity to every customer  
25 we serve.



1                   As we all know, building financial  
2 capacity is critical to reducing the racial wealth gap  
3 for those in our communities. At Prosperity Connection,  
4 we provide those services to our many customers through  
5 the support of our great partners like U.S. Bank, who  
6 are leaders in the area of financial inclusion.

7                   Our work would not have the impact it does  
8 without the commitment of U.S. Bank. They have provided  
9 dedicated volunteers through board and committee service  
10 and subject matter experts, especially in the area of  
11 home ownership to low- and moderate-income communities.  
12 These volunteers have been critical to our current  
13 success and our future growth.

14                   This valuable experience as well as much  
15 needed financial support for our operations over many  
16 years has been extraordinarily valuable to our  
17 organization in many ways.

18                   Through U.S. Bank's access commitment, the  
19 Bank has made a long-term commitment to wealth building  
20 in the diverse communities that we serve, focusing on  
21 advancing black home ownership through outreach and  
22 engagement with local community past partners like U.S.  
23 Bank (inaudible) with Prosperity Connection.

24                   The initiative has been especially  
25 impactful to us through our partnership with Project

1 Home. Project Home is a public-private partnership  
2 collaborative created by the Federal Office of Probation  
3 and Parole that includes non-profit organizations, real  
4 estate agencies, and banks to provide home ownership  
5 opportunities for those re-entering from the federal  
6 prison system.

7                   This phenomenal program has made home  
8 ownership a reality for nearly 100 individuals and  
9 families, stabilizing both the family as well as the  
10 communities in which they reside.

11                   With a zero recidivism rate, this place  
12 based program has been recognized in two presidential  
13 administrations as the best practice for helping those  
14 who have served their debt to society re-enter our  
15 communities with dignity.

16                   U.S. Bank was asked to become a founding  
17 member of this collaborative because of the home buying  
18 products and services they offer to those most  
19 vulnerable in our communities, as well as their  
20 extensive focuses on building financial capacity for the  
21 LMI community.

22                   On behalf of the board, staff, volunteers,  
23 and customers of Prosperity Connection, we fully support  
24 this merger and thank you very much for your time today.

25                   MS. BANTA-LEWIS: Thank you for your

1 comments. We'll now circle back to David Lizarraga. If  
2 you're able to turn on your camera and come off mute.  
3 Give that a moment. David Lizarraga.

4 MR. LIZARRAGA: Can you hear me?

5 MS. BANTA-LEWIS: We can.

6 MR. LIZARRAGA: Okay. I'm sorry for the  
7 problems I've created here.

8 MS. BANTA-LEWIS: No worries at all. You  
9 may begin your comments.

10 MR. LIZARRAGA: So good afternoon. My  
11 name is David Lizarraga, chairman and founder of the  
12 TELACU Education Foundation and chairman emeritus of  
13 TELACU. Thank (inaudible) testify in support of the  
14 merger of two key financial institutions that are  
15 particularly important to the California market and  
16 whose missions and corporate cultures are very much  
17 aligned.

18 TELACU is a Latino led community  
19 development corporation in Los Angeles. For more than  
20 50 years, TELACU businesses have generated profitability  
21 and (inaudible) from social impact. We build community  
22 assets, create well-paying jobs, develop quality  
23 affordable homes for our first-time homeowners and low  
24 income seniors.

25 Our CDFI provides access to capital for

1 small businesses and hard-working families. And our  
2 education foundation has empowered thousands of Latino  
3 students and veterans to achieve academic and  
4 professional success.

5 I have served on Union Bank's advisory  
6 board for seven years. During our quarterly meetings,  
7 we have engaged in high level challenging discussions  
8 that I am pleased to report have developed much trust  
9 among us all. Many of the recommendations made by my  
10 fellow board members and me have resulted in policy  
11 changes that benefit our economically distressed  
12 communities.

13 TELACU's new market's community capital  
14 has received \$113 million from U.S. Bank  
15 resulting in a total capital investment on nearly \$200  
16 million to low income communities.

17 The nine projects funded created more than  
18 2,300 jobs. Part of these developments were community  
19 facility type projects that annually served well over  
20 102,000 LMI individuals. Without these funds, none of  
21 these projects would have been able to move forward.

22 For decades, both banks have invested in  
23 our educational and workforce development programs which  
24 provide comprehensive services and financial education.

25 Their investments have developed thousands

1 of minority professionals in high growth, high impact  
2 sectors, particularly small business entrepreneurs and  
3 those in financial services as well as nurses, doctors,  
4 and healthcare professionals now serving LMI  
5 communities.

6                   Union Bank's student run branch program in  
7 high school campuses is an innovative approach to  
8 providing financial education and promoting college  
9 readiness in our LMI communities. Student bankers  
10 develop critical skills and share basics of personal  
11 finance that empower their peers, families, and school  
12 communities.

13                   A long-time member of both Greenlining and  
14 CRC, I support many of their recommendations,  
15 particularly the need for more diversity in the C Suite,  
16 executive, and board levels as well as increased  
17 investment in community outreach and expansion of staff  
18 and resources to address (inaudible) stability and back  
19 minority and low-income communities.

20                   Based on a long standing and mutual  
21 beneficial relationship of both institutions, I  
22 wholeheartedly support this merger and trust that it  
23 will not result in diminished support for our community  
24 but rather that the combined financial equity of these  
25 two well respected institutions will significantly

1 advance all segments of the population. Thank you very  
2 much for the opportunity to testify.

3 MS. BANTA-LEWIS: Thank you for those  
4 comments. We'll now move into group number 10. Doctor  
5 Ruben Guerra, if you could turn on your camera and come  
6 off mute.

7 GROUP 10

8 DR. GUERRA: Good afternoon.

9 MS. BANTA-LEWIS: Wonderful. You may  
10 begin your comments.

11 DR. GUERRA: Good afternoon Board of  
12 Governors and everybody on this call. I had a nice  
13 speech written, but after I -- the commitment that U.S.  
14 Bank has made, there's just one thing that -- that I'd  
15 like to know is how is U.S. Bank going to distribute the  
16 commitment?

17 There is, there is a problem that happens  
18 here and has happened for many years. You know, I have  
19 represented the Latin Business Association for 18 years  
20 now, and so I've been around with all the banks and how  
21 they work.

22 And honestly I've been hearing to  
23 everybody speak today, and there's so much rhetoric. Of  
24 course, they're going to be supporting because they  
25 already get financial aid, and they get aid from U.S.

1 Bank and Union Bank.

2 U.S. Bank honestly here in California does  
3 a terrible job when it comes to diversity and that is  
4 something that I personally know through our  
5 organization and through all our business owners. So I  
6 want to know how are they going to distribute these  
7 funds? How is it going to improve the developers --  
8 black and Latino developers in our community.

9 UNIDENTIFIED SPEAKER: And all she could  
10 see was our screen?

11 DR. GUERRA: Is somebody speaking?

12 MR. OLSON: Yes, so -- yeah, if everyone  
13 could be on mute except for the speaker, please. Thank  
14 you.

15 DR. GUERRA: How is this going to effect  
16 and provide more lending to contractors? We have a huge  
17 base of contractors that are in need. They can do these  
18 big projects, but the banks don't want to lend money  
19 because they're contractors. How are they going to do  
20 more lending for our developers, our contractors, our  
21 small businesses, the Latino and black community here in  
22 California? That's my concern.

23 And, yes, there's that old -- good old  
24 boys club in these bank that if you know somebody that's  
25 how you're going to get your funding. It doesn't matter

1 what you do. If you know somebody on the inside that's  
2 how you're going to get your funding. So they need to  
3 see throughout all aspects of where they're going to  
4 fund.

5                   They need to really -- and I got to say,  
6 Union Bank, there's one person out there that's really  
7 done a great job -- actually a couple. But when it  
8 comes to diversity, Richard Chacon, U.S. Bank, it would  
9 be a big mistake to lose that guy because he can teach.  
10 He can show U.S. Bank how it's done. And he can really  
11 impact the community. So Richard Chacon and Mr. Robinson  
12 at -- from Union Bank, they really need to be part of  
13 this because it needs to be consistent. If somebody leaves,  
14 they're going to lose all the  
15 consistency within the community.

16                   And we also need more support for our  
17 non-profits. The LBA has been here for 45 years and  
18 continuing fighting for our businesses. Thank you.

19                   MS. BANTA-LEWIS: Thank you for those  
20 comments. We're now going to hear from Claudine Cheng.  
21 Claudine Cheng, if you could unmute yourself.

22                   MS. CHENG: I think you might have to --  
23 hi, can you hear me?

24                   MS. BANTA-LEWIS: We can hear you. Yeah.

25                   MS. CHENG: Oh, so thank you. I'm so



1 sorry. I have had technical difficulties this morning.

2 My name is Claudine Cheng. I think I'm still not  
3 seeing myself on the screen there, but I hope you can  
4 hear me.

5 I'm Claudine Cheng, the president of the  
6 APA Heritage Foundation in San Francisco. The APA  
7 Heritage Foundation is a non -- 501(c)(3) non-profit,  
8 and our mission is to promote public awareness of the  
9 diverse APA cultural heritage and to provide  
10 opportunities for community collaborations between city  
11 and state government and communities and the business  
12 community.

13 So I feel like I'm in a very good space to  
14 comment on the merger because I have had very positive  
15 experience with both U.S. Bank and Union Bank.

16 Every year the main -- one of the main  
17 activities of the foundation is to plan and implement  
18 the celebration of Asian Pacific Americans Heritage  
19 month, which is the month of May in this country.

20 And, you know -- and for many years, Union  
21 -- both U.S. Bank and Union Bank has been a very  
22 enthusiastic supports of our program which goes on for a  
23 whole month long.

24 So I feel like this -- the merger of the  
25 bank -- I think the merger of resources would be very



1 for the opportunity to testify. My name is Leo  
2 Goldberg. I'm co-director of the California Community  
3 Land Trust Network. We represent 25 non-profit members  
4 who develop and steward permanently affordable community  
5 owned housing across the State of California.

6 Community land trusts or CLTs are an  
7 essential strategy for addressing California's  
8 affordability crisis. They take land and housing from  
9 the speculative market and place them in the permanent  
10 affordability through community ownership.

11 CLTs are often formed by and strive to  
12 serve people of color that have been historically  
13 excluded from the wealth creation produced by home  
14 ownership and are too often subjected to the whims of  
15 investor landlords and the harshest fallout of the COVID  
16 pandemic. 70 percent of our residents are people of  
17 color.

18 The California CLT Network is opposed to  
19 the merger of U.S. and Union banks until we see a  
20 demonstrated commitment to ensuring that the merger  
21 results in an increase in investment in the low income  
22 and black and brown communities where our members live  
23 and work.

24 In California, we are living through the  
25 fallout of the affordable housing and COVID crisis, and

1 this critical moment for the banking industry and  
2 government to channel investments into housing access  
3 for low income households.

4 I'll point out two specific areas where we  
5 should see commitments from the bank: the first relates  
6 to the rising tide of foreclosures and corresponding  
7 influx of investor capital looking to capitalize by  
8 flipping properties or increasing rents to capture the  
9 huge demand for housing. Too often this results in the  
10 displacement of tenants who are predominantly low income  
11 and people of color.

12 Community Land Trust and their community  
13 development partners are looking for opportunities to  
14 intervene on behalf of low-income tenants facing  
15 displacement by preserving their properties as  
16 permanently affordable community assets and creating a  
17 pathway to home ownership.

18 We want to see this bank merger produce a  
19 commitment to support this preservation work by  
20 allocating capacity building funding and acquisition  
21 capital to non-profit organizations working in the  
22 hardest hit communities.

23 Additionally, we call on the bank to  
24 evaluate their mortgage lending practices and extend  
25 their home purchase mortgages to community land trust

1 home buyers who are too often excluded because shared  
2 equity home ownership lies outside of restricted bank  
3 underwriting norms.

4 Our members are creating home ownership  
5 opportunities, and potential first-time home buyers  
6 lined up but too often a lack of mortgage products gets  
7 in the way.

8 We also believe that it's critical that  
9 banks make loans available to community land trust  
10 homebuyers without an individual tax identification  
11 number. These loans will support home ownership for  
12 people without social security numbers.

13 To wrap up, we oppose the merger at this  
14 time, and we hope that the bank will agree to a strong  
15 community benefits agreement that includes the elements  
16 I have discussed. Thank you for the opportunity to  
17 testify.

18 MS. BANTA-LEWIS: Thank you for your  
19 comments. We'll now hear from Elba Schildcrout. If you  
20 could turn on your camera and come off mute.

21 MS. SCHILDCROUT: Hi everybody. Can you  
22 hear me okay?

23 MS. BANTA-LEWIS: We can. You may begin  
24 your comments.

25 MS. SCHILDCROUT: Great. Thank you. So

1 thank you for having me. My name is Elba, and I'm the  
2 director of community wealth and services at East LA  
3 Community Corporation. We're also a non-profit  
4 organization providing financial services to our  
5 community members and the LA County, and the near --  
6 surrounding areas as well as we're affordable housing  
7 developer.

8 I am also here on behalf of the California  
9 Reinvestment Coalition. I am a secretary of the board,  
10 and I am very interested in talking about our concerns  
11 around the merger. So we are currently opposing the  
12 merger.

13 The reasons behind the -- we're opposing  
14 the merger is because we want to see a really strong  
15 community benefits agreement. Some of the things that  
16 we're looking to see is an expansion of first-time home  
17 buyer programs that are going to include accessibility  
18 to people that are -- that are low income as well as  
19 looking at people that are undocumented.

20 Similar to my colleague Leo that mentioned  
21 individual taxpayer identification numbers -- we want that  
22 to be expanded access to them as well.

23 We do understand that there -- that Union  
24 Bank had a pretty decent product for low mortgage -- for  
25 the low down payment, and we don't want to lose that.

1 We want to make sure that there is portfolio products  
2 out there that are also supporting low income  
3 communities with -- they need  
4 to do a lower down payment.

5 Also, we want to make sure that there are no bank  
6 closures in our communities. Many union banks -- locations  
7 are located in communities of color, and we don't want to lose  
8 any of that access to those communities.

9 The other thing we are really concerned about is the  
10 loss -- as a non-profit, affordable housing developer, having  
11 these two banks merge, it's going to reduce the competition.  
12 We have seen that there's been -- we've been able to get  
13 better pricing and investment through Union Bank, because they  
14 are able to compete against each other. And our concern --  
15 that is one thing, because we may be losing some of the good  
16 pricing, and even doubling the investment is not going to be  
17 enough for us to be able to truly see an impact as they're  
18 becoming a larger institution.

19 We do -- I do thank you for having this hearing, but  
20 holding this hearing is not going to be enough. We do want  
21 the regulators to scrutinize these applications, and ensure  
22 that there's a clear community -- a clear public benefit, and  
23 a condition to any merger approval and compliance with a  
24 strong community benefits agreement.

25 And I will stop there, and thank you so much for

1 having me.

2 MS. BANTA-LEWIS: Thank you for those comments.

3 We'll now hear from Mary Scott Knoll.

4 If you could, turn on your camera and come off mute.

5 MS. KNOLL: Good afternoon. My name is Mary Scott  
6 Knoll. I am the executive director of the Fair Housing  
7 Council of San Diego. Our mission is the eradication of  
8 unlawful housing discrimination, and we do that work through  
9 outreach, education, and enforcement referrals to enforcement  
10 entities.

11 I'm also a member of the California Reinvestment  
12 Committee, and so I'm a member -- and speaking in opposition  
13 to the merger that we are discussing.

14 While I begin by applauding with -- very vigorously,  
15 all of the comments that have been made, the work that has  
16 been done, and the achievements done by these two banks, and  
17 I'll just refer to them as "banks" during my comments. And  
18 I'm going to now read, so that, in the interest of time, I can  
19 get all my things in.

20 My comments today relate to the instant case, where  
21 we are asking that the application for the proposed bank  
22 merger be interfaced with and be connected to the presentation  
23 of a very strong community benefits agreement. We believe  
24 that all community benefits agreements should be locally  
25 defined, however. And in my view, with 30 years of listening



1 to what the community expresses that they need, I can very  
2 readily say that the three areas that I note where we need to  
3 have the banks do more -- we are proud of what they have done,  
4 we ask them to do more in the areas of outreach, education,  
5 and provisions of sites, bank locations, and services and  
6 products.

7           With the outreach and education, we would like to  
8 see banks reach out to the people who are beyond the fair  
9 housing -- excuse me, the counseling programs. There is a  
10 vast number of people who are still working, who are trying to  
11 amass the funds to make the first-time home buyer  
12 down payments, but who have no idea about the world of finance,  
13 about how to prepare themselves to enter that world. There  
14 are a vast number of people who will be potential applicants,  
15 bank loan applicants. We need to reach out to them.

16           Once we've reached out to them, we need to make sure  
17 that there are sites that -- where they can get products that  
18 are related to them, both in rural and urban communities. And  
19 we hope that those benefits will be encompassed in an  
20 agreement that remembers them, that has products for them,  
21 that does not close banks, that makes sure that they remediate  
22 where bank loans and percentages between black applicants and  
23 white applicants, Hispanic applicants are made more even-  
24 keeled, and that we can demonstrate that there is equity and  
25 opportunity.

1           I do appreciate the opportunity to speak with you  
2 today, and hope that these comments will be taken into  
3 consideration. Thank you.

4           MS. BANTA-LEWIS: Thank you for those comments.  
5 We'll now hear from Rawan Elhalaby.

6           MS. ELHALABY: Thank you. Good afternoon. My name  
7 is Rawan Elhalaby, and I'm the associate director of economic  
8 equity at the Greenlining Institute.

9           The Greenlining Institute is a state and national  
10 policy research organization and leadership development  
11 organization working to advance economic opportunity and  
12 empowerment for people of color and low-income communities.  
13 Founded in 1993, and based in Oakland, California, Greenlining  
14 envisions a nation where communities of color thrive, and  
15 where a person's race is never a barrier to economic  
16 opportunity.

17           We work alongside a coalition of over 40 grassroots,  
18 community-based organizations, including minority business  
19 associations, community development corporations, and civil  
20 rights organizations. Our advocacy addresses the root causes  
21 of racial, economic, and environmental inequities to  
22 meaningfully transform the material conditions of communities  
23 of color in California and across the nation.

24           In this testimony I wish to emphasize that U.S.  
25 Bank's proposed acquisition of Union Bank will result in an

1 outsized impact on California's communities of color. The  
2 loss of Union Bank and its CRA activity, including significant  
3 investments in housing and community development, will reduce  
4 the ability of communities of color to access credit and  
5 financial services that are necessary to bridge the racial  
6 wealth gap.

7 I am particularly concerned, that while U.S. Bank  
8 has engaged in conversations with community groups -- and for  
9 that we are very appreciative -- the bank has not made  
10 adequate commitments to communities of color that are  
11 specific, quantifiable, and reflective of the size of this  
12 acquisition.

13 In California, the black home ownership rate is 37  
14 percent, and the Latino home ownership rate is 44 percent.  
15 Financial institutions like U.S. Bank are obligated to meet  
16 the credit needs of these communities that make a meaningful  
17 effort to bridge the racial wealth and home ownership gap.  
18 It's important that the Federal Reserve Board and the OCC  
19 scrutinize the extent to which the acquisition of Union Bank  
20 by U.S. Bank will disrupt or contribute to efforts to meet the  
21 needs of California's most historically marginalized  
22 communities in the areas of wealth building through affordable  
23 and targeted products and services, diverse staff and  
24 leadership, and branches.

25 I am particularly concerned about the potential

1 closure of branches due to this merger in the long term. The  
2 consolidation of banks has led to a significant decrease of  
3 bank branches in majority-minority neighborhoods. In these  
4 neighborhoods, where broadband access and transportation is  
5 limited, bank branches are critical for meeting the needs of  
6 people of color. With fewer branches, communities of color  
7 are targeted by predatory, non-bank lenders to meet their  
8 credit needs.

9           The only remedy for these concerns, an indicator of  
10 public benefit of this merger, is a community benefits  
11 agreement that makes concrete commitments to the communities  
12 most impacted. These are communities of color, especially in  
13 California, where 90 percent of the acquired assets of Union  
14 Bank are located. These commitments must directly address  
15 racial inequities perpetuated by bank consolidation.

16           For now, in the absence of a strong community  
17 benefits agreement that meets the needs of California  
18 communities, I oppose this merger application. This concludes  
19 my remarks.

20           MS. BANTA-LEWIS: Thank you for those comments. We  
21 will now hear from Debra Gore.

22           If you could, turn on your camera and come off mute.

23           MS. GORE-MANN: Hello, my name is Deborah Gore-Mann,  
24 and I'm the president and CEO of the Greenlining Institute. I  
25 also serve on the San Francisco Federal Reserve Community

1 Council Advisory Council under Mary Daly's leadership.

2 U.S. Bank said in a statement, "With the  
3 acquisition, U.S. Bank will gain more than one million loyal  
4 consumer customers (inaudible) and about 90,000 small business  
5 customers, in addition to approximately 58 billion in loans  
6 and 90 billion in deposits. The combination will improve U.S.  
7 Bank's position -- deposit position in California from tenth  
8 to fifth, and will significantly increase its customer base in  
9 California."

10 California has a lot at stake in this acquisition.  
11 It is our trusted relationship with our banks in California  
12 that demonstrate value. We express that value through a  
13 commitment of a community benefits agreement in writing and in  
14 deeds. U.S. Bank has provided an initial draft of the CBA,  
15 and we were appreciative of that effort. And U.S. Bank must  
16 now offer a definitive commitment to a CBA that is yet to be  
17 received or in place.

18 Since 1977, banks have been required by the CRA to  
19 lend to LMI neighborhoods. But 40 years later, figures  
20 from the Census Bureau show the average white family was worth  
21 15 times more than the average black family. Fundamentally,  
22 CRA is not reversing the historic damages of racial  
23 discriminatory redlining. Despite these disparities, 99  
24 percent of the national banks receive a satisfactory or  
25 outstanding grade on their inspections under CRA.

1           In a U.S. Bank quote to public comments, they  
2     respectively -- respectfully submit that, when acting on an  
3     application, the agency should consider the OCC's own  
4     findings. The CRA's performance of each bank has been  
5     outstanding on an overall basis, as well, in California. So  
6     if the CRA is in need of modification, U.S. Bank is requesting  
7     that the OCC's own findings should be considered, then perhaps  
8     we should pause to consider the effectiveness of the outdated  
9     CRA performance.

10           U.S. Bank, in another statement, said the acquisition  
11     will enable it to offer improved technology to Union Bank's  
12     one million customers, and it expects to offer a combination  
13     of online and in-person services across former Union Bank  
14     areas.

15           Most recently, the Greenlining Institute published a  
16     research piece titled Algorithmic Bias Explained: How  
17     Automated Business Decisions Becomes an Automated  
18     Discrimination. Algorithmic bias occurs when an algorithmic  
19     decision creates unfair outcomes, and unjustifiably and  
20     arbitrarily privileges certain groups over another. The  
21     consolidation of banking and explosive expansion of fintech  
22     will serve to simplify -- excuse me, amplify the algorithmic  
23     biases that are moving faster than CRA, and faster than  
24     regulation.

25           We are especially concerned that a transaction that

1 will move a bank from tenth to fifth in California might  
2 create this algorithmic bias. We request that a CBA be  
3 required and cited if an approval is granted to the bank.

4 Thank you, and that concludes my remarks.

5 MS. BANTA-LEWIS: Thank you for those comments.  
6 We'll now hear from Holden Weisman.

7 If you could, turn on your camera and come off mute.

8 MR. WEISMAN: Great, thank you very much. My name  
9 is Holden Weisman, I am the senior director for economic  
10 equity at the Greenlining Institute. I'm testifying today in  
11 opposition to the proposed merger of U.S. Bank and Union Bank  
12 until such time as a strong, clear, and detailed community  
13 benefits agreement is negotiated between the new bank and its  
14 community-based partners.

15 To underscore the need for such a CBA, above and  
16 beyond what my colleagues have already stated, I would like to  
17 specifically highlight our concerns regarding the lack of home  
18 lending to low-income communities and communities of color in  
19 California, compared to similar banks in the state.

20 A home is the largest asset most individuals or  
21 families will ever own in their lives. And for most, this  
22 purchase will also represent the most significant source of  
23 wealth and the greatest potential for intergenerational wealth  
24 transfer. The home ownership rate in California is already  
25 one of the lowest in the country. And as you previously

1 heard, this rate falls even lower for black and Latino  
2 communities in the state.

3           Were the combined bank to continue the trends we have  
4 observed in U.S. Bank's personal home lending to these  
5 communities, based on the data we have seen to date, we would  
6 be very concerned that their lower levels of lending to both  
7 LMI communities and communities of color would exacerbate the  
8 already staggering racial wealth gap in California.

9           On nearly every metric, in comparison to its peer  
10 banks lending in our state, U.S. Bank under-performs and its  
11 personal mortgage lending to low and moderate-income  
12 borrowers, its lending in LMI census tracts, its lending to  
13 African American and Latino borrowers, and its lending in  
14 majority-minority neighborhoods, among other segments of its  
15 home lending, where it also currently falls short.

16           In general, we are concerned that the observable  
17 disparities between U.S. Bank's lending to white borrowers and  
18 borrowers of color increases the already substantial risk for  
19 a new era of redlining in mortgage lending.

20           The representatives of U.S. Bank asserted earlier  
21 today that the combination of these two institutions will  
22 produce a stronger overall bank. While Union Bank has  
23 performed significantly better on nearly all the measures I  
24 referenced, we are greatly concerned that the under-  
25 performance of U.S. Bank in these areas will be the dominant



1 lending culture at the combined bank, barring commitments to  
2 reserve -- to reverse these current trends.

3           Based on the home lending data we have seen,  
4 combined with a poor record of branch closures, as previously  
5 outlined by my colleagues earlier in the day, we must first  
6 see verifiable action to course correct. U.S. Bank must now  
7 commit to increased lending in communities of color and LMI  
8 neighborhoods. Until such a commitment is agreed upon as part  
9 of a strong community benefits agreement, we will continue to  
10 oppose this merger.

11           This concludes my remarks. Thank you very much.

12           MS. BANTA-LEWIS: Thank you for those remarks.

13 We'll now hear from Monica Palmeira.

14           If you could, turn on your camera and come off mute.

15           MS. PALMEIRA: Hi, can everybody hear me?

16           MS. BANTA-LEWIS: We can. You may begin your  
17 remarks.

18           MS. PALMEIRA: Great, thank you. Good afternoon.

19 My name is Monica Palmeira, and I am the fourth -- and I  
20 promise, final -- representative from the Greenlining  
21 Institute, where I focus on climate finance.

22           It is absolutely critical that this proposed merger  
23 seriously grapple with environmental justice and climate  
24 change-related considerations. I know that this may not be a  
25 traditional topic in bank mergers, but we know an institution

1 of the size this merger would create absolutely plays a role  
2 in our societal response to climate change. The IPCC, the  
3 International Panel on Climate Change, just came out with a  
4 new report, and confirms there is a rapidly closing window of  
5 opportunity to address climate change.

6           Given the potential ripple effects of this merger,  
7 my comments today will outline tangible steps that this new  
8 institution can take to be a better actor on issues of  
9 climate.

10           First, as it relates to managing climate-related  
11 risk, we appreciate hearing that U.S. Bank committed back in  
12 2021 to voluntarily reporting on its greenhouse gas emissions,  
13 and that the intention is for this new institution to do the  
14 same.

15           That said, regulators will soon require institutions  
16 to report on their emissions, so this will simply become, you  
17 know, standard business practice in the near term. So  
18 anticipating this, we would like to see this new institution  
19 make a commitment to disclosing its Scope 3 emissions in  
20 particular, which includes the emissions across the  
21 institution's supply chain.

22           Additionally, Union Bank's parent company is listed  
23 as the number-six financial institution in funding fossil  
24 fuels, with \$147 billion in support between 2016 and 2020. On  
25 the flip side, during the same time period, MUFG has given

1 approximately 21 billion in environmental financing for green  
2 projects. In other words, MUFG's green initiatives were  
3 dwarfed by its investments in fossil fuels, which were  
4 approximately seven times larger.

5 U.S. Bank, on their own, has made a commitment in  
6 2021 to investing 50 billion in environmental finance by 2030.  
7 So we ask, what will this look like for this new institution?

8 We have heard interest in ESG and environmental  
9 goals, but nothing concrete. So we urge the banks to make a  
10 commitment to close the gap between the financing of fossil  
11 fuels and so-called green investments. This should include no  
12 further expansion of fossil fuel support and financing.

13 Second, we want to see proactive investments in  
14 community climate resilience. It is critical that this new  
15 institution not use financial risk due to climate change as a  
16 reason to draw down investments in frontline communities. We  
17 know that these frontline communities are the communities most  
18 in need of investment and support from financial institutions.  
19 Therefore, we want to see this commitment to not pull back on  
20 investment made clear.

21 Further, we appreciate that there is interest in  
22 pursuing partnerships and investments in affordable energy,  
23 technology, climate resilience. In a community benefits  
24 agreement we would like to see a dollar amount commitment to  
25 these kinds of investments that should include also community-

1 based provisions like a green, affordable housing; EV charging  
2 infrastructure; community solar; et cetera, as well as  
3 philanthropic contributions to organizations focused on  
4 environmental justice. As mentioned earlier, these should  
5 close the gap between fossil fuel investments and so-called  
6 green investments.

7 We look forward to continuing the conversation.  
8 That concludes my remarks. Thank you.

9 MS. BANTA-LEWIS: Thank you for those comments.  
10 We'll now hear from Richard Girling.

11 If you could, turn on your camera and come off mute.

12 MR. GIRLING: Good afternoon. Thank you for this  
13 opportunity to speak. My name is Richard Girling, and I'm an  
14 active member of the San Francisco Public Bank Coalition. I'm  
15 a trained economist who's been closely observing the financial  
16 sector for the past two decades.

17 The collapse of the banking system in 2008  
18 particularly struck me by seeing how vulnerable our financial  
19 system is. I feel strongly that poor management decisions by  
20 bankers precipitated the crisis, and felt it wrong to bail out  
21 banks with billions while allowing millions to lose their  
22 homes and jobs from foreclosures and the recession that  
23 followed. After studying the financial crisis, I came to the  
24 conclusion that excessive risk-taking and lax regulation was  
25 largely responsible.

1           On a personal level, I witnessed the devastation  
2 that followed the banking crisis when I saw two long-time  
3 African American homeowners on my block lose their homes due  
4 to corrupt banking practices. These were great neighbors with  
5 multi-generational households that were forced to relocate to  
6 distant communities.

7           A close Latina friend of mine also lost her multi-  
8 generational home due to foreclosure, forcing her to squeeze  
9 herself and her two daughters into a studio apartment.

10           These occurrences took place all across America.  
11 From 2007 to 2009, 2.5 million foreclosures were executed,  
12 with 8 percent being black and Latinos.

13           A few years ago I retired from a career of teaching  
14 economics in order to commit my time and energies into  
15 improving my community. I'm doing this by using my economic  
16 skills to look at the financial sector. My education and  
17 these personal experiences have made me incredibly skeptical  
18 about the soundness of our financial system and the principles  
19 of the banking community.

20           I'm particularly concerned by the accelerating  
21 degree of financial concentration, such as this consolidation.  
22 Local banks are increasingly disappearing from our  
23 neighborhoods. While there were 18,000 banks in 1984, today  
24 there are fewer than 5,000. Branches are closing by the  
25 thousands, with 4,000 eliminated since March 2020, one-third

1 being in LMI and minority neighborhoods.

2 I oppose this merger, unless there are substantial,  
3 enforceable agreements to ensure that there is, one, a  
4 commitment to suspend foreclosures to enable people to stay in  
5 their homes while recovering from the COVID economic fallout;  
6 two, substantial expansion of lending for affordable housing;  
7 three, no contraction of the total number of branches  
8 operating as a consequence of this combination.

9 Thank you for your time, and that concludes my  
10 comments.

11 MS. BANTA-LEWIS: Thank you for your comments.  
12 We'll now hear from Francis McIlveen.

13 If you could, turn on your camera and come off mute.

14 MR. MCILVEEN: Hi. Can you see -- hear me?

15 MS. BANTA-LEWIS: We can. You may begin your  
16 comments.

17 MR. MCILVEEN: Thank you. My name is Francis  
18 McIlveen. I am the director of real -- development activities  
19 and real estate at the Northern California Land Trust. We are  
20 a community land trust, and a founding member of the  
21 California Community Land Trust Network. Access to commercial  
22 and retail mortgages have been essential for our programs.

23 I want to also just say that I wholeheartedly  
24 endorse the comments by my colleague at the Network and the  
25 folks at the Greenlining Institute. Those -- all those points

1 are really well taken.

2           Just to give you some context, community land trusts  
3 is one of the most enforceable and durable mechanisms for  
4 permanent affordability of housing. A 2011 study showed that  
5 the CLT homes had just a fraction of the rate of foreclosures  
6 as open market homes did in the crisis of 2009. It was in the  
7 low single digits. And that's because of the relationship and  
8 the model and the enforceability of it. And I'm going to give  
9 an example.

10           In 2009, in the collapse of the financial markets  
11 and the foreclosure crisis, we had a home that was foreclosed  
12 on, and taken by the lender with a credit bid. The lender had  
13 engaged in the same profligate liar loan practices in the go-  
14 go days of 2006, and had made the loan in an amount that was  
15 more than double of what the restricted value of that home  
16 was. But due to the invalidity of that deed of trust, and  
17 because of the enforceability of the land lease, I was able to  
18 get a rescission of that trustee deed without even using a  
19 lawyer. And that's a fate that wasn't shared by a lot of the  
20 BMR units across the country. That's just to give you a  
21 perspective on how effective this model is of preserving  
22 affordability and stabilizing our neighborhoods. And that's a  
23 model that's out there.

24           We oppose the merger proposal, unless it's amended  
25 to include a strong, detailed, and enforceable community





1 MS. SUYDAM: Great. Thank you so much for the  
2 opportunity to speak with you today in support of U.S. Bank's  
3 acquisition of Union Bank. My name is Nicole Suydam, and I'm  
4 the president and CEO of Goodwill of Orange County,  
5 headquartered in Santa Ana, California.

6 While we are most known at Goodwill for our thrift  
7 stores and donation centers, we are most proud of our mission  
8 to help people overcome barriers to employment. The people we  
9 serve include those with physical and developmental  
10 disabilities, mental health diagnoses, justice involvement,  
11 limited work experience, and we also proudly serve U.S.  
12 military veterans and their families.

13 U.S. Bank has been one of Goodwill of Orange  
14 County's most involved corporate partners, with over 20 years  
15 supporting our mission. Not only have they supported us with  
16 hundreds and thousands of dollars of philanthropic  
17 contributions, but they have provided us with community-minded  
18 employees who have volunteered thousands of hours of their  
19 time and talents serving on our board of directors and  
20 committees.

21 When I think about our relationship with U.S. Bank,  
22 I'm immediately reminded of the early days of the pandemic,  
23 when U.S. Bank stepped up for us in a big way. As my team and  
24 I were forced to close our stores and donation centers, we  
25 made a commitment to keep our mission to serve this community

1 open. We saw the sudden wave of unemployment that more than  
2 doubled the need for Orange County food banks overnight, and  
3 we knew we needed to help. We stood ready to deploy our  
4 trucks, drivers, trailers, warehouse space to aid our local  
5 food banks, but we knew we couldn't do it alone.

6           Upon hearing of our plan, U.S. Bank stepped up  
7 quickly by awarding us a generous grant to use our supply  
8 chain assets and team members to support emergency food  
9 distribution in the early days of the pandemic. This support  
10 made it possible to more than double the distribution capacity  
11 at our local food banks, helping to distribute millions of  
12 pounds of food to thousands of families and seniors who needed  
13 it most.

14           I can personally attest to U.S. Bank's commitment to  
15 serving the community, and believe wholeheartedly they will  
16 continue to grow their commitment to support low-income and  
17 communities of color even more in the coming years. For these  
18 reasons I enthusiastically support U.S. Bank's acquisition of  
19 Union Bank, and encourage the board to vote in favor of the  
20 acquisition.

21           Thank you for your time.

22           MS. BANTA-LEWIS: Thank you for your comments. We  
23 will now move to Lisa Wright.

24           If you could, turn on your camera and come off mute.

25           MS. WRIGHT: Good afternoon, Board. My name is Lisa

1 Wright. I am the president of the Inland Southern California  
2 United Way and 211+, and I'm here to speak to you about  
3 our support of U.S. Bank's acquisition of Union Bank.

4 In our lived experience, U.S. Bank is one of the  
5 most active and important partners in the work that we are  
6 doing in the inland southern region of California. Our 211  
7 contact center and our United Way programs directly serve a  
8 million people, or a fifth of the population in our region.  
9 All the people we serve are low-income individuals. Some of  
10 the major issues faced by the people we serve are  
11 homelessness, housing insecurity, unemployment, under-  
12 employment and financial instability.

13 U.S. Bank has been a key participant and leader for  
14 many of our financial stability programs and volunteer events.  
15 U.S. Bank's large employee base shows up for us every time we  
16 ask, and they offer both financial and volunteer support for  
17 every program of ours that have need. The U.S. Bank is a  
18 partner that we trust and value, and we believe the same  
19 partnership will extend with the acquisition of Union Bank.

20 Thank you for your time.

21 MS. BANTA-LEWIS: Thank you for your comments. We  
22 will now move to Jeffrey Lesk.

23 If you could, turn on your camera and come off mute.

24 MR. LESK: Okay, I don't see the camera, but can you  
25 hear me on the microphone?

1 MS. BANTA-LEWIS: We can hear you.

2 MR. LESK: Great. My name is Jeffrey Lesk, and I'm  
3 the co-founder and president of New Partners Community Solar,  
4 which is a Washington, D.C.-based non-profit promoting  
5 environmental and energy justice. I am participating in this  
6 hearing to support U.S. Bank's proposed acquisition of Union  
7 Bank.

8 New Partners Community Solar finances and develops  
9 solar arrays around the District of Columbia. We structured  
10 our community solar program so that 100 percent of the  
11 economic benefits of our solar energy production goes to D.C.  
12 low-income households at no cost, enabling low-income  
13 residents to participate in the new green economy in which  
14 they have largely been excluded. Virtually all of our low-  
15 income beneficiaries are individuals and families of color.  
16 Our program was the model for Washington, D.C.'s Solar for All  
17 program, now a national model for including our most  
18 vulnerable residents and the benefits of renewable energy.

19 When New Partners undertook the expansion of our  
20 program to magnify our ability to address climate change,  
21 income inequality, and social justice, we reached out to U.S.  
22 Bank, who became our equity investor, providing economic  
23 viability to our new, larger phase, and enabling us to greatly  
24 increase our ability to bring environmental justice to more  
25 and more needy, diverse beneficiaries, including returning

1 citizens recently being released from the criminal justice  
2 system.

3 U.S. Bank helped us turn the map of renewable energy  
4 beneficiaries in the District of Columbia from one centered  
5 only in the wealthy areas of town to one benefiting residents  
6 throughout the city, significantly including many residents of  
7 wards 7 and 8, D.C.'s poorest wards.

8 As important as the financial investment was -- and  
9 it was absolutely critical -- U.S. Bank was a true partner in  
10 the program. Their team provided us not just with investment  
11 funding, but with technical assistance, access to in-house and  
12 third-party professionals, perspective on industry standards  
13 and protocols, and additional financial support. They  
14 facilitated our participation in a learning session for the  
15 National Solar Energy Industries Association, encouraging  
16 others to explore supporting this type of program nationally.

17 Prior to co-founding New Partners, I was a  
18 nationally oriented affordable housing and community  
19 development attorney for over three decades. As a working  
20 attorney and an industry-wide representative, I worked closely  
21 with U.S. Bank on many transactions and in many contexts.  
22 Their CRA and other community development investments and  
23 efforts are well known and well respected, and you've heard  
24 about many of them today.

25 When I was an adjunct professor of community

1 development finance, I often turned to U.S. Bank projects as  
2 examples of thought leadership and addressing the way that a  
3 variety of different programs could be combined to build a  
4 broad-based, comprehensive approach to addressing the needs of  
5 our low-income communities. This acquisition will provide  
6 them with the ability to further leverage what I've personally  
7 seen to be a thoughtful, consistent approach to inclusive  
8 community development. Thank you.

9 MS. BANTA-LEWIS: Thank you for those comments.  
10 We'll now hear from Charisse Bremond.

11 If you could, turn on your camera and come off mute.

12 MS. BREMOND: Yes. Hello, good afternoon, everyone.  
13 Can you hear me?

14 MS. BANTA-LEWIS: We can hear you.

15 MS. BREMOND: Great. My name is Charisse Bremond  
16 Weaver, president and CEO of the Los Angeles Brotherhood  
17 Crusade. We are a 54-year-old non-profit who has been a  
18 champion for equality, equity, and serving the most vulnerable  
19 families in south Los Angeles and surrounding communities.

20 Each year the Brotherhood Crusade provides direct  
21 services to more than 3,000 LMI youth and young adults that  
22 focuses on employment, financial literacy, mentoring,  
23 education, health and wellness, an additional 25,000 residents  
24 through special projects (sic). The organization has been a  
25 beacon of hope by improving the quality of life for the

1 voiceless.

2           The Brotherhood Crusade has been fortunate for  
3 decades to receive the support from U.S. Bank and Union Bank  
4 to support our work. Union Bank has been an exceptional  
5 partner with providing financial resources for -- but more  
6 important, key leadership has volunteered their time to  
7 provide financial literacy and mentorship to young adults from  
8 the age of 16 to 24 who have not been connected to resources.

9           We're hopeful, with this merger, that the community  
10 will not suffer from the merger. We would like U.S. Bank to  
11 work with Union Bank leadership to ensure the non-profit  
12 sector is not taking a hit from the merger. The level of  
13 support to the non-profit sector should be amplified, and not  
14 decreased. This is a critical time in our communities that  
15 serve the most vulnerable who are suffering from unemployment,  
16 food insecurities, lack of investments in the black and brown  
17 community.

18           This merger will allow U.S. Bank to take a strategic  
19 approach, with investing more with black, Hispanic, and Latino  
20 businesses and, more importantly, investing more with BIPOC-  
21 led non-profit organizations.

22           We thank you, and we hope U.S. Bank does the right  
23 thing by our community.

24           MS. BANTA-LEWIS: Thank you for those remarks.  
25 We'll now hear from Ryan Weyandt.

1           Ryan Weyandt has submitted a PDF presentation that  
2 he will refer to during his oral remarks. This PDF  
3 presentation is posted to the Board's public website at the  
4 same location where each attendee registered to attend this  
5 public meeting.

6           MR. WEYANDT: Thank you so much, and good afternoon,  
7 Board of Governors and committee members, ladies and  
8 gentlemen. My name is Ryan Weyandt. I am the chief executive  
9 officer of the LGBTQ+ Real Estate Alliance, a Twin Cities-  
10 based national 501(c)(6) non-profit organization. We are  
11 dedicated to advocacy, education, philanthropy, and business  
12 growth within the LGBTQ+ segment of the real estate and  
13 housing industries, as well as increasing the LGBTQ+ home  
14 ownership rate in this country.

15           It gives me a great pleasure this afternoon to be  
16 able to speak to you from Las Vegas, Nevada, where just 20  
17 minutes ago, actually, I was on stage in front of 1,500  
18 realtors, talking about the importance of equity, equality,  
19 and fair housing for the LGBTQ+ in real estate, finance, and  
20 housing.

21           As some of you know, today in America it is legal to  
22 discriminate against our community in all things real estate  
23 and finance, because of the lack of Federal protections for  
24 the LGBTQ+ community, and the absence of state protections in  
25 29 states. Yes, that's correct. In more than half the



1 country today, LGBTQ folks do not have protection under the  
2 law in everything from buying to selling to financing to  
3 renting and seeking of shelter. This has been verified  
4 several times by our friends at the Human Resource Campaign.

5           The PDF, which I'm sharing with you, which I would  
6 encourage you to flip through, it's a 40-some-page, fully  
7 illustrated, first-time home buyer guide, which U.S. Bank was  
8 instrumental in working with our organization to create. U.S.  
9 Bank, through their partnership with the alliance, has enabled  
10 us the financial means and resources to be able to speak  
11 across the country in communities everywhere about the  
12 importance of fair and equal housing.

13           Our partnership with U.S. Bank has enabled hundreds  
14 of folks to engage in the pathway to home ownership through  
15 combined efforts around financial literacy and understanding  
16 what generational wealth really is, and how to obtain that  
17 through home ownership. They've helped us in educating folks  
18 to the needs and opportunities which exist within the LGBTQ  
19 community and our communities across the country, which hold a  
20 combined \$1.2 trillion economic potential on the United States  
21 economy.

22           One such example, as I said, of a extremely  
23 successful cooperative initiative is this guide, which you are  
24 now able to view. We did have other collaborative buy-in, but  
25 U.S. Bank mainly underwrote it. U.S. Bank was instrumental in

1 providing base funding to assist in the data collection which  
2 didn't exist prior to this, and the publication of this  
3 resource, which has now been downloaded and distributed  
4 thousands of times throughout the country by realtors, real  
5 estate professionals, and community members in the LGBTQ+ and  
6 allied communities.

7           Additionally, as you may know, LGBTQ racially  
8 diverse communities do hold the lowest home ownership rates in  
9 this country. U.S. Bank is actively working with the alliance  
10 to address this.

11           The LGBTQ+ Real Estate Alliance is in favor of this  
12 merger between U.S. and Union Banks, as we believe it will  
13 create direct channels for distribution of resources,  
14 education, and financial literacy, resulting in increased home  
15 ownership rates as a result of U.S. Bank's dedication to  
16 community partners' specifically and often ignored minority  
17 communities like the LGBTQ+ community.

18           Thank you all for your time and consideration this  
19 afternoon.

20           MS. BANTA-LEWIS: Thank you for those comments.  
21 We'll now hear from Brad Ketch.

22           MR. KETCH: Good afternoon.

23           MS. BANTA-LEWIS: If you could, turn on your camera  
24 and come off mute.

25           MR. KETCH: Thank you. The CBA commitment by --

1 excuse me. Give me one moment, please. I recognize I'm using  
2 up my time.

3 MS. BANTA-LEWIS: No, you're totally fine. You may  
4 begin.

5 MR. KETCH: Thank you.

6 MS. BANTA-LEWIS: I --

7 MR. KETCH: There we go. The contemplated CBA  
8 commitment is going to largely be a commitment to our  
9 struggling suburban and rural areas.

10 Suburban poverty everywhere has become much worse  
11 lately, as shown by our experience here in Portland. East  
12 Multnomah County is the part that sits outside of Portland,  
13 where there are a couple of branches. The income disparities  
14 are stark, and median household income is less than half of  
15 what it is in Portland. And in just the last eight years,  
16 this gap has more than doubled.

17 Suburban poverty in Portland is not much different  
18 than it is in metro areas across your footprint. Almost all  
19 the racial, ethnic, and income diversity in Portland occurs in  
20 east Multnomah County. In our little neighborhood called  
21 Rockwood, there's over 90 languages spoken at home, in just a  
22 2-square mile radius.

23 We have the worst outcomes for health, the youngest  
24 population, the worst educational attainment, and the lowest  
25 participation rates for financial products. We are the most

1 rent-burdened neighborhood in Oregon.

2           While the financial need is huge and growing, the  
3 suburban and rural areas don't really compete well against the  
4 big cities when resources are distributed. My organization is  
5 a BIPOC-led non-profit that exists to address these and other  
6 problems that we would characterize as existing at the  
7 systemic level.

8           We want to help large system players like the banks  
9 engage more meaningfully. Our approach is to be a backbone or  
10 a hub that can help our community create a new narrative for  
11 itself. And our core strategy is to coordinate and build the  
12 capacity of people, companies, and groups to make east  
13 Multnomah County a place where everyone can learn, earn, and  
14 belong.

15           One area of capacity building that we have had  
16 success with lately is with the small, culturally-specific  
17 non-profits. They have great impact within their specific  
18 communities, but frequently lack the back-office function, the  
19 scale, or the financial sophistication to effectively grow.  
20 To these groups, the first rung of the banking ladder is 10  
21 feet off the ground. An effective intermediary can make that  
22 first rung two feet off the ground for these excluded  
23 populations.

24           Our strategy as an intermediary works. We have  
25 banded together into BIPOC-led collaboratives that are

1 delivering results. It's so effective that, recently, the  
2 U.S. Small Business Administration awarded us a \$1 million, 2-  
3 year grant to build on these relationships in order to  
4 stimulate the formation and growth of a BIPOC business  
5 network. We invite the banks to join the SBA in committing  
6 funds to this new network.

7 We believe that, if the bank is to achieve their  
8 equity goals, they will need to build the capacity of  
9 intermediary organizations in the suburban and rural areas  
10 like us. We invite them to play their part in scaling up  
11 backbone organizations that will, in turn, reach the hard to  
12 reach, but critically important target populations.

13 Thank you for listening to my testimony, and this  
14 concludes my remarks.

15 MS. BANTA-LEWIS: Thank you for those comments. We  
16 will now hear from Elise Buik.

17 If you could, turn on your camera and come off mute.

18 Wonderful. You may begin your comments.

19 MS. BUIK: Great. Good afternoon. Thank you so  
20 much for allowing time to hear from important community  
21 leaders. My name is Elise Buik, and I'm the president and CEO  
22 of the United Way of Greater Los Angeles. We serve the County  
23 of Los Angeles, which represents 10 million people across 88  
24 cities.

25 I'm here to speak to the amazing partnership that

1 the United Way of Greater Los Angeles has had with the U.S.  
2 Bank for decades. We benefit from their leadership and their  
3 involvement in the community, both from their leadership team  
4 members and their employees, as they support and volunteer at  
5 hundreds of LA-based non-profits to ensure that there is  
6 continued investment in innovative programs to serve our local  
7 communities' needs.

8 U.S. Bank shares the United Way's vision of creating  
9 pathways out of poverty, and that is where we have partnered  
10 together, really looking at how we break generational cycles  
11 of poverty through our focus on education, economic mobility,  
12 and housing, and ensuring that we're looking at how we achieve  
13 together greater levels of racial equity. U.S. Bank has  
14 partnered with us to ensure that low-income residents and  
15 neighborhoods have access to the resources that are so  
16 critical for them to thrive.

17 We especially saw U.S. Bank step up during the  
18 pandemic. They and their team members worked with the United  
19 Way and our partners to ensure that families and students had  
20 access to food, to mental health supports, and to academic and  
21 technology supports when our students went remote.

22 They were also instrumental in ensuring that  
23 immigrant small business owners had the resources and support  
24 they needed to weather the economic downturn that our region  
25 faced. And U.S. Bank significantly increased their support as

1 we are still weathering the fallout from the pandemic.

2 Most recently, the bank has really stepped up to  
3 work with the United Way and our partners in trying to tackle  
4 the most pressing issue facing our region. Unfortunately, we  
5 have the distinction of being the homeless capital of the  
6 nation, with more than 65,000 individuals living on our  
7 streets. They are working with us to innovate new designs in  
8 affordable housing construction and, most importantly, in  
9 financing these projects at a scale that we can get to to stop  
10 the inflow into homelessness.

11 I can't say enough about the leadership, the  
12 involvement, and the commitment to the community that is a  
13 core value of the U.S. Bank leadership team and their  
14 employees, and we believe that this merger will help to expand  
15 that impact and that commitment at our time when our community  
16 needs us most.

17 So thank you very much for allowing me to share my  
18 thoughts today.

19 MS. BANTA-LEWIS: Thank you for those comments.  
20 We'll now hear from Calvin Holmes.

21 If you could, turn on your camera and come off mute.

22 MR. HOLMES: Good afternoon, ladies and gentlemen.  
23 I am Calvin Holmes, president of the Chicago Community Loan  
24 Fund, a 30 years young CDFI that is strengthening  
25 Chicagoland's economy by improving its under-served

1 communities. I also serve as the vice chair of the African  
2 American Alliance of CDFI CEOs, and as a member of the U.S.  
3 Bank Community Advisory Council. All three roles bring me  
4 here today.

5           You can't say much in three minutes, so I will  
6 rapidly share five examples of how I have seen U.S. Bank  
7 support economic justice.

8           From my experience, I know that, through its 12  
9 years of repeated and multi-sector investing in a once --  
10 community, Pullman, on Chicago's far south side, U.S. Bank has  
11 demonstrated the level of risk it will take to help transform  
12 an entire community. U.S. Bank has invested over \$113 million  
13 in Pullman, which has helped to create over 500,000 new square  
14 feet of commercial space and over 1,500 new jobs, mostly for  
15 local residents.

16           Furthermore, with Laura Vowell and Zach Boyers'  
17 dedication, U.S. Bank is also a pioneer in a new movement to  
18 help CDFIs that are new and/or led by persons of color that  
19 have not been able to secure an allocation of the incredibly  
20 impactful New Market Tax Credits. U.S. Bank has been  
21 educating the CDFI fund on measures it could take to level the  
22 playing field for less experienced CDFIs like mine.

23           The bank has also launched a new internal program,  
24 whereby it literally gives want-to-be New Market Tax Credit  
25 program allocatees a portion of its allocation to deploy to



1 help them build their track record in the program, so they  
2 will eventually win their own allocation. It did exactly that  
3 -- it did exactly this for my agency just a few months ago,  
4 and we immediately added the New Market Tax Credit project  
5 experience to our New Market Tax Credit allocation application  
6 that we just submitted in January.

7           And the bank is contributing to a national program  
8 to teach want-to-be allocatees how to build winning  
9 applications to the program.

10           Wearing my African American Alliance of CDFI CEO's  
11 hat, U.S. Bank proactively seeded two programs that are  
12 strengthening the capacity of our members, especially those  
13 under \$10 million in assets, to deploy loans and provide  
14 technical assistance to reduce racial economic inequity in  
15 predominantly black and brown communities.

16           Wearing my U.S. Bank Community Advisory Council hat,  
17 the bank operates its advisory council with the best values:  
18 transparency, honest dialogue, mutual respect, and action.  
19 Led by Reba Dominski, the U.S. Bank Community Advisory Council  
20 is a place where a community's -- where community leaders go  
21 to solve problems.

22           For example, at a time when many institutions had  
23 deemed small-dollar lending unprofitable, U.S. Bank listened  
24 to us, and launched its simple loan program in 2018, allowing  
25 U.S. Bank customers to borrow up to \$1,000, providing a much-

1 needed alternative to predatory payday loans.

2 In closing, as a member of the National Community  
3 Reinvestment Coalition, CCLF's overall support of this merger  
4 is directly tied to U.S. Bank's willingness to work with NCRC  
5 to create a formal Community benefits agreement. And we lift  
6 our voices in chorus with our fellow advocates regarding many  
7 of the issues discussed in this meeting and in other forms  
8 across the country, including the call to minimize branch  
9 closures in LMI communities.

10 Our experience with U.S. Bank is that it strives to  
11 do the right thing.

12 Thank you again for this hearing.

13 MR. OLSON: All right, thank you, Mr. Holmes, and  
14 thank you to all the speakers in our last segment.

15 We are about to go on break. But before we do so, I  
16 just want to ask, if you are a speaker in Group 12, we would  
17 ask that you return at 5:25 p.m. Eastern Time to ensure there  
18 are no technical difficulties. For everyone else, we will  
19 resume at 5:30 p.m. Eastern. Thank you.

20 (A brief recess was taken.)

21 GROUP 12

22 MS. MURPHY: Good afternoon, good evening, everyone.  
23 We are now ready to get started with Group 12, so I will hand  
24 this off to Meagan.

25 MS. BANTA-LEWIS: Wonderful. Yeah, first we're

1 going to be hearing from Hyepin Im.

2 If you could, turn on your video and come off mute.

3 Wonderful, you may begin -- yes, you may begin your  
4 remarks.

5 MS. IM: Good afternoon, or good evening. My name,  
6 again, is Hyepin Im. I serve as CEO and founder of a non-  
7 profit, Faith and Community Empowerment. For 20 years we have  
8 really been a bridge between church and community, as well as  
9 the AAPI community.

10 And we do have a good working relationship with U.S.  
11 Bank, as well as Union Bank. Both banks have funded and  
12 supported many of our initiatives, including our home  
13 ownership initiative. Black and Korean home ownership rate is  
14 the same, nationally, and they have been supportive of our  
15 work that serves not just Korean, but, really, all  
16 communities, as well.

17 At the same time -- and also, with Union Bank we've  
18 had a stronger relationship. I've been on their community  
19 advisory board, and they have funded beyond our home ownership  
20 with some of our other recent anti-Asian, black-Asian  
21 solidarity efforts, as well.

22 I wanted to say, though, that serving on the board  
23 previously with Greenlining Institute, as well as with CRC,  
24 I've seen the power and benefit of a written formal Community  
25 benefits agreement. Even though we, again, enjoy great

1 relationships, it is during those annual or semiannual  
2 meetings that we get access to those data, and to be able to  
3 ask questions of, you know, them honoring those commitments.  
4 And so I would really like to recommend and ask that there  
5 would be a requirement for a formal Community benefits  
6 agreement.

7 I think it also facilitates conversations and  
8 relationships that is not in the normal discussions of a -- as  
9 a grantee versus a grantor.

10 In addition, I would like to also say that, in a  
11 merger, you know, funding tends to collapse. Also, staffing  
12 tends to collapse. And I think, again, relations are so key,  
13 in terms of funding and generating ideas, and bringing issues  
14 to the table. And I believe that, especially with Union Bank,  
15 they have really made some deep investments. And I would  
16 really like to ensure that there will be continuity of some of  
17 those key staffing who have those longstanding relationships,  
18 or else that -- it will be lost, in terms of that.

19 And I have, again, experienced many mergers where  
20 that relationship is gone, and then suddenly the -- our  
21 contact and our funding also disappears. And I think that,  
22 again, funding for non-profits -- they're really the only ones  
23 during a community crisis that stands in the gap, and has  
24 their hands and feet on the ground, and knows those resources,  
25 and can be that advocate. But without those kind of

1 commitments, I think it would be a travesty.

2 And again, with communities of color, women -- that  
3 during this current environment, it is even more pressing than  
4 ever that these type of benefit agreements exist, and one plus  
5 one should equal minimum two, if not more. And we expect  
6 that, and ask for that in the Community benefits agreement.

7 Thank you so much.

8 MS. BANTA-LEWIS: Thank you for your comments.

9 We'll now hear from Nikki Beasley.

10 If you could, turn on your camera and come off mute.

11 MS. BEASLEY: Okay, here I am. Well, good evening,  
12 good afternoon. My name is Nikki Beasley, executive director  
13 of Richmond Neighborhood Housing Services based in California,  
14 and supporting the immediate Bay Area counties.

15 In full transparency, I sit here with a number of  
16 different lenses for my comment today. I am newly appointed  
17 to Union Bank's Community Advisory Board, and also a appointee  
18 of the Federal Home Loan Bank's Affordable Housing Council,  
19 and also sit on CRC's board, and active member, as well as sit  
20 on a CDFI board, CDF Community Vision. The reason that I  
21 share those appointments is to share my comments come from  
22 that lens.

23 I'm here to also talk about the importance of a  
24 community benefits agreement. It really should be a staple  
25 that can be leveraged in the community, not just the

1 stakeholders, but community members can understand exactly  
2 what the commitment of the bank will be to the communities  
3 that they care so much about.

4           And what I'm looking at is the Community Benefits  
5 Plan framework, which I believe was a response to CRC's  
6 request or recommendations for a community benefits agreement,  
7 and at first glance was somewhat disappointed in the response.  
8 I felt that what was shared was very -- from the recommended  
9 community benefits agreement, it was very thought out. There  
10 was some specific outcomes, expectations, and goals, and what  
11 was received was very general, at best, lackluster, basically  
12 all -- using all of the taglines.

13           And I do need to say, from a community stakeholder,  
14 we're no longer impressed by the large numbers. Where it  
15 states, you know, a minimum of \$115 million in contributions  
16 over 5 years, when I look at that map, that's about \$23  
17 million made nationally. And with all of the segments of work  
18 that's needed, it's hard to assume how those funds will be  
19 allocated.

20           I do want to say that -- it was mentioned earlier --  
21 we have a stronger relationship with Union Bank. They've done  
22 an incredible job in supporting us. We're looking forward to  
23 seeing how we can be more engaged with U.S. Bank. And with  
24 this merger potentially making this bank the fifth largest,  
25 the expectation is that there's clear transparency and

1 accountability to the communities that they will be adopting,  
2 and that we will need more, and that the investment should  
3 represent their being the fifth largest, and when numbers are  
4 represented, being able to break that down.

5           Because again, from a community standpoint, it's  
6 hard to understand really what the amounts will show in the  
7 community, because many of these areas are still disinvested,  
8 disenfranchised, and we don't see the actual outcomes that I'm  
9 sure the bank has every intention to make.

10           Thank you so much.

11           MS. BANTA-LEWIS: Thank you for those comments.

12 We'll now hear from Rudy Espinoza.

13           If you could, turn on your camera and come off mute.

14           MR. ESPINOZA: Hi, everybody, thank you so much for  
15 having me. Good afternoon. My name is Rudy Espinoza. I  
16 serve as the executive director of Inclusive Action, a non-  
17 profit CDFI based here in LA that is dedicated to advocating  
18 for economic justice and providing access to capital to  
19 entrepreneurs.

20           Our organization, like many CDFIs, exists because of  
21 the lack of policies that encourage lending in our  
22 communities. Our organization has deployed hundreds of  
23 thousands in microloans to support entrepreneurs that have  
24 been marginalized by banks and our economy. We have also  
25 advocated for policies that support rights for workers and for

1 entrepreneurs, and we do this because we believe that both  
2 access to capital and justice-seeking policies are necessary  
3 to address the widening income inequality that we see.

4           The bank executives this morning shared their  
5 willingness to continue to invest in the community. We've  
6 heard that they remain committed to supporting the communities  
7 we work in. We also heard today that U.S. Bank and Union Bank  
8 sponsored charity dinners, provide small grants to local  
9 programs, and even encourage its staff to volunteer in the  
10 community. Some even serve on our board of directors. We  
11 heard that the banks support affordable housing, especially  
12 through the use of New Market Tax Credits. These actions  
13 should be welcomed. We should thank them for their  
14 contributions.

15           But we also have to ask ourselves, what are the  
16 clear community benefits that this merger will yield?

17           We should also ask, what are the characteristics of  
18 a good community partner in the context of today's  
19 proceedings?

20           Is a good community partner the one that sponsors a  
21 local small business fundraiser, but doesn't lend directly to  
22 black and brown entrepreneurs?

23           Is a bank outstanding if they provide a \$10,000  
24 grant to support a financial coaching program, but won't open  
25 a bank branch in that same neighborhood?



1           Is someone truly a promoter of affordable housing if  
2 they avoid lending to our communities without a Federal  
3 subsidy or a tax credit?

4           These are the main questions that we should discuss,  
5 and I'm happy that the banks that we're talking about today  
6 are issuing grants to non-profits. And -- but the hearing  
7 today is reviewing an \$8 billion transaction, and we have to  
8 stay focused on the transaction that will create a \$680  
9 billion bank. We can't simply approve it because the banks  
10 are providing small grants to our events.

11           I want to congratulate the banks for an outstanding  
12 CRA rating, but this does not mean that the community believes  
13 them to be outstanding.

14           We are seeking a strong partnership with financial  
15 institutions like U.S. Bank and Union Bank, but our  
16 communities are demanding a truly strong partnership, one that  
17 moves beyond what we've seen in the past. We need more than  
18 small grants for our programs. We need loan products that are  
19 accessible and useful. We need bank branches in our  
20 communities, and we need an ironclad commitment for more  
21 investment. That's something that's missing today.

22           I'd like to thank you all for listening to today's  
23 proceedings, and I humbly request that you, as our regulators,  
24 consider opposing this merger unless there is a clear  
25 community benefits agreement in -- with details -- in place

1    beforehand.  These banks are asking for your approval to  
2    merge, and it is more than reasonable to request that they  
3    work with community organizations to outline commitments  
4    before that decision is made.  Thank you.

5                MS. BANTA-LEWIS:  Thank you for those comments.  We  
6    will now hear from YaVette Holts.

7                If you could, turn on your camera and come off mute.

8                MS. HOLTS:  Good afternoon, everyone.  Thank you for  
9    inviting testimony and feedback from community, and not just  
10   regulators or the stakeholders involved.  I really appreciate  
11   and respect this opportunity, and want to encourage all who  
12   are aware that the 60 percent of the U.S. Bank closures are --  
13   have been, in the last year, major-minority [sic] communities.

14               And with regard to the currently 46 percent closures  
15   in those same communities, that's a total of 752 banks being  
16   closed in at-risk and under-served communities.  That's before  
17   this merger.

18               As my colleague just stated, it's an \$8 billion  
19   transaction that seeds a \$680 billion entity.  And what we  
20   want to do is maintain or encourage a level of transparency  
21   and commitment to the opportunity that this provides.

22               So rather than doing the most to do the least, we're  
23   looking for these entities, these large institutions who have  
24   roots in these communities, to take the information that  
25   they've learned from experience in these communities with

1 their clients and understand and activate on the ways that  
2 they can actually use this opportunity to establish and  
3 encourage new programs and access to funds and opportunities  
4 to support the structural aspects of those communities,  
5 financially speaking, to not just give the grants or -- sorry,  
6 loans, but to create structures that carry it on in the  
7 future, ad infinitum.

8           So ceding aspects that create opportunities going  
9 forward, and also that these branches and opportunities within  
10 those branches are consistently connected to the needs of the  
11 community. And so that is an -- that is a -- continuing to  
12 listen and stay connected, and also continuing to bring  
13 opportunities that are long-lasting and seed future financial  
14 resiliency.

15           MS. BANTA-LEWIS: Thank you for those comments. We  
16 will now hear from Clarence Williams.

17           If you could, turn on your video and come off mute.

18           MR. WILLIAMS: Good afternoon. My name is Clarence  
19 Williams, and I'm a board member of California Reinvestment  
20 Coalition.

21           Briefly, my appearance and testimony today is for  
22 the purpose of opposing this merger.

23           My opposition, notwithstanding, recognizes a rich  
24 and supportive relationship with both U.S. and Union Bank. I  
25 have served on Union Bank's Advisory Boards -- Advisory

1 Committee, excuse me, under the leadership of Rick Hartnett --  
2 Rich -- excuse me, yes, Rick Hartnett, and I've hosted the  
3 first California reinvestment meeting with Union Bank, and  
4 then President Rick Davis in our offices at California  
5 Capital, where I served as president for 30 years.

6 My years of service recognizes that, although  
7 resource -- although providing resources, strong resources to  
8 support the collaboration with community development and non-  
9 profits is vital, many of those programs, and many of the  
10 support thereof, is a result of hours of friendly and  
11 adversarial negotiations, discussions, and recommendations and  
12 -- in order to reach a commitment to these agreements.

13 I am reminded that our purpose in this work is to  
14 eliminate gross inequality in income, assets, and wealth among  
15 low-income and people of color.

16 My opposition to this merger is based upon the need  
17 for a clearly stated, non-ambiguous spelling out in precise  
18 language a strong community benefits agreement as a condition  
19 of any potential merger agreement. Thank you very much.

20 MS. BANTA-LEWIS: Thank you for those comments. We  
21 will now hear from Carolina Martinez.

22 If you could, turn on your video and come off mute.

23 MS. MARTINEZ: Thank you. Good afternoon. I am  
24 Carolina Martinez, CEO of CAMEO, a statewide network of over  
25 350 entrepreneurial training programs and small business

1 micro-lenders in California. Annually, our members serve  
2 about 100,000 various small businesses with training, business  
3 and credit assistance, and loans. These firms, largely start-  
4 ups with less than 5 employees, support or create 120,000 new  
5 jobs in California, and generate a total of 7.5 billion in  
6 economic activity.

7           The pandemic confirmed what we already knew in the  
8 industry, that women and minority-owned businesses in LMI  
9 communities experienced significant challenges to access the  
10 resources they need to succeed. Our current partnerships have  
11 allowed us to explore creative initiatives to meet those  
12 needs.

13           For example, we thank Union Bank for launching an  
14 innovative program three years ago to build the capacity of  
15 organizations serving women entrepreneurs in California,  
16 providing multi-year funding for operations, staff training,  
17 and advocacy.

18           Most recently, Union Bank provided us with a loan  
19 loss reserve grant, which allowed nine micro lenders to  
20 leverage additional funding to be deployed in under-served  
21 communities.

22           And U.S. Bank has partnered with us to build our  
23 CDFI incubator, building the capacity of our industry.

24           As you can see, both U.S. Bank and Union Bank are  
25 partners of CAMEO and our member organizations.

1           As many people have testified today, we enjoy great  
2 working relationships with the CRA teams from both banks, and  
3 want to and need to continue working with them to address  
4 local needs.

5           A merger threatens to contract the resources coming  
6 to California and the small business ecosystem, statewide and  
7 in the communities.

8           As the demand for our member services has grown, we  
9 are concerned that, without a clear and strong community  
10 benefits agreement, any contraction of funding will slow the  
11 progress made to bring resources to the small businesses that  
12 need it now, more than ever.

13           We strongly encourage U.S. Bank to ensure there is a  
14 clear public benefit established, and call for the regulators  
15 to oppose the merger until a strong community benefits  
16 agreement has been put in place.

17           As our economy needs the small businesses to  
18 recover, we would like to see an increase in funding compared  
19 to the combined funding currently offered by both banks in  
20 order to support non-profits that offer impactful programs,  
21 including, but not limited to small business technical  
22 assistance to under-served entrepreneurs, loan loss reserve  
23 grants, outreach to LMI and minority communities, grants to  
24 small businesses, and advocacy.

25           Thank you for the opportunity to testify today.

1 MS. BANTA-LEWIS: Thank you for your comments. We  
2 will now hear from Hilda Kennedy.

3 If you could, turn on your camera and come off mute.

4 MS. KENNEDY: Thank you very much. This hearing is  
5 so important because of the California -- what the California  
6 Reinvestment Coalition has duly pointed out: this proposed  
7 merger may have the greatest impact of all recent mergers in  
8 California's history, as it relates to LMI and BIPOC  
9 communities.

10 My name is Hilda Kennedy, and I'm founder and  
11 president of AmPac Business Capital. We are an SBA 504  
12 community advantage and micro lender, as well as a community  
13 development financial institution. And we've successfully  
14 done close to \$1 billion in SBA 504 loans for commercial real  
15 estate and equipment for small businesses. We've partnered  
16 with small businesses to do emerging and startup loans. And  
17 we did more than \$17 million in PPP loans.

18 We sit in the City of Ontario in the area known as  
19 the Inland Empire, San Bernardino and Riverside Counties, two  
20 of the largest counties in the country. And approximately 70  
21 percent of our residents make up a minority group. And this  
22 is why I'm testifying today.

23 We've had great partnership relationships, as others  
24 have said, with U.S. Bank and Union Bank as a CDFI. They've  
25 been incredible partners that allowed us to indelibly impact

1 the lives of the small businesses that we've served. And  
2 we've had partnerships with them that helped us to finance  
3 women business owners because of the Union Bank Special  
4 Purpose Credit Program. That's highly commendable.

5           And so, in order for us to build an inclusive and  
6 fair economy that meets the needs of communities of colors, as  
7 well as our entire population, a merger of this magnitude must  
8 be both measured, and community benefits must be intentional  
9 so that a gulf of investment benefits do not leave these  
10 communities that are already reeling for recovery as a result  
11 of the pandemic. Businesses who have already -- are already  
12 nervous about large banks, because they weren't served by  
13 large banks by and large during the pandemic.

14           So my ask is threefold of this incredible board.

15           In making the merger decision, make sure that there  
16 are conditions that focus on bank closures to make sure these  
17 communities are not left hanging without banking resources.

18           Make sure that the special purpose credit program of  
19 Union Bank and all the staff members who have operated this  
20 can be expanded and meet the needs of the community: women,  
21 BIPOC businesses.

22           And ensure, as you've heard time and time again,  
23 that the community benefits agreement for California is  
24 protected and executed so that small business owners will not  
25 be left out in the cold by another large bank merger.



1           Thank you so much for this time, and I appreciate  
2 the work you're doing.

3           MS. BANTA-LEWIS: Thank you for your comments.  
4 We'll now hear from Willie Ellison.

5           If you would, turn on your camera and come off mute.

6           MR. ELLISON: Good afternoon. I'm Willie Ellison, I  
7 am a board member with the Southern California Black Chamber  
8 of Commerce, and CEO of Sapphire Marketing.

9           Southern California Black Chamber of Commerce --  
10 first off, thank you very much for this opportunity. The  
11 Southern California Black Chamber of Commerce and the other  
12 organizations I represent were members of the Alliance to  
13 Close the Racial Wealth Gap. Chamber of Commerce, we are a  
14 business organization that is dedicated to improving the  
15 economic environment of the minority business community. We  
16 are based in the Inland Empire, but we have 15 chapters within  
17 all 5 of the counties in Southern California, with the  
18 statewide reach along with the national cohort.

19           And at this time, none of our members have any type  
20 of representation or affiliation or relationship with the  
21 Union Bank or U.S. Bank. And I would like to think that this  
22 merger would possibly bring job opportunities, supplier  
23 diversity opportunities to the area. But that's just wishful  
24 thinking. We hope it'll take place.

25           Right now the Alliance -- we are opposed to the

1 merger, unless they approve the new commitment from U.S. Bank.  
2 And although the CBA reads well, I would like to see a few  
3 more specifics -- one in particular supporting the minority  
4 media market with a specific dollar amount, not just saying  
5 they'll double the spend, because we don't know what that  
6 spend is right now.

7           We'd like to see them do a specific dollar amount  
8 for a five-year period or longer, and also work with local  
9 minority PR firms, advertising firms to help do the -- help  
10 with the media buys. Some of their counterparts have done  
11 commitments of \$750 million over a 5-year period, working  
12 directly with the minority media market, and we'd like to see  
13 them commit to the same type.

14           We'd also like to see them make a commitment to  
15 minority developers in the housing market, as well as  
16 commercial market.

17           So with that being said, I would like to thank you  
18 for the opportunity, and hopefully you could encourage them to  
19 agree to a new commitment. Thank you very much for your time.  
20 I appreciate it.

21           MS. BANTA-LEWIS: Thank you for your comments. We  
22 will now hear from Norma Garcia.

23           If you could, turn on your camera and come off mute.

24           MS. GARCIA: Okay, thank you very much. Good  
25 afternoon, Board of Governors of the Federal Reserve and the

1 Office of the Comptroller of the Currency. Thank you for this  
2 opportunity to testify. My name is Norma Paz Garcia, and I am  
3 the policy counsel and director of advocacy for the Mission  
4 Economic Development Agency, also known as MEDA.

5           Rooted in San Francisco's mission district, MEDA is  
6 advancing a national equity movement by building Latino  
7 prosperity, community ownership, and civic power. We were  
8 founded in 1973, and we are a Latino-led non-profit  
9 organization that invests in the lives of under-served  
10 families through direct services, community development  
11 initiatives, including our CDFI, and our affordable housing  
12 development, and policy advocacy.

13           As you may know, San Francisco's Mission District is  
14 one of our nation's ground zero for gentrification and  
15 displacement and, in our case, of our historic Latino  
16 population. MEDA has been a significant force in creating and  
17 implementing solutions to stabilize our community. And our  
18 membership in and support of the California Reinvestment  
19 Coalition is one of these elements, and one of -- to -- of our  
20 efforts to ensure equity, not just in the neighborhoods we  
21 serve, but statewide and nationally.

22           That is why MEDA opposes the merger, unless there is  
23 a strong community benefits agreement in place to ensure that  
24 any merger produces a clear public benefit that is arrived at  
25 with meaningful community participation.

1 I agree with the testimony given by others who spoke  
2 earlier today, particularly Mark Stivers and Katie Lamont,  
3 that the merged bank must increase investments by 50 percent  
4 at a minimum, and other speakers who have told you why it's so  
5 important to ensure that no branches are closed in LMI  
6 communities.

7 Based on today's testimony by the proponents of this  
8 merger, I understand that there has been a commitment to  
9 develop a community benefits agreement, and that community  
10 benefits agreement is forthcoming. But as of today, as of  
11 today, no such agreement exists. And given that we ask that  
12 you not approve this merger until a clear and detailed and  
13 formal written community benefits agreement is in place, this  
14 is in the best interest of all the stakeholders and the  
15 regulators, as well. And it seems like we're very close to  
16 that. So we need to be courageous, and make sure that we get  
17 this in writing so that we can all move forward.

18 Thank you for the opportunity to speak. And this  
19 concludes my remarks.

20 MS. BANTA-LEWIS: Thank you for those comments.  
21 We'll now hear from Nancy Swift.

22 If you would, turn on your camera and come off mute.

23 MS. SWIFT: Yes. Hello and thank you to this board  
24 for this opportunity to be part of a very historic public  
25 meeting, I understand. I also appreciate your fortitude in

1 the length of this meeting.

2 My name is Nancy Swift. I'm the executive director  
3 of JEDI in far northern California. We are a community  
4 economic development organization providing entrepreneurial  
5 and financial stability programs to under-served rural people  
6 over the last 25 years. We host an SBA Women's Business  
7 Center, an IRS free tax preparation center called VITA, and a  
8 farmer's market.

9 I'm also the chair of the California Women's  
10 Business Center Network, comprised of 16 centers providing  
11 culturally appropriate in-language business development  
12 services to targeted communities across the state.

13 Both programs have received impactful CRA and  
14 foundational support from both U.S. and Union Bank, and we  
15 consider ourselves strong partners with both banks.

16 As so many before me today, I'm here to discuss ways  
17 in which this merger could achieve better success under the  
18 applicable statutes. I'd like to speak especially to the  
19 effects of the proposal on the convenience and the needs of  
20 the communities to be served by combining the banks and the  
21 insured depository institutions' performance under CRA.

22 I speak in opposition to the merger, unless a more  
23 significant U.S. Bank community benefits agreement is signed  
24 that includes a reinvestment goal comparable to 50 percent  
25 more in California, and that is negotiated with the community.

1           As we're all painfully aware, and was referenced  
2 earlier, the effects of the pandemic have laid bare the  
3 systemic failures to equitably serve women, women of color,  
4 rural folks, low to moderate-income people, and black and  
5 indigenous people of color.

6           I would expect that this merger was a moment in time  
7 to strategically address this reality anew, and be very  
8 specific in setting targets to better serve these particular  
9 communities. There's quite a bit of reference in the  
10 suggested U.S. Bank CBA to investing in low and moderate-  
11 income and minority communities. As a part of this new  
12 negotiated CBA let's also include women and rural areas  
13 explicitly in our metrics.

14           Union Bank has many innovative investment programs.  
15 One such program was referenced earlier by Carolina Martinez,  
16 the weekend capacity-building programs for organizations  
17 serving women small business owners. Expand this program to  
18 meet the demand, as half the business startups in this state  
19 are from women, and a greater percentage of women of color.  
20 This could be a \$3 million program spending -- spanning three  
21 years.

22           Another area where Union Bank has had some  
23 significant expertise is in making small loans -- under  
24 \$100,000 -- to small businesses. This is an asset to build on  
25 in this merger, and would support the gap in funding small

1 businesses face who are rebuilding California's inclusive  
2 economy.

3 So in closing, I hope the bank will demand a CBA  
4 that has at least a 50 percent increase in California, and  
5 that is negotiated with the community. And I look forward to  
6 working to make this merger have even more historic  
7 commitments to California's under-served populations. Thank  
8 you so much.

9 GROUP 13

10 MS. BANTA-LEWIS: Thank you for those comments. We  
11 will now move into Group 13. And first we'll hear from Nick  
12 Weiner.

13 If you would, turn on your video and come off mute.

14 MR. WEINER: Yes, okay. Well, thanks so much, yeah.  
15 My name is Nick Weiner, I'm the national director for the  
16 Committee for Better Banks, which is the only independent  
17 voice for frontline bank workers.

18 On behalf of our 13,000 members, we oppose the  
19 proposed merger of U.S. Bank and MUFG Union Bank, unless, as  
20 others have mentioned, there's a community benefits agreement  
21 that will ensure the merger will produce strong public  
22 benefits.

23 Recent polls and surveys of our members reinforce  
24 what we already know: bank consolidation results in job loss  
25 through branch closings and layoffs, especially in under-

1 served communities, and threatens consumer well-being by  
2 impairing the rights of bank workers. Customer servicing  
3 departments experience higher caseloads, performance metrics,  
4 and sales goals.

5           Specifically, at U.S. Bank, employees have noticed  
6 longer customer hold times over the past six months, which  
7 they attribute to a recent hiring freeze, and many customer-  
8 facing departments already cut to the bone. Workers are  
9 concerned that the proposed merger will make this problem even  
10 worse.

11           While we appreciate the CEO's verbal commitments  
12 this morning, U.S. Bank has a long way to go to improve its  
13 employment diversity. We recently conducted a study examining  
14 issues related to race in the workplace at 13 large retail  
15 banks using EEO-1 disclosure data. U.S. Bank received an  
16 overall grade of a D. With respect to job advancement  
17 opportunities, our study found black employees at U.S. Bank  
18 had a mere 13.5 percent chance of being in senior management  
19 or executive positions, compared to their white colleagues.

20           Frontline workers already endured tremendous stress  
21 from bearing the weight of meeting customers' financial needs  
22 on their shoulders. These roles sustain local communities,  
23 determine customer satisfaction, and ensure bank health by  
24 connecting branches to the economies they serve. Without  
25 stringent requirements and enforcement mechanisms, banks



1 rarely live up to their verbal commitments made prior to  
2 obtaining merger approval.

3           As an example, SunTrust and BB&T did not live up to  
4 the pledges made by their CEOs prior to gaining approval to  
5 form Truist Bank. We found that Truist has not opened the 15  
6 new branches in LMI communities that its CEO committed to at a  
7 U.S. congressional hearing. Instead, to date, they have only  
8 opened 10. Our analysis also showed that, post-merger, Truist  
9 dramatically shifted away from opening new branches in BIPOC  
10 and LMI communities by 35 percent. Further, in the first full  
11 year of the merger, Truist laid off 8 percent of its total  
12 workforce, or approximately 3,800 full-time employees.

13           Therefore, we urge the Federal Reserve Board and the  
14 OCC to prevent this proposed merger from harming communities  
15 through the elimination and degradation of bank worker jobs by  
16 requiring a forward-looking community benefits agreement that  
17 addresses workers concerns to ensure it provides clear public  
18 benefits.

19           This concludes my remarks. Thank you so much.

20           MS. BANTA-LEWIS: Thank you for those comments. We  
21 will now hear from Andrew Menor.

22           If you would, turn on your camera and come off mute.

23           MR. MENOR: Hi there. My name is Andrew Menor, and  
24 I am the policy and civic engagement associate with the Thai  
25 Community Development Center based in Los Angeles. Thank you

1 for the opportunity to speak at today's hearing.

2 For 28 years our organization has been working to  
3 address the multi-faceted needs of low and moderate-income  
4 Thais and other minority communities throughout LA.  
5 Therefore, we are intimately aware of the daunting challenges  
6 facing disadvantaged minority communities throughout our city,  
7 especially when it comes to accessing banking, lending, and  
8 other key financial services.

9 One of the most persistent obstacles preventing our  
10 communities from accessing financial products and services is  
11 a lack of language access. Many of the communities we serve  
12 are comprised of immigrants for whom English is not their  
13 first or primary language. Because these individuals are  
14 limited English proficient -- or LEP, for short -- they often  
15 struggle understanding and completing key financial documents,  
16 managing bank accounts, resolving problems with financial  
17 products, and conducting everyday financial affairs that are  
18 technical and challenging to navigate, even for native English  
19 speakers.

20 Due to these language barriers, LEP consumers are  
21 unbanked or under-banked at a much higher rate than native  
22 English consumers, and have a much harder time accessing  
23 capital, loans, and retail banking services. Consequently,  
24 these consumers often -- often turned to alternative or  
25 higher-risk sources of financing and forms of money management

1 in order to meet their financial needs.

2           It's important to note that these challenges are not  
3 exclusive to LA, and exist across California. California is  
4 -- according to the U.S. Census Bureau, almost 44 percent of  
5 California households speak a language other than English, and  
6 nearly 1 in 5 California residents are considered limited  
7 English proficient. Therefore, we believe financial  
8 institutions such as U.S. Bank must play a larger role in  
9 creating a more inclusive environment in the financial  
10 marketplace that is accessible for everyone, regardless of  
11 their primary language.

12           For example, U.S. Bank should commit to increasing  
13 multi-lingual staff, or hire third-party language service  
14 providers to provide translated financial documents and  
15 applications; verbal interpretation services, both in person  
16 and over the phone; and other forms of language support to  
17 assist with residential mortgage originations, small business  
18 lending, and other banking needs.

19           Furthermore, U.S. Bank can provide financial  
20 literacy classes and education about financial products in  
21 multiple languages to reach unbanked and under-banked  
22 immigrants.

23           We also believe their mobile app could include more  
24 languages other than just English and Spanish.

25           To effectively meet the language needs of diverse

1 LEP consumers, we suggest that U.S. Bank review demographic  
2 data about the localities they serve from sources such as the  
3 U.S. Census Bureau to effectively align their language-focused  
4 resources with local demographics, and better serve the wide  
5 array of LEP consumers across our state.

6 In conclusion, unless U.S. Bank's merger proposal is  
7 amended to include a strong community benefits agreement that  
8 incorporates not only our recommendations but those expressed  
9 by all the other community organizations here today, we,  
10 unfortunately, would have no choice but to oppose this merger.

11 Thank you so much for your consideration and time.

12 MS. BANTA-LEWIS: Thank you for those comments. We  
13 will now move on to Adam Briones.

14 If you would, turn on your camera and come off mute.

15 MR. BRIONES: Hello, good afternoon. My name is  
16 Adam Briones, and I am CEO of California Community Builders.  
17 I will keep my remarks brief, because I know that we are  
18 nearing the end of a very long day, but I do you want to give  
19 some background on my organization.

20 CCB is a think and do tank that works to close the  
21 racial wealth gap through home ownership, small business, and  
22 access to capital, and believes that people of color must  
23 always be at the table, not on the table of policy-making.

24 CCB is also a member of the Alliance to Close the  
25 Racial Wealth Gap, a coalition of organizations in five states

1 working to ensure that financial institutions reinvest and  
2 support the diverse communities they profit from.

3 In relation to the merger, first, thank you to the  
4 Federal Reserve and OCC for holding this hearing. For a  
5 merger of this size and scope, it is important that as many  
6 diverse community voices be heard as possible.

7 Second, I want to acknowledge that my organization  
8 believes there have been good faith efforts by U.S. Bank  
9 during this merger process, including a CEO meeting with the  
10 Alliance members last year as part of their listening tour, as  
11 well as the creation of a draft commitment with our and other  
12 advocates' input.

13 I also want to add that we have a historic and  
14 strong relationship with Union Bank, including as a grantee,  
15 and we hold Union Bank's community development staff as the  
16 gold standard in the industry.

17 Third, CCB and the Alliance submitted a comment  
18 letter opposing the merger last year. For the record, CCB and  
19 the Alliance remain opposed to the merger today.

20 The draft Community Reinvestment Plan that U.S. Bank  
21 has presented is a starting point, but there are substantive  
22 issues that we would like to see resolved before it is  
23 finalized, and before this merger is approved, including an  
24 agreement from the bank that the commitment will be signed by  
25 their CEO and presented to their board of directors as a sign

1 of the seriousness with which they take this commitment.

2 Further -- remain opposed to the merger until other  
3 coalitions who have provided input into the plan are satisfied  
4 that it meets the needs of the communities they represent.

5 We thank the Fed and the OCC for holding this  
6 hearing, and U.S. Bank for their good faith efforts to engage  
7 in continued dialogue with our and other coalitions. With  
8 that said, we ask that this merger not be approved until U.S.  
9 Bank and community coalitions throughout the country have come  
10 to an agreement on what U.S. Bank's new CRA commitment will  
11 be, and how it will be implemented. Thank you.

12 MS. BANTA-LEWIS: Thank you for those comments. We  
13 will now hear from William Michael Cunningham.

14 Turn on your video and come off mute.

15 MR. CUNNINGHAM: Okay, I am William Michael  
16 Cunningham. I'm CEO of Creative Investment Research. We are  
17 a firm that's been creating high social impact investment  
18 since 1989. I hold a master's in economics and an MBA in  
19 finance, both from the University of Chicago, and I'm an  
20 adjunct faculty member at Georgetown University.

21 Our perspective on this merger is as follows: We  
22 believe it's a violation of 12 USC 1842(c)(1) in that it  
23 results in monopoly concentration. Our research indicates  
24 that, if current trends go uninterrupted, by 2041 there will  
25 only be two banks in the United States of America. Just do

1 the trend research yourself.

2 In addition, we see that the assets held by  
3 depository institutions of greater than 700 billion has grown  
4 to 40 percent as of 2020, and that's an increase from 10.5  
5 percent in 1990. Actually, let me correct that. It was 2  
6 percent in 1990. So we've seen nothing but a concentration of  
7 assets leading to a monopoly condition.

8 Secondly, we believe the merger and the Fed's  
9 approach here is in violation of 12 USC 1842(c)(2). The board  
10 has excluded authentic African American viewpoints, as  
11 indicated by the pettiness in scheduling these remarks last.  
12 Instead, the board has relied on opinions from token industry  
13 participants and "community" organizations funded by banking  
14 entities.

15 Let me point out that we take no money from any  
16 bank.

17 These entities have accelerated gentrification, are  
18 self-interested, biased, ethnically and ethically compromised,  
19 and they're managed by and represent the interests of  
20 non-black individuals.

21 In addition to those violations, we believe this  
22 merger is a violation of 12 USC 1842(c)(2) in that the Federal  
23 Reserve has not identified the effects of climate change and  
24 the impediments to a low carbon economy transition that the  
25 merger will impose on society and the service areas.





1           The U.S. Bank and Union Banks are located in the  
2 area where I am -- that is San Joaquin County, California,  
3 more specifically, Stockton. And in San Joaquin County,  
4 representing over 800,000 people, there are combined 5  
5 branches, 5, for 800,000 people or more.

6           There has been zero -- zero -- outreach from either  
7 bank to the black business community, the Latino business  
8 community, or the Asian business community. Stockton,  
9 California is the most diverse community in the nation. We  
10 have over 80 percent ethnic minorities in our community.  
11 Therefore, that means that Union Bank and U.S. Bank have not  
12 made an effort to reach those people of color throughout San  
13 Joaquin County.

14           The bank at -- the bank has not reached out to  
15 either of the Chambers of Commerce. I did a check today to  
16 make sure that the same conditions still exist today as they  
17 have all along.

18           So we definitely oppose the merger until the banks,  
19 both of them, and collectively one, are more willing to engage  
20 in economic wealth of people of color, specifically African  
21 Americans. And when African Americans benefit, all people  
22 benefit, because there's no law or rule that only affects us.  
23 The banks need to show good -- not just good faith, they need  
24 to show actual participation and implementation of revenue  
25 generation and sharing in the communities of color,

1 specifically African American color people.

2           Again, we do not believe that this is to the benefit  
3 of a large percentage of Americans that are in the San Joaquin  
4 Valley and also central California. There needs to be an  
5 increase in banks, and not a decrease.

6           So thank you for this opportunity to speak today.  
7 Again, the NAACP California State Conference of Branches is in  
8 opposition to this merger, and there are 52 branches  
9 throughout the State of California.

10           Goodbye, have a great day.

11           MS. BANTA-LEWIS: Thank you for those comments. We  
12 will now move on to Kenneth Kelly.

13           If you could, turn on your camera and come off mute.

14           MR. KELLY: Good afternoon, committee members Ben  
15 Olson, Donna Murphy, Vaishali Sack, Chris Wangen, Barry Wides,  
16 and Jason Almonte. My name is Kenneth Kelly, I serve as  
17 chairman and CEO of First Independence Bank, which opened its  
18 doors in May of 1970.

19           Our bank is a minority-owned and controlled  
20 institution that is now approximately \$400 million in assets.  
21 We are one of only two banks headquartered in Detroit. On  
22 February 22nd, 2022 we opened our first branch in Minneapolis,  
23 Minnesota. I'll speak to this later. We are also only one of  
24 about 17 African American owned and controlled banks out of  
25 nearly close to 5,000 banks in the country.

1           To be candid, we excel and talk about this from not  
2 just an academic perspective, but one that is meaningful,  
3 because we have put our money where our mouth is, as it  
4 relates to banking.

5           I currently serve as a director of the American  
6 Bankers Association, and I am also the past immediate chairman  
7 of the National Bankers Association, which has been the voice  
8 of minority banks in this country since 1927.

9           There are two points I want to drive home to support  
10 this merger: one, the state of the banking sector, which you  
11 probably already know; number two, the character of the  
12 leadership of the merged institution.

13           The current state of banking. The cost pressures of  
14 running an institution are enormous, and continue to increase  
15 along the lines of compliance technology and also human  
16 capital. These trends have been going on for nearly 40 years.  
17 It is a fact that in Q1 1984, there were 18,083 banks in our  
18 country. Today, there are 4,839 banks. Therefore, it is a  
19 fact that the number of banks are declining, and the scale and  
20 the size of the banks, from the asset standpoint, are growing.  
21 This is needed to maintain the efficiency and stability of  
22 this sector.

23           The essence of the banking sector is to create  
24 certainty. Without our banking system, the American life that  
25 we know and cherish would be challenged. At the Federal level

1 the OCC was created in the midst of the Civil War to create  
2 stability of the currency. The Federal Reserve was created in  
3 1913, and the FDIC was created in 1933 to help solidify the  
4 certainty and stability to maintain the banking sector when  
5 moments of concern dictated the need for action. As a leader  
6 of an institution, I can share firsthand the cost pressures  
7 and the impact that they have on our business.

8           Secondly, I want to make reference to the topic of -  
9 - I have shared regarding the character of the individuals at  
10 U.S. Bank. I have gotten to know the individuals like Tyann  
11 Allen and Greg Cunningham, who were instrumental in our bank  
12 becoming a protege program of U.S. Bank through the Treasury  
13 process under Secretary Mnuchin. Upon our bank review and the  
14 possibility to move into Minneapolis, we've gotten to know  
15 Director Dorothy Bridges and Vice Chairman Tim Welsh. These  
16 relationships have been critical to us establishing a African  
17 American bank in the Twin City market, and I think they should  
18 be given credit for it.

19           Given the fact that our industry is going through  
20 aggregation, the need to have strong character running these  
21 types of institutions is a must, and I fully support the U.S.  
22 Bank merger, understanding the sophistication of these two  
23 individual banks, seeing that it is in the best interest of  
24 both institutions moving forward.

25           Thank you so much for the time to testify today.

1 VOICE: Thank you.

2 MS. BANTA-LEWIS: Thank you for your comments. We  
3 will now move on to Pamela Isom.

4 If you would, turn on your camera and come off mute.

5 MS. ISOM: Good afternoon. My name is Pamela Isom,  
6 president and CEO of In Case of Emergency, or ICE Safety  
7 Solutions, and I'm a black, woman-owned company in business  
8 for 23 years, and we have one mission, and that is to make  
9 sure no person working in any corporation becomes ill,  
10 injured, and lose a life.

11 I'm here today to support the merger, and the main  
12 reason is I watched Union Bank grow from the first inception.  
13 They were the only bank that would lend to me. They were the  
14 only bank that had a lending program for minority and women-  
15 owned businesses, when all the other banks turned their cheek  
16 to us and walked away.

17 In 2005, with the merger of Union Bank and Bank of  
18 California, I watched how Union Bank held steadfast to their  
19 commitment of diversity, making sure they could lend to us.  
20 In 2008, during the financial crisis, Union Bank was the only  
21 bank who did not turn off our line of credit. They thought  
22 more about the small women and minority-owned businesses to  
23 make sure that we could survive.

24 And not only that, during the pandemic they were the  
25 only bank, when so many other small, minority-owned businesses

1 and women-owned businesses couldn't get PPP funding, and the  
2 excuse was, "Did you not have a relationship with them," Union  
3 Bank funded us. They have continued to support all types of  
4 industries.

5           On top of that, their outreach and diversity to  
6 businesses like mine to bring us into the economic growth and  
7 vitality of supply chain. MUFG Union Bank has not only  
8 brought our business into the supply chain, but they have  
9 brought us into other corporations that are not even financial  
10 institutions. They educate, they send suppliers who are up  
11 and coming to educational programs like UCLA. They serve  
12 banking programs at community colleges. They are boots on the  
13 ground to make sure that, A, they support the business  
14 community, they support supply chain, and they make sure that  
15 I have the capital I need to grow.

16           There was no way I could be in business for 23 years  
17 if I didn't have the financial capital support of Union Bank,  
18 that I didn't have the relationship that I have. Therefore,  
19 thank you, MUFG Union Bank. I definitely support this merger  
20 because, at the end of the day, I need to make sure my  
21 business can make it out alive, out of any pandemic, out of  
22 any financial crisis. And that's exactly what Union Bank and  
23 MUFG does with this merger.

24           Thank you so much. This concludes my remarks.

25           MS. BANTA-LEWIS: Thank you for those comments. We

1 will now hear from Roberto Barragan.

2 If you could, turn on your camera and come off mute.

3 MR. BARRAGAN: Good afternoon, good afternoon. My  
4 name is Roberto Barragan, I'm the executive director of the  
5 California Community Economic Development Association here in  
6 Los Angeles. And thank you very much to the Federal Reserve  
7 and the OCC for hosting these hearings.

8 As a former chairman of the Federal Reserve Board of  
9 Governors Community Advisory Council, I am very proud  
10 that you have taken the time and worked with this technology  
11 to bring us all together and before you.

12 CCEDA is a statewide organization of some 200  
13 community financial institutions, community action agencies,  
14 and community development corporations, all focused on serving  
15 under-served communities of color, under-served communities of  
16 color throughout the State of California.

17 Having said that, we have had a very productive  
18 partnership with U.S. Bank for many years, and an almost  
19 equally productive relationship with Union Bank over these  
20 many years, helping small business, particularly through this  
21 pandemic, and helping new and growing community development  
22 finance institutions of color.

23 We urge U.S. Bank to complete and consummate and  
24 execute a community benefits agreement that would speak to  
25 speak -- it would speak to retaining bank branches. Our

1 organization, CCEDA, is spending many days now in rural  
2 communities throughout California. And as we learned over the  
3 past decade, rural communities has been where we've been  
4 challenged. Rural communities has been where resources have  
5 not been available. Rural communities is where they need  
6 assistance and support.

7           And then these communities that have needed  
8 assistance, closing bank branches in rural communities is not  
9 the way to serve them. And in U.S. Bank and Union Bank, they  
10 have numerous branches in those communities that we hope will  
11 -- and urge to be retained.

12           At the same time, while both the U.S. Bank and Union  
13 Bank have made significant investments across California, we  
14 now see that transformative, impactful investments that change  
15 communities, that transform communities are what needed [sic].

16           And finally, we're looking for more support for non-  
17 profit organizations of color, non-profit organizations of  
18 community development financial institutions of color  
19 throughout the State of California.

20           I want to thank you for your time, and appreciate  
21 the opportunity to speak with you.

22           MS. BANTA-LEWIS: Thank you for your comments. We  
23 will move on to Karen Johnson.

24           If you would, turn on your camera and come off mute.

25           MS. JOHNSON: Good afternoon. My name is Dr. Karen



1 Johnson, I'm the president and CEO of New Pathways for Youth  
2 located here in Phoenix, Arizona, and I'm testifying today in  
3 support of U.S. Bank.

4 U.S. Bank has been a wonderful partner for New  
5 Pathways. Their leadership here in the Valley serves on our  
6 board of trustees, as well as on our advisory committee. They  
7 assisted us during COVID in transitioning our banking  
8 services, and helping us to obtain the appropriate loans to  
9 keep our agency in operation during the pandemic. They've  
10 supported us through sponsorships and grants.

11 Our community -- our agency serves primarily BIPOC  
12 youth who are living in poverty, and that bank's commitment to  
13 that community and to our organization has been unparalleled.  
14 Very grateful for their leadership, and very much in support  
15 of their -- of this merger.

16 So I'll leave you my extra minute and a half. It's  
17 been a long day for you. Thank you very much.

18 MS. BANTA-LEWIS: Thank you for your comments.  
19 We'll now hear from Ruth Garcia-Corrales.

20 If you could, turn on your camera and come off mute.

21 MS. GARCIA-CORRALES: Hi, my name is Ruth Garcia-  
22 Corrales, and I'm the director of New Economics for Women  
23 Business Center in Los Angeles, an SBA program, and I want to  
24 thank the Board of Governors for this opportunity to express  
25 our support for the merger of U.S. Bank and Union Bank.

1           We at New Economics for Women work specifically with  
2 people of color. Seventy-five percent of our clients are  
3 women, and we opened our offices in April 1st of 2020. When  
4 everybody was shutting down, we were opening our offices. SBA  
5 allocated this new women business center in Los Angeles,  
6 northern part of Los Angeles, and I can tell you and testify  
7 that Union Bank was there to help us.

8           We were starting, we were having all this  
9 overwhelming amount of clients that needed help with the EIDL  
10 and the PPP, and we were overwhelmed with so many people, and  
11 Union Bank was there to help us. They were very supportive in  
12 giving us the opportunity to connect with other organizations  
13 and help with grants, and connect us with the County of Los  
14 Angeles to get more support for the operation of our office.

15           This support is because Union Bank is -- it's a  
16 community bank. They understand the needs of our community,  
17 and we want them to grow and have a stronger reach in our  
18 area. My support from Union Bank has given us the opportunity  
19 to grow our programs, and we are sure that they're going to  
20 continue their efforts in developing our organizations and  
21 helping us with our community. And, of course, all the  
22 programs with loans and micro loans and small business loans,  
23 all of that helps our clients.

24           So I know you guys have a long day. I'm on the West  
25 Coast, so for me it's only 3:00, or -- but for you guys, it's

1 late. So I just want to thank you for giving us the  
2 opportunity to share a little bit of our story today. Thank  
3 you.

4 MS. BANTA-LEWIS: Thank you for those comments. We  
5 will now hear from David Mendoza.

6 If you could, turn on your video and come off mute.

7 MR. MENDOZA: Yes, good afternoon. My name is David  
8 Mendoza. I'm the project director for the Fresno Native  
9 American and Business Development Center and the Minority  
10 Business Development Center for the last 10 years, and I've  
11 been listening to today's public hearing from the start. And  
12 I appreciate your time and patience to listen to our comments  
13 and concerns.

14 Currently we have no U.S. Bank branches in Fresno  
15 County, and there is currently three Union Bank branches in  
16 Fresno County. I'm concerned about the under-served rural  
17 communities of our Central Valley, especially our Native  
18 American communities. There's little access to capital for  
19 these under-served rural small businesses and families.

20 The American Indian, Alaska Native, and Hawaiian  
21 Native business communities is a growing sector of California,  
22 Oregon, and Washington State's thriving small businesses.  
23 They need access to capital to continue to grow their  
24 businesses, provide services and products to their communities  
25 and, more importantly, add jobs.

1           In California we see many large banks focus in the  
2 Bay Area and Los Angeles metro areas. We would like the U.S.  
3 Bank merger to plan to better serve the Central Valley  
4 businesses. With more and more bank branches closing, I would  
5 like to use your -- like you to use your knowledge, your  
6 input, and your expertise to make the right decisions.

7           I would like U.S. Bank to provide an access to  
8 capital plan for the Central Valley rural communities in their  
9 community benefits agreement.

10           I appreciate very much, and I know that your day is  
11 long, and I salute you for your stamina, and I thank you for  
12 your time. That will do it for me. Thank you very much.

13           MS. BANTA-LEWIS: Thank you for your comments. We  
14 will now hear from Faith Bautista.

15           If you could, turn on your camera and come off mute.

16           MS. BAUTISTA: Hi. Well, hi, thank you, and  
17 congratulations to Federal Reserve for putting this very  
18 first-time Webex public hearing. It's pretty cool, actually.

19           Both U.S. Bank and Union Bank have always been  
20 community supporters and made significant investment in  
21 lending. This is why both banks are -- have outstanding  
22 ratings. But can we make them outstanding-plus? I think we  
23 can. Let's do more than what they already have been doing.

24           CRA, you know, in my opinion, has not really helped  
25 LMI communities to narrow the gap of income and wealth

1 inequality. We all know how expensive it is to be poor. We  
2 need to continue having meetings with senior management to  
3 find solutions to help those under-served, hard-to-reach and  
4 -- hard-to-reach consumers that needs our help. After hearing  
5 Andy Cecere today, I am hopeful that they will not only  
6 listen, but will implement programs and local community needs.

7           It's not a one-size-fits-all solution. You know, we  
8 understand how the -- how we -- we have to understand how to  
9 break down the barriers, and do it with local CBOs and faith-  
10 based organizations. There are small, extra small, medium  
11 CBOs that can do as much as large and extra large  
12 organizations. So, you know, let's not put all our investment  
13 on an easy-to-fund organization. Automatic underwriting will  
14 not help the people we serve. The new bank must invest on  
15 CDFIs that focuses on helping borrowers that doesn't fit the  
16 box on lending. Most of the time, creating mega-banks will  
17 not help lending to micro and small businesses, but you can  
18 find a local partner that can do that for you.

19           Lastly, anti-Asian hate. I've been listening to  
20 this since 8:00, and I don't think Asian hate has been brought  
21 up. You know, let's not forget the Asian. We are  
22 experiencing discrimination for years, and it's not stopping.  
23 Every day you will hear from youths and neighbors that  
24 discrimination that my fellow Asian is experiencing. Diverse  
25 segment or multicultural marketing segment has to increase

1 marketing and support to the eight percent Asian population.

2 Do you know that 74 percent of Asian women has  
3 experienced a hate crime?

4 Advertising dollars is less than one percent to  
5 Asian. We need to do something about it, and I'm hoping that  
6 the -- all of Union Bank, U.S. Bank are listening.

7 And thank you, thank you. It's late for you guys.

8 MS. BANTA-LEWIS: Thank you for your comments.

9 We'll now hear from Mark Angelini.

10 If you could, turn on your camera and come off mute.

11 MR. ANGELINI: Thank you. Good evening. I am Mark  
12 Angelini, president of Mercy Housing Lakefront. We are the  
13 geographic business center for Mercy Housing, Inc., operating  
14 in the Great Lakes region of Illinois, Wisconsin, and Indiana.  
15 We are the region's largest non-profit developer of serviced,  
16 enriched, affordable housing. And I would like to express my  
17 support for the proposed merger of MUFG Union Bank and U.S.  
18 Bank.

19 Earlier today, Ismael Guerrero, CEO of Mercy Housing  
20 Inc., noted that many -- noted the many banking services  
21 provided to Mercy Housing by U.S. Bank, including a \$10  
22 million unsecured line of credit that supports all the pre-  
23 development costs of the various Mercy Housing regional  
24 centers, including Mercy Housing Lakefront.

25 Now I would like to add a little bit of a regional

1 perspective, and note that both U.S. Bank and Union Bank have  
2 been generous donors supporting the operations of Mercy  
3 Housing Lakefront, and directly providing volunteer services  
4 to our residents. Since I became president eight years ago,  
5 both have been continuous donors, in terms of grants, and have  
6 been very generous. In the case of U.S. Bank, the support  
7 actually goes back further, to 1995.

8           In addition, many regional U.S. Bank employees here  
9 in the Great Lakes area have donated time in providing  
10 financial literacy assistance to many of our residents.  
11 Another example of the, I think, very dedicated and exemplary  
12 focus on community that comes from U.S. Bank personnel, U.S.  
13 Bank assigned its senior regional leader, the vice president  
14 and community affairs manager in Milwaukee, to be a founding  
15 member and, for the past five years, board chair of our  
16 Wisconsin Partnership Board. In that role she has provided us  
17 wise counsel and guidance as we have expanded our mission in  
18 Wisconsin. She has also been an engaged volunteer in  
19 connecting us to resources and service partners.

20           In my experience then, this person, Suzanne Zwaska, I  
21 think, really embodies the same community spirit and deeply  
22 felt commitment to helping the residents who live with us that  
23 all U.S. Bank volunteers have shown. We are grateful for the  
24 time, talent, and treasure that local U.S. Bank have committed  
25 in support of our mission.

1 Thank you for your time and attention.

2 MS. BANTA-LEWIS: Thank you for your comments.

3 We'll now hear from Andrew Hoan.

4 If you could, turn on your camera and come off mute.

5 MR. HOAN: Good afternoon from Portland, Oregon, and  
6 good evening to all of you on the East Coast. My name is  
7 Andrew Hoan, and I am the president and CEO of the Portland  
8 Business Alliance, which is Greater Portland's Chamber of  
9 Commerce, founded in 1870, and represents the most -- the  
10 largest and most diverse business network in the region.

11 On behalf of our over 2,000 members, I would like to  
12 offer our support for the U.S. Bank and Union Bank merger.  
13 I'd like to share testimony that highlights U.S. Bank's  
14 commitment to improving the social and economic fabric across  
15 the communities it serves.

16 In particular, and across our region, we have  
17 witnessed the profound impacts that U.S. Bank has achieved in  
18 areas related to community investment and housing and  
19 homelessness to address racial and economic inequalities,  
20 providing economic opportunities to minority and women  
21 businesses, achieving innovation in community development,  
22 financing, and access to credit in low to moderate-income  
23 communities and communities of color, enhancements in the  
24 areas of housing and small business, as well as strengthened  
25 partnerships between its bankers, non-profits, and community



1 development financial institutions, and opportunities to build  
2 and steward two-way dialogues with community organizations to  
3 help build shared solutions to prevailing community concerns.

4           The Portland Business Alliance also recognizes that  
5 U.S. Bank employees are committed to serving their communities  
6 in a variety of ways, from volunteer board service and  
7 volunteer donation drives to ensuring that their time and  
8 monetary investments are matched by U.S. Bank's employee  
9 giving and engagement programs.

10           U.S. Bank is an incredible asset to the communities it  
11 serves, and the alliance recognizes that U.S. Bank is a leader  
12 and influencer in these areas.

13           We urge you to approve this application, and thank  
14 you so much for your time and dedication to this process.

15           MS. BANTA-LEWIS: Thank you for those comments.  
16 We'll now hear from Adair Mosley.

17           If you could, turn your video and come off mute.

18           MR. MOSLEY: Good evening to you all. My name is  
19 Adair Mosley, and I serve as the president and CEO of  
20 Pillsbury United Communities, a century-and-a-half-old  
21 community impact organization.

22           Unequivocally, I come forward in full support of  
23 this merger.

24           One of the most fundamental questions that I've  
25 asked over the past two years is what does a moment need from

1 its leaders? So I examine this opportunity through that lens,  
2 and there I find leaders at U.S. Bank continuously rising to  
3 meet the moment.

4 Beyond the economic impact levers, we must also  
5 examine the integrity of leadership. Are the values, words,  
6 and actions of the institution congruent? It is when this  
7 harmonious balance is achieved that an institution can be  
8 deemed trustworthy, and only then given more responsibility.  
9 U.S. Bank meets this high bar.

10 Additionally, for me to give my testimony today, I  
11 examined the position, decisions, and values of this  
12 organization before we were met with the disruptive forces,  
13 largely, of 2020. Where was the institution before racial and  
14 social justice became mainstream, and virtue signaling in many  
15 organizations? U.S. Bank has been consistent. In solidarity  
16 with communities in creating an exclusive workplace for all,  
17 more of a -- they have made monumental investments in our  
18 community.

19 As a leader in our region, and a resident of north  
20 Minneapolis, I've witnessed severe predatory lending practices  
21 from institutions from payday loans to inhumane check cashing  
22 services in north Minneapolis. I've witnessed banks regard  
23 north Minneapolis not worthy of credible banking services,  
24 leaving the un and under-banked helpless.

25 However, there has been one bank that has remained:

1 U.S. Bank. Six years ago, Pillsbury stood up a grocery store  
2 in north Minneapolis to address food insecurity and healthy  
3 food access. Although at the time these were not strategic  
4 pillars of their philanthropic giving, U.S. Bank understood  
5 that it was the desire and aspirations of the community in  
6 which they serve. Therefore, they provided a substantial  
7 grant to the development of North Market.

8           Fast forward, May 2020. George Floyd's murder shook  
9 the core of Minneapolis. And there we stood, a moment of  
10 reckoning, a catalyst for racial and social justice across the  
11 world. U.S. Bank met this profound moment by committing tens  
12 of millions of dollars to CDFI and small black-owned  
13 businesses to close the racial wealth gap. U.S. Bank made a  
14 multi-million-dollar investment in our strategy, Justice Built  
15 Communities, focused on building equitable economic  
16 development.

17           Consistent congruency with values, words, and actions.  
18 U.S. Bank is committed to rebuilding its branches with state-  
19 of-the-art facilities in most economically challenged areas of  
20 Minneapolis. U.S. Bank is poised to bring substantial  
21 positive impact to California market, and double down on its  
22 commitments to community that have been historically  
23 marginalized [sic]. Thank you.

24           MS. BANTA-LEWIS: Thank you for those comments. And  
25 now we'll hear from Yasmin Davidds.

1           If you could, please turn on your video and come off  
2     mute.

3           MS. DAVIDDS: Good afternoon, everyone. Thank you  
4     for the opportunity to make comments at this hearing today.

5           My name is Yasmin Davidds, CEO of the Multicultural  
6     Women Executive Leadership Foundation, a non-profit  
7     organization offering leadership and entrepreneurship training  
8     and development for multicultural women. Its focus is on  
9     strengthening the U.S. economic landscape by leveraging  
10    multicultural women cultural capital through customized gender  
11    and cultural education, access to business capital,  
12    mentorship, and a support network. It accomplishes this by  
13    empowering multicultural women to develop leadership and  
14    entrepreneurial intelligence, create jobs, and develop  
15    leaders, thus spawning a new generation of successfully  
16    sustainable, multicultural, high-level leaders and companies.

17           To accomplish this mission, we need the support of  
18    banking institutions and other corporate citizens. Union Bank  
19    has been unique among financial institutions of its type in  
20    terms of supporting multicultural women leaders and  
21    entrepreneurs. They have been constant and exceptional  
22    contributors in both monetary support and leadership  
23    engagement within our organization and others in our  
24    community.

25           In the case of our organization, Union Bank provided

1 the seed money to launch the Multicultural Women Executive  
2 Leadership and Entrepreneurial Program, in partnership with  
3 the USC Marshall School of Business. This program currently  
4 stands as the only multicultural women leadership program for  
5 senior level women in the country. Union Bank is represented  
6 on our board and advisory committees and as faculty and  
7 advisors in our programs.

8 Digital expansion of our entrepreneur programing and  
9 services were enabled because of support from Union Bank. It  
10 is because of this support that we were able to help our  
11 multicultural women small business pivot to digital platforms  
12 during the pandemic. Their businesses were sustained. Some  
13 even grew.

14 Over the past 15 years we have had many  
15 relationships with banking institutions. None have been more  
16 dedicated than Union Bank in helping to support the  
17 development of multicultural women leaders. Union Bank has  
18 continued to be our strongest and most consistent contributor  
19 over the years. From funding to board to direct leadership,  
20 they have set the standard for best practices in this area.  
21 It's for these reasons, among many others, that I am  
22 supportive of U.S. Bank's acquisition of Union Bank.

23 Thank you for providing me this opportunity to  
24 testify. This concludes my remarks.

25 MS. MURPHY: So thank you very much, everyone. On

1 behalf of my co-presiding officer, Ben Olson, and all of the  
2 panelists from the Federal Reserve Board and the Office of the  
3 Comptroller of the Currency, we want to thank all of you who  
4 have presented today, everyone who listened in and attended  
5 the hearing, and particularly we want to thank all of the  
6 presenters for cooperating with our fairly strict time limits  
7 in order to allow everyone the opportunity to speak.

8 I also want to personally thank all of the Federal  
9 Reserve Bank of St. Louis staff who worked so hard behind the  
10 scenes to make this all work in this, you know, really  
11 challenging format. But I think it really worked well. We  
12 had presenters from all over the country.

13 So with that, we will -- we appreciate all the  
14 remarks that were made. Obviously, they will be considered by  
15 both the OCC and the Federal Reserve Board.

16 We also continue to encourage anyone who is  
17 interested in submitting written comments, the Federal Register  
18 notice for this public meeting contains instructions on how  
19 those can be submitted between now and the deadline of 5:00  
20 p.m. Eastern on Friday, March 11th.

21 And with that note, I want to wish everyone a good  
22 afternoon and good evening, and thank you all again for  
23 attending our public meeting, and for providing us with so  
24 much heartfelt and thoughtful commentary. Take care.

25 (Whereupon, at 6:48 p.m., the meeting was

1 adjourned.)

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