

ZIONS BANCORPORATION /UT/  
Form 424B3  
January 28, 2013  
**Table of Contents**

**Filed Pursuant to Rule 424(b)(3)**  
**Registration No. 333-173299**

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell nor do they seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated January 28, 2013

Prospectus Supplement to Prospectus dated April 4, 2011.

## Zions Bancorporation

8,000,000 Depositary Shares Each Representing a 1/40th Interest in a Share of Series G Fixed/Floating Rate Non-Cumulative Perpetual Preferred Stock

Zions Bancorporation is offering to sell 8,000,000 depositary shares, each representing a 1/40th ownership interest in a share of Series G Fixed/Floating Rate Non-Cumulative Perpetual Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) (the Series G Preferred Stock). The depositary shares are represented by depositary receipts. As a holder of depositary shares, you will be entitled to all proportional rights and preferences of the Series G Preferred Stock (including dividend, voting, redemption and liquidation rights). You must exercise such rights through the depositary.

Dividends on the Series G Preferred Stock will be payable quarterly in arrears when, as and if declared by our board of directors or a duly authorized committee of the board, (i) from and including the original issuance date to but excluding March 15, 2023 (the Fixed Rate Period), at a rate per annum equal to % and (ii) from and including March 15, 2023 (the Floating Rate Period), at an annual floating rate equal to three-month LIBOR plus % (the Floating Rate Spread). The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes. The dividend payment dates will be the 15th day of March, June, September and December, commencing on June 15, 2013.

Dividends on the Series G Preferred Stock will be non-cumulative. If our board of directors or a duly authorized committee of the board does not declare a dividend on the Series G Preferred Stock for any dividend period, such dividend will not accrue or be payable, and we will have no obligation to pay dividends for such dividend period, whether or not dividends on the Series G Preferred Stock are declared for any future dividend period.

The Series G Preferred Stock may be redeemed in whole or in part, on or after March 15, 2023. The Series G Preferred Stock may be redeemed in whole, but not in part, prior to March 15, 2023, upon the occurrence of a regulatory capital treatment event, as described herein. The Series G Preferred Stock will not have any voting rights, except as set forth under Description of Series G Preferred Stock Voting Rights on page S-31.

We expect the depositary shares to be approved for listing on the New York Stock Exchange, subject to official notice of issuance, under the symbol ZBPRG.

The public offering price for the depositary shares will be equal to the liquidation preference per depositary share, or \$25. The dividend rate for the Fixed Rate Period, the Floating Rate Spread and the allocation of the depositary shares in this offering will be determined by an online auction process. During the auction period, potential bidders will be able to place bids for the dividend rate for the Fixed Rate Period at or above a minimum dividend rate bid of 5.30% per depositary share (in increments of 0.05%) and up to and including the maximum dividend rate bid of 6.30% per depositary share. Bids below the minimum dividend rate bid or above the maximum dividend rate bid will not be accepted. The minimum size for any bid is one depositary share (equivalent to \$25 liquidation preference). There is no maximum bid size. If we decide to sell the depositary shares being offered, the dividend rate to be paid on the depositary shares during the Fixed Rate Period will equal the market-clearing dividend rate. If the number of depositary shares for which valid bids are received is equal to or greater than 100% of the depositary shares (\$200,000,000 aggregate liquidation preference), or the auction amount, the market-clearing dividend rate will be equal to the lowest dividend

## Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

rate at which such auction amount can be sold in the auction. If the number of depositary shares for which valid bids are received is 50% or more of the auction amount but less than 100% of the auction amount, the market-clearing dividend rate will be equal to the maximum dividend rate of 6.30% and we may (but are not required to) sell the number of depositary shares subject to bids received in the auction. If the number of depositary shares for which valid bids are received is less than 50% of the auction amount, then the offering will be cancelled and we will not issue any depositary shares in this offering. The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes. Even if bids are received for the entire auction amount, we may decide not to sell any depositary shares, regardless of the market-clearing dividend rate set in the auction process. The method for submitting bids and a more detailed description of this auction process are described in "The Auction Process" in this prospectus supplement.

**You must meet minimum suitability standards in order to purchase the depositary shares.** You must be able to understand and bear the risk of an investment in the depositary shares. You should reach an investment decision only after careful consideration, with your advisers, of the suitability of the depositary shares in light of your particular financial circumstances and the information in this prospectus supplement.

**Investing in the depositary shares involves certain risks. See Risk Factors beginning on page S-11 of this prospectus supplement to read about certain factors you should consider before buying the depositary shares.**

**The depositary shares are not savings accounts, deposits or other obligations of any of our banks or non-bank subsidiaries and are not insured by the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System or any other government agency.**

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

	Per depositary share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to us(1)	\$	\$

(1) Zions Direct, Inc., our affiliate, will receive a fee of \$200,000 in its capacity as the auction service provider in connection with this offering. See "Underwriting (Conflicts of Interest)" in this prospectus supplement.

The underwriters expect to deliver the depositary shares in book-entry form only through the facilities of The Depository Trust Company ( "DTC" ) against payment in New York, New York on \_\_\_\_\_, 2013.

*Joint Book-Running Managers*

**Deutsche Bank Securities**

**Goldman, Sachs & Co.**  
*Auction Service Provider*

**Zions Direct, Inc.**

**Zions Direct, Inc.**

Prospectus Supplement dated \_\_\_\_\_, 2013.

**Table of Contents**

**TABLE OF CONTENTS**

Prospectus Supplement

<u>About This Prospectus Supplement</u>	S-iii
<u>Notice to Prospective Investors in the European Economic Area and the United Kingdom</u>	S-iii
<u>Disclosure Regarding Forward Looking Statements</u>	S-v
<u>Incorporation by Reference</u>	S-vii
<u>Summary</u>	S-1
<u>The Offering</u>	S-2
<u>Selected Consolidated Financial Data</u>	S-9
<u>Risk Factors</u>	S-11
<u>Use of Proceeds</u>	S-24
<u>Capitalization</u>	S-24
<u>Ratio of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Stock Dividends</u>	S-25
<u>Description of Series G Preferred Stock</u>	S-26
<u>Description of Depositary Shares</u>	S-33
<u>Book-Entry Issuance</u>	S-35
<u>Material U.S. Federal Income Tax Considerations</u>	S-37
<u>The Auction Process</u>	S-41
<u>Underwriting (Conflicts of Interest)</u>	S-50
<u>Validity of Depositary Shares</u>	S-55
<u>Experts</u>	S-55

Prospectus

<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	2
<u>Disclosure Regarding Forward-Looking Statements</u>	4
<u>Risk Factors</u>	6
<u>Use of Proceeds</u>	7
<u>Description of Debt Securities We May Offer</u>	8
<u>Description of Warrants or Other Rights We May Offer</u>	30
<u>Description of Stock Purchase Contracts We May Offer</u>	35
<u>Description of Units We May Offer</u>	36
<u>Description of Our Capital Stock</u>	40
<u>Description of Preferred Stock We May Offer</u>	51
<u>Description of Depositary Shares We May Offer</u>	54
<u>The Issuer Trusts</u>	58
<u>Description of Capital Securities and Related Instruments</u>	60
<u>Description of Junior Subordinated Debentures</u>	73
<u>Description of Guarantees</u>	86
<u>Relationship Among the Capital Securities and the Related Instruments</u>	90
<u>Legal Ownership and Book-Entry Issuance</u>	93
<u>Securities Issued in Bearer Form</u>	98
<u>Considerations Relating to Indexed Securities</u>	102
<u>United States Taxation</u>	105
<u>Plan of Distribution</u>	129
<u>Benefit Plan Investor Considerations</u>	133
<u>Validity of the Securities</u>	135
<u>Experts</u>	135

**Table of Contents**

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus supplement and the accompanying prospectus. You must not rely on any unauthorized information or representations. This prospectus supplement and the accompanying prospectus are an offer to sell only the depositary shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement and the accompanying prospectus is current only as of the date of this prospectus supplement.

S-ii

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. This prospectus supplement also adds to, updates and changes information contained in the accompanying prospectus. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. The accompanying prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a shelf registration statement. Under the shelf registration process, from time to time, we may offer and sell debt securities, warrants or other rights, stock purchase contracts, units, common stock, preferred stock or depositary shares, or any combination thereof, in one or more offerings.

It is important that you read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in [Incorporation by Reference](#) on page S-vii of this prospectus supplement and [Where You Can Find More Information](#) on page 2 of the accompanying prospectus.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the depositary shares in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement and the accompanying prospectus come should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See the [Underwriting \(Conflicts of Interest\)](#) section of this prospectus supplement beginning on page S-50.

References herein to \$ and dollars are to the currency of the United States. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement and the accompanying prospectus to the Company, Zions, we, us, our or similar references mean Zions Bancorporation and its subsidiaries.

Zions® and Zions Bank® are registered service marks of Zions Bancorporation. All other service marks, trademarks and trade names referred to in this prospectus supplement and the accompanying prospectus are the property of their respective owners.

**NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA AND THE UNITED KINGDOM**

In any EEA Member State that has implemented the Prospectus Directive (a relevant Member State), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This prospectus supplement has been prepared on the basis that any offer of depositary shares in any relevant Member State, will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of depositary shares. Accordingly any person making or intending to make any offer within the EEA of depositary shares which are the subject of the offering contemplated in this prospectus supplement may only do so in circumstances in which no obligation arises for Zions Bancorporation or the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither Zions Bancorporation nor the underwriters have authorized, nor do they authorize, the making of any offer (other than Permitted Public Offers) of depositary shares in circumstances in which an obligation arises for Zions Bancorporation or the underwriters to publish a prospectus for such offer.

For the purposes of this provision, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

**Table of Contents**

Each person in a relevant Member State who receives any communication in respect of, or who acquires any depositary shares under, the offers contemplated in this prospectus supplement will be deemed to have represented, warranted and agreed to and with us or the underwriters that:

- (1) it is a qualified investor within the meaning of the law in that relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
  
- (2) in the case of any depositary shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the depositary shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the underwriters has been given to the offer or resale; or (ii) where depositary shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those depositary shares to it is not treated under the Prospectus Directive as having been made to such persons.

This communication is only being distributed to and is only directed at (1) persons who are outside the United Kingdom or (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The depositary shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such depositary shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

**Table of Contents**

**DISCLOSURE REGARDING FORWARD LOOKING STATEMENTS**

Statements in this prospectus supplement that are based on other than historical data are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations or forecasts of future events and include, among others:

statements with respect to the beliefs, plans, objectives, goals, guidelines, expectations, anticipations and future financial condition, results of operations and performance of Zions Bancorporation and its subsidiaries; and

statements preceded by, followed by or that include the words may, could, should, would, believe, anticipate, estimate, intend, plan, projects, or similar expressions.

These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Forward-looking statements involve significant risks and uncertainties and actual results may differ materially from those presented, either expressed or implied, in this prospectus supplement. Factors that might cause such differences include, but are not limited to:

the Company's ability to successfully execute its business plans, manage its risks and achieve its objectives;

changes in local, national and international political and economic conditions, including without limitation the political and economic effects of the recent economic crisis, delay of recovery from that crisis, economic conditions and fiscal imbalances in the United States and other countries, potential or actual downgrades in rating of sovereign debt issued by the United States and other countries, and other major developments, including wars, military actions, and terrorist attacks;

changes in financial market conditions, either internationally, nationally or locally in areas in which the Company conducts its operations, including without limitation reduced rates of business formation and growth, commercial and residential real estate development and real estate prices;

fluctuations in markets for equity, fixed-income, commercial paper and other securities, including availability, market liquidity levels and pricing;

changes in interest rates, the quality and composition of the loan and securities portfolios, demand for loan products, deposit flows and competition;

acquisitions and integration of acquired businesses;

increases in the levels of losses, customer bankruptcies, bank failures, claims and assessments;

changes in fiscal, monetary, regulatory, trade and tax policies and laws and regulatory assessments and fees, including policies of the U.S. Department of Treasury (the "U.S. Treasury"), the Office of the Comptroller of the Currency (the "OCC"), the Board of Governors of the Federal Reserve Board System (the "Federal Reserve Board") and the Federal Deposit Insurance Corporation (the "FDIC");



the impact of executive compensation rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act ), which may impact the ability of the Company and other American financial institutions to retain and recruit executives and other personnel necessary for their businesses and competitiveness;

the impact of the Dodd-Frank Act and of new international standards known as Basel III, and rules and regulations thereunder, many of which have not yet been promulgated, on our required regulatory capital and liquidity levels, governmental assessments on us, the scope of business activities in which we may engage, the manner in which we engage in such activities, the fees we may charge for certain products and services, and other matters affected by the Dodd-Frank Act and these international standards;

S-v

**Table of Contents**

continuing consolidation in the financial services industry;

new legal claims against the Company, including litigation, arbitration and proceedings brought by governmental or self-regulatory agencies, or changes in existing legal matters;

success in gaining regulatory approvals, when required;

changes in consumer spending and savings habits;

increased competitive challenges and expanding product and pricing pressures among financial institutions;

demand for financial services in the Company's market areas;

inflation and deflation;

technological changes and the Company's implementation of new technologies;

the Company's ability to develop and maintain secure and reliable information technology systems;

legislation or regulatory changes which adversely affect the Company's operations or business;

the Company's ability to comply with applicable laws and regulations;

changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies; and

increased costs of deposit insurance and changes with respect to FDIC insurance coverage levels.

We have identified some additional important factors that could cause future events to differ from our current expectations and they are described in this prospectus supplement under the caption "Risk Factors," as well as in our most recent Annual Report on Form 10-K for the year ended December 31, 2011 and in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012, including without limitation under the captions "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" and in other documents that we may file with the SEC, all of which you should review carefully.

Except to the extent required by law, we specifically disclaim any obligation to update any factors or to publicly announce the result of revisions to any of the forward-looking statements included herein to reflect future events or developments.

**Table of Contents**

**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document that Zions Bancorporation has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. We incorporate by reference into this prospectus supplement:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2011;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012; and

our Current Reports on Form 8-K filed on January 23, 2012, February 16, 2012, March 5, 2012, March 27, 2012, March 29, 2012, April 19, 2012, April 23, 2012, May 1, 2012, May 7, 2012, May 31, 2012, June 20, 2012, June 29, 2012, July 23, 2012, August 7, 2012, August 20, 2012, August 28, 2012, September 11, 2012, October 19, 2012, October 22, 2012, October 29, 2012, November 5, 2012, November 14, 2012, November 20, 2012, December 3, 2012, December 4, 2012 (accepted at 4:11:00 p.m.), December 5, 2012, December 18, 2012 and January 28, 2013 (except in each case, any information that has been deemed furnished and not filed, and any exhibits related thereto).

In addition, all reports and other documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), after the date of this prospectus supplement and the accompanying prospectus until we sell all of the depositary shares offered by this prospectus supplement (other than any information furnished pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K unless we specifically state in such Current Report that such information is to be considered filed under the Exchange Act or we incorporate it by reference into a filing under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act) will be deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus and to be part of this prospectus supplement and the accompanying prospectus from the date of the filing of such reports and documents. Any statement contained in this prospectus supplement, the accompanying prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained in any subsequently filed document which is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement and the accompanying prospectus.

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Investor Relations

Zions Bancorporation

One South Main Street, 15th Floor

Salt Lake City, Utah 84133

(801) 524-4787

In addition, these filings are available on our web site at [www.zionsbancorporation.com](http://www.zionsbancorporation.com). For additional information concerning the offering, the web site [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com), or the auction process, you may contact Zions Direct, Inc. ( Zions Direct ):

by telephone at (800) 524-8875; or

Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

by e-mail at [auctions@zionsdirect.com](mailto:auctions@zionsdirect.com).

Please note that these web sites do not form a part of this prospectus supplement or the accompanying prospectus.

S-vii

**Table of Contents**

**SUMMARY**

*The following summary should be read together with the information contained in other parts of this prospectus supplement and in the accompanying prospectus. It may not contain all the information that is important to you. You should carefully read this prospectus supplement and the accompanying prospectus in their entirety to understand fully the terms of the depositary shares, as well as the other considerations that are important to you in making a decision about whether to invest in the depositary shares.*

**Zions Bancorporation**

Zions Bancorporation is a financial holding company organized under the laws of the State of Utah in 1955, and registered under the Bank Holding Company Act of 1956, as amended. Zions Bancorporation and its subsidiaries own and operate eight commercial banks with a total of 483 domestic branches at September 30, 2012. We provide a full range of banking and related services through our banking and other subsidiaries, primarily in Utah, California, Texas, Arizona, Nevada, Colorado, Idaho, New Mexico, Washington and Oregon. Full-time equivalent employees totaled 10,347 at September 30, 2012.

We focus on providing community banking services by continuously strengthening our core business lines of 1) small and medium-sized business and corporate banking; 2) commercial and residential development, construction and term lending; 3) retail banking; 4) treasury cash management and related products and services; 5) residential mortgage; 6) trust and wealth management; and 7) investment activities. We operate eight different banks in ten Western and Southwestern states with each bank operating under a different name and each having its own board of directors, chief executive officer and management team. The banks provide a wide variety of commercial and retail banking and mortgage lending products and services. They also provide a wide range of personal banking services to individuals, including home mortgages, bankcard, other installment loans, home equity lines of credit, checking accounts, savings accounts, time certificates of deposits of various types and maturities, trust services, safe deposit facilities, direct deposit and 24-hour ATM access. In addition, certain banking subsidiaries provide services to key market segments through their Women's Financial, Private Client Services and Executive Banking Groups. We also offer wealth management services through various subsidiaries, including Contango Capital Advisors, Inc., Western National Trust Company, and online and traditional brokerage services through Zions Direct and Amegy Investments.

In addition to these core businesses, we have built specialized lines of business in capital markets and public finance, and we are also a leader in Small Business Administration (SBA) lending. Through our eight banking subsidiaries, we provide SBA 7(a) loans to small businesses throughout the United States and are also one of the largest providers of SBA 504 financing in the nation. We own an equity interest in the Federal Agricultural Mortgage Corporation (Farmer Mac) and are one of the nation's top originators of secondary market agricultural real estate mortgage loans through Farmer Mac. We are a leader in municipal finance advisory and underwriting services.

Our principal executive offices are located at One South Main, 15th Floor, Salt Lake City, Utah 84133, and our telephone number is (801) 524-4787. Our common stock is traded on Nasdaq under the symbol ZION. Our website address is [www.zionsbancorporation.com](http://www.zionsbancorporation.com). This website address is not intended to be an active link and information on our website is not incorporated in, and should not be construed to be part of, this prospectus supplement.

**Table of Contents**

**THE OFFERING**

Issuer	Zions Bancorporation.
Securities Offered	<p>Depository shares each representing a 1/40th ownership interest in a share of Series G Fixed/Floating Rate Non-Cumulative Perpetual Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depository share) of Zions (the Series G Preferred Stock ). Each holder of a depository share will be entitled, through the depository, in proportion to the applicable fraction of a share of Series G Preferred Stock represented by such depository share, to all the rights and preferences of the Series G Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).</p> <p>We may from time to time elect to issue additional depository shares representing shares of the Series G Preferred Stock, and all the additional shares would be deemed to form a single series with the Series G Preferred Stock offered hereby.</p>
Dividends	<p>Dividends on the Series G Preferred Stock will be payable quarterly in arrears when, as and if declared by our board of directors or a duly authorized committee of the board, (i) during the Fixed Rate Period, at a rate per annum equal to % and (ii) during the Floating Rate Period, at an annual floating rate equal to three-month LIBOR plus the Floating Rate Spread. Any such dividends will be distributed to holders of depository shares in the manner described under Description of Depository Shares Dividends and Other Distributions below.</p> <p>Dividends on the Series G Preferred Stock are non-cumulative. Accordingly, if our board of directors or a duly authorized committee of the board does not declare a dividend on the Series G Preferred Stock for any dividend period, such dividend will not accrue or be payable, and we will have no obligation to pay dividends for such dividend period, whether or not dividends on the Series G Preferred Stock are declared for any future dividend period. Our ability to declare and pay dividends is also limited by certain federal regulatory considerations, including the guidelines of the Federal Reserve applicable to bank holding companies.</p>
Dividend Payment Dates	<p>The 15th day of March, June, September, and December of each year, commencing on June 15, 2013. During the Fixed Rate Period, if any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next succeeding business day without any adjustment to the dividend amount. During the Floating Rate Period, if any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next business day and dividends will accrue to, but excluding, the date dividends are paid. However, if the postponement would</p>



---

**Table of Contents**

cause the dividend payment date to fall in the next calendar month during the Floating Rate Period, the dividend payment date will instead be brought forward to the immediately preceding business day.

**Redemption**

The Series G Preferred Stock may be redeemed at our option, in whole or in part, on or after March 15, 2023 at a redemption price equal to \$1,000 per share (equivalent to \$25 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. The Series G Preferred Stock may be redeemed at our option in whole prior to March 15, 2023 upon the occurrence of a regulatory capital treatment event, as described below under Description of Series G Preferred Stock Redemption, at a redemption price equal to \$1,000 per share (equivalent to \$25 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Neither the holders of Series G Preferred Stock nor holders of depositary shares will have the right to require the redemption or repurchase of the Series G Preferred Stock. The Series G Preferred Stock will not be subject to any sinking fund.

Under the Federal Reserve's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series G Preferred Stock is subject to prior approval of the Federal Reserve Board.

**Liquidation Rights**

Upon any voluntary or involuntary liquidation, dissolution or winding up of Zions, holders of shares of Series G Preferred Stock are entitled to receive out of assets of Zions available for distribution to shareholders, before any distribution of assets is made to holders of our common stock or of any other shares of our stock ranking junior as to such a distribution to the Series G Preferred Stock, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) plus any declared and unpaid dividends, without accumulation for any undeclared dividends. Distributions will be made only to the extent of Zions' assets that are available after satisfaction of all liabilities to creditors and subject to the rights of holders of any securities ranking senior to the Series G Preferred Stock (pro rata as to the Series G Preferred Stock and any other shares of our stock ranking equally as to such distribution).

**Voting Rights**

Holders of Series G Preferred Stock will have no voting rights, except with respect to authorizing or increasing senior stock, certain changes in the terms of the Series G Preferred Stock and in the case of certain dividend non-payments. See Description of Series G Preferred Stock Voting Rights below. Holders of depositary shares must act through the depositary to exercise any voting rights, as described under Description of Depositary Shares Voting the Series G Preferred Stock below.



---

**Table of Contents**

Ranking	Shares of the Series G Preferred Stock will rank senior to our common stock, equally with our Series A Preferred Stock (as defined below), Series C Preferred Stock (as defined below) and Series F Preferred Stock (as defined below), and at least equally with each other series of our preferred stock that we may issue (except for any senior series that may be issued with the requisite consent of the holders of the Series G Preferred Stock and any other class or series whose vote is required) with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. We will generally be able to pay dividends and distributions upon liquidation, dissolution or winding up only out of lawfully available assets for such payment (i.e., after taking account of all indebtedness and other non-equity claims).
Maturity	The Series G Preferred Stock does not have a maturity date, and we are not required to redeem the Series G Preferred Stock. Accordingly, the Series G Preferred Stock will remain outstanding indefinitely, unless and until we decide to redeem it and we obtain any required regulatory approval.
Preemptive and Conversion Rights	Holdings of Series G Preferred Stock will have no preemptive or conversion rights.
Listing	We expect the depositary shares to be approved for listing on the New York Stock Exchange, subject to official notice of issuance, under the symbol ZBPRG.
Tax Consequences	Dividends paid to non-corporate U.S. holders generally will be taxable at the preferential rates applicable to long-term capital gains, subject to certain conditions and limitations. Dividends paid to corporate U.S. holders generally will be eligible for the dividends received deduction, subject to certain conditions and limitations.
Public Offering Price	The public offering price for the depositary shares will be equal to the liquidation preference per depositary share, or \$25.
Auction Process	The dividend rate for the Fixed Price Period, the Floating Rate Spread and the allocation of the depositary shares in this offering will be determined through an online auction process conducted by Zions Direct, an affiliate of ours, in its capacity as the auction service provider. The auction will entail a modified Dutch auction mechanism in which bids must be submitted online through an auction site operated by the auction service provider. After submission of a bid, the auction site will indicate whether that bid is at that time (and at all subsequent times until the auction closes) a successful one, or in-the-money. For more information about the auction process, including bidding registration and qualification matters, and how to determine if a bid is successful as of the submission deadline, see The Auction Process in this prospectus supplement.

---

**Table of Contents**

Minimum/Maximum Dividend Rate Bid	This offering will be made using an auction process in which prospective purchasers are required to bid for the depositary shares through an online auction site (or through bidders who can place bids on that site). During the auction period, bids for the dividend rate for the Fixed Rate Period may be placed by qualifying bidders at or above the minimum dividend rate bid of 5.30% (in increments of 0.05%) and up to and including the maximum dividend rate of 6.30%. Bids below the minimum dividend rate bid or above the maximum dividend rate bid will not be accepted.
Floating Rate Spread	The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes.
Minimum Bid Size	One depositary share (equivalent to \$25 liquidation preference).
Maximum Number of Bids	Each bidder who submits a bid directly on the auction platform is allowed to place up to five separate, concurrent bids. A bidder who submits bids indirectly through an underwriter may only place one bid at any time.
Bid Submission Deadline	We will announce the auction at approximately 4:00 p.m., New York City time, on January 28, 2013 so that prospective holders will have time to take the necessary steps to become registered qualified bidders. The auction will then commence at 9:30 a.m., New York City time, on January 30, 2013 and will close at 3:00 p.m., New York City time, on January 31, 2013, subject to two-minute extensions not to exceed a total of ten minutes beyond 3:00 p.m., New York City time, on January 31, 2013, as described under The Auction Process Auction Bidding Process; Irrevocability of Bids (the submission deadline). In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately. Bidders who elect to submit bids indirectly through the underwriters rather than directly on the auction platform must submit their bids to the underwriters by 2:00 p.m., New York City time, on January 31, 2013. Zions and the underwriters may in their discretion determine to delay the commencement of the auction to a date after the date specified above at any time prior to the commencement of the auction. Any such delay will be announced by press release, and Zions will file a Form 8-K specifying the revised auction dates, if any. See The Auction Process.
Irrevocability of Bids	Bids that have been submitted will constitute an irrevocable offer to purchase the depositary shares on the terms provided for in the bid. See The Auction Process.

---

**Table of Contents**

Market-Clearing Dividend Rate

The dividend rate for the Fixed Rate Period will be the market-clearing dividend rate set by the auction process. The market-clearing dividend rate will be determined based on the valid bids at the time of the submission deadline as follows:

If the number of depositary shares for which valid bids are received is equal to or greater than 8,000,000 depositary shares (\$200,000,000 aggregate liquidation preference), which we refer to as the auction amount, the market-clearing dividend rate for the depositary shares will be equal to the lowest dividend rate at which the auction amount is sold. The auction service provider will determine this dividend rate by moving down the list of accepted bids in ascending order of dividend rate until the total quantity of depositary shares bid for is greater than or equal to the auction amount. Bids made at such market-clearing dividend rate may experience allocation, with bids with an earlier time stamp receiving allocations in priority to bids with later time stamps.

If valid bids are received for 50% or more of the auction amount but less than 100% of the auction amount, the market-clearing dividend rate will be equal to the maximum dividend rate of 6.30%.

If at the time of the submission deadline, the number of depositary shares subject to bids is less than 50% of the auction amount, then the offering will be cancelled and we will not issue any depositary shares in this offering.

The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes.

If we decide to sell depositary shares in the auction process, after we confirm acceptance of the market-clearing dividend rate, the auction service provider will notify successful bidders, directly or through their brokers, that the auction has closed and that their bids have been accepted (subject in some cases to the allocation method described below). The market-clearing dividend rate and number of depositary shares being sold are also expected to be announced by press release soon after the allocation of depositary shares by the auction service provider, but in any event, prior to the opening of the equity markets on the business day following the end of the auction. See [The Auction Process](#).

Number of Depositary Shares to be Sold

We may decide not to sell any depositary shares in the auction process, regardless of the market-clearing dividend rate, even if bids are received for the entire auction amount. If bids are received for 100% of the auction amount and we elect to sell depositary shares in the auction process, the entire auction

**Table of Contents**

amount will be allocated to the winning bidders. If the number of depositary shares for which valid bids are received is 50% or more of the auction amount but less than 100% of the auction amount, the market-clearing dividend rate will be equal to the maximum dividend rate of 6.30% and we may (but are not required to) sell the number of depositary shares subject to bids received in the auction. If at the time of the submission deadline, the number of depositary shares subject to bids is less than 50% of the auction amount, then the offering will be cancelled and we will not issue any depositary shares in this offering. See The Auction Process.

Allocation

If bids for all the depositary shares offered in this offering are received, then any bids submitted in the auction below the market-clearing dividend rate will receive allocations in full, while bids made at the market-clearing dividend rate with an earlier time stamp will receive allocations in priority to bids with a later time stamp. Thus, if your dividend rate bid equals the market-clearing dividend rate, you will be allocated depositary shares only to the extent that depositary shares have not been allocated to bidders with lower dividend rate bids or to other bidders who bid at the market-clearing dividend rate with an earlier time stamp. See The Auction Process Allocation.

Use of Proceeds

We intend to use the net cash proceeds from this offering for general corporate purposes.

Auction Service Provider

Zions Direct, Inc., an affiliate of ours.

Auction Service Provider Fee

\$200,000.

Conflict of Interest

Zions Direct is an underwriter and is the auction service provider in connection with this offering and an affiliate of Zions Bancorporation. As such, Zions Direct has a conflict of interest in this offering within the meaning of Rule 5121 of the Conduct Rules of the Financial Industry Regulatory Authority, Inc. ( FINRA ). Consequently, the offering is being conducted in compliance with the provisions of Rule 5121. The other joint book-running managers for this offering, Deutsche Bank Securities Inc. and Goldman, Sachs & Co., do not have a conflict of interest and meet the requirements of Rule 5121(f)(12)(E). Zions Direct is not permitted to place bids in this offering with respect to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

Purchases by Affiliates or for Customer Accounts

Other affiliates of ours, including Zions First National Bank's Liquid Asset Management Department, Zions First National Bank's Trust Department and/or Contango Capital Advisors, Inc., may make purchases of (or submit bids for) the depositary shares for the accounts of certain customers who have provided to such affiliate or department of such affiliate

**Table of Contents**

specific written instructions authorizing them to do so. In addition, certain of our officers and/or directors may also submit bids for the depositary shares. If any affiliate, officer or director of ours submits bids for the depositary shares, the market-clearing dividend rate may be lower due to the participation of such affiliate, officer or director in the auction, which may benefit us.

Risk Factors

See Risk Factors and other information included or incorporated by reference in this prospectus supplement and the attached prospectus for a discussion of factors you should consider carefully before deciding to invest in the depositary shares.

Registrar and Depositary

Zions First National Bank.

Calculation Agent

Zions First National Bank.

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL DATA**

The selected consolidated financial data for each of the years in the five-year period ended December 31, 2011 and for each of the nine-month periods ended September 30, 2012 and September 30, 2011 and indicated in the table below are derived from and qualified by reference to our consolidated financial statements. You should read this data in conjunction with the financial statements, related depositary shares and other financial information incorporated by reference in this prospectus supplement. See Incorporation by Reference.

(In millions, except per share amounts)	Nine Months Ended September 30,		Year Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
<b>Consolidated Statement of Income Data</b>							
Net interest income	\$ 1,302.0	\$ 1,298.5	\$ 1,756.2	\$ 1,714.2	\$ 1,885.7	\$ 1,958.1	\$ 1,866.8
Net impairment and valuation losses on securities	(20.3)	(21.6)	(33.7)	(85.3)	(492.6)	(317.1)	(158.2)
Gains on subordinated debt modification					508.9		
Other noninterest income	386.0	417.2	531.9	539.0	799.6	521.3	585.7
Total net revenue	1,667.7	1,694.1	2,254.4	2,167.9	2,701.6	2,162.3	2,294.3
Provision for loan losses	24.6	75.9	74.5	852.7	2,017.1	648.6	152.2
Noninterest expense	1,189.0	1,233.6	1,658.6	1,718.3	1,671.3	1,474.7	1,404.6
Impairment loss on goodwill					636.2	353.8	
Income (loss) before income taxes	454.1	384.6	521.3	(403.1)	(1,623.0)	(314.8)	737.5
Income taxes (benefit)	163.6	150.7	198.6	(106.8)	(401.3)	(43.4)	235.8
Net income (loss)	290.5	233.9	322.7	(296.3)	(1,221.7)	(271.3)	501.8
Net income (loss) applicable to noncontrolling interests	(0.8)	(0.9)	(1.1)	(3.6)	(5.6)	(5.1)	8.0
Net income (loss) applicable to controlling interest	291.3	234.8	323.8	(292.7)	(1,216.1)	(266.3)	493.7
Preferred stock dividends	(148.2)	(125.8)	(170.4)	(122.9)	(103.0)	(24.4)	(14.3)
Preferred stock redemption				3.1	84.6		
Net earnings (loss) applicable to common shareholders	143.0	109.0	153.4	(412.5)	(1,234.4)	(290.7)	479.4
<b>Per Common Share</b>							
Net earnings (loss) diluted	\$ 0.77	\$ 0.59	\$ 0.83	\$ (2.48)	\$ (9.92)	\$ (2.68)	4.40
Net earnings (loss) basic	0.77	0.59	0.83	(2.48)	(9.92)	(2.68)	4.45
Common dividends declared	0.03	0.03	0.04	0.04	0.10	1.61	1.68
Book value per common share <sup>(1)</sup>	26.05	24.78	25.02	25.12	27.85	42.65	47.17
Weighted average common and common equivalent shares outstanding during the period (in thousands)	183,162	182,531	182,605	166,054	124,443	108,908	108,408
<b>Consolidated Balance Sheet Data<sup>(1)</sup></b>							
Assets	\$ 53,087	\$ 51,531	\$ 53,149	\$ 51,035	\$ 51,123	\$ 55,093	\$ 52,947
Net loans and leases	37,263	36,833	37,258	36,837	40,260	41,712	38,921
Deposits	43,773	41,363	42,876	40,935	41,841	41,316	36,923
Long-term debt	2,327	1,898	1,954	1,943	2,033	2,622	2,591
Shareholders' equity:							
Preferred equity	1,123	2,355	2,377	2,057	1,503	1,582	240
Common equity	4,162	4,161	4,163	4,591	4,190	4,920	5,053
Noncontrolling interests	(3)	(2)	(2)	(1)	17	27	31
Total shareholders' equity	5,918	6,919	6,983	6,647	5,710	6,529	5,324
<b>Performance Ratios<sup>(1)</sup></b>							
Return on average assets	0.73%	0.61%	0.63%	(0.57)%	(2.25)%	(0.50)%	1.01%
Return on average common equity	4.06%	3.15%	3.32%	(9.26)%	(28.35)%	(5.69)%	9.57%
Efficiency ratio	70.71%	72.16%	72.92%	78.50%	61.34%	67.47%	60.53%
Net interest margin	3.61%	3.75%	3.77%	3.70%	3.91%	4.15%	4.39%
<b>Capital Ratios<sup>(1)</sup></b>							
Total equity to assets	11.15%	13.43%	13.14%	13.02%	11.17%	11.85%	10.06%
Tier 1 leverage	11.05%	13.48%	13.40%	12.56%	10.38%	9.99%	7.37%
Tier 1 risk-based capital	13.49%	16.10%	16.13%	14.78%	10.53%	10.22%	7.57%
Total risk-based capital	15.25%	18.12%	18.06%	17.15%	13.28%	14.32%	11.68%

Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

Tangible common equity	7.17%	6.90%	6.77%	6.99%	6.12%	5.89%	5.70%
Tangible equity(2)	9.32%	11.56%	11.33%	11.10%	9.16%	8.91%	6.23%
<b>Ratio of Earnings to Fixed Charges<sup>(3)</sup></b>							
Excluding interest on deposits	3.35	2.41	2.60	(a)	(a)	(a)	2.99
Including interest on deposits	2.76	2.02	2.14	(a)	(a)	(a)	1.54

(1) At period end.

(2) Below is a reconciliation of total shareholders equity (GAAP) to both tangible equity (non-GAAP) and tangible common equity (non-GAAP):

S-9

**Table of Contents****TANGIBLE EQUITY (NON-GAAP) AND TANGIBLE COMMON EQUITY (NON-GAAP)**

<i>(In millions)</i>	September 30,		2011	2010	December 31,		2007
	2012	2011			2009	2008	
Total shareholders equity (GAAP)	\$ 5,918	\$ 6,919	\$ 6,983	\$ 6,647	\$ 5,710	\$ 6,529	\$ 5,324
Goodwill	(1,015)	(1,015)	(1,015)	(1,015)	(1,015)	(1,651)	(2,010)
Core deposit and other intangibles	(55)	(72)	(68)	(88)	(114)	(126)	(149)
Tangible equity (non-GAAP) (a)	4,848	5,832	5,900	5,544	4,581	4,752	3,165
Preferred stock	(1,123)	(2,355)	(2,377)	(2,057)	(1,503)	(1,582)	(240)
Noncontrolling interests	3	2	2	1	(17)	(27)	(31)
Tangible common equity (non-GAAP) (b)	\$ 3,728	\$ 3,479	\$ 3,525	\$ 3,488	\$ 3,061	\$ 3,143	\$ 2,894
Total assets (GAAP)	\$ 53,087	\$ 51,531	\$ 53,149	\$ 51,035	\$ 51,123	\$ 55,093	\$ 52,947
Goodwill	(1,015)	(1,015)	(1,015)	(1,015)	(1,015)	(1,651)	(2,010)
Core deposit and other intangibles	(55)	(72)	(68)	(88)	(114)	(126)	(149)
Tangible assets (non-GAAP) (c)	\$ 52,017	\$ 50,444	\$ 52,066	\$ 49,932	\$ 49,994	\$ 53,316	\$ 50,788
Tangible equity ratio (a/c)	9.32%	11.56%	11.33%	11.10%	9.16%	8.91%	6.23%
Tangible common equity ratio (b/c)	7.17%	6.90%	6.77%	6.99%	6.12%	5.89%	5.70%

The identified adjustments to reconcile from the applicable GAAP financial measures to the non-GAAP financial measures are included where applicable in financial results or in the balance sheet presented in accordance with GAAP. We consider these adjustments to be relevant to ongoing operating results and financial position.

We believe that excluding the amounts associated with these adjustments to present the non-GAAP financial measures provides a meaningful base for period-to-period and company-to-company comparisons, which will assist regulators, investors and analysts in analyzing the operating results or financial position of the Company and in predicting future performance. These non-GAAP financial measures are used by management and the Board of Directors to assess the performance of the Company's business or its financial position for evaluating bank reporting segment performance, for presentations of the Company's performance to investors, and for other reasons as may be requested by investors and analysts. We further believe that presenting these non-GAAP financial measures will permit investors and analysts to assess the performance of the Company on the same basis as that applied by management and the Board of Directors.

Non-GAAP financial measures have inherent limitations, are not required to be uniformly applied, and are not audited. Although these non-GAAP financial measures are frequently used by stakeholders to evaluate a company, they have limitations as an analytical tool, and should not be considered in isolation or as a substitute for analyses of results as reported under GAAP.

(3) For information on how these ratios are calculated, see explanation under **Ratio of Earnings to Fixed Charges** on page S-25.

(a) See explanation under **Ratio of Earnings to Fixed Charges** on page S-25.



---

**Table of Contents**

**RISK FACTORS**

*An investment in the depositary shares involves certain risks. You should carefully consider the risks described below and in the accompanying prospectus, as well as the risk factors and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision. In particular, you should carefully consider, among other things, the matters discussed below and under "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The trading price of the depositary shares could decline due to any of these risks, and you may lose all or part of your investment. This prospectus supplement also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein.*

**Risks Related to the Depositary Shares and the Series G Preferred Stock**

***The Series G Preferred Stock is equity and is subordinate to our existing and future indebtedness.***

The shares of Series G Preferred Stock are equity interests in Zions and do not constitute indebtedness. As such, the shares of Series G Preferred Stock will rank junior to all indebtedness and other non-equity claims on Zions with respect to assets available to satisfy claims on Zions, including in a liquidation of Zions. Our existing and future indebtedness may restrict payment of dividends on the Series G Preferred Stock. As of September 30, 2012, our long-term debt, Federal Home Loan Bank advances and other borrowings over one year, on an unconsolidated basis, totaled approximately \$2.35 billion. In addition, the depositary shares will effectively be subordinated to all existing and future liabilities and obligations of our subsidiaries as our right to participate in any distribution of assets of any of our subsidiaries, including upon the subsidiary's liquidation, will be subject to the prior claims of creditors of that subsidiary, except to the extent that any of our claims as a creditor of such subsidiary may be recognized.

Further, the Series G Preferred Stock places no restrictions on our business or operations or on our ability to incur indebtedness or engage in any transactions, subject only to the limited voting rights referred to below under "Risk Factors." Holders of Series G Preferred Stock will have limited voting rights. Also, as a bank holding company, our ability to declare and pay dividends is dependent on certain federal regulatory considerations.

***Dividends on the Series G Preferred Stock underlying the depositary shares are non-cumulative and our ability to declare dividends may be limited.***

Dividends on the Series G Preferred Stock are non-cumulative. Consequently, if our board of directors or a duly authorized committee of the board does not authorize and declare a dividend for any dividend period, holders of the Series G Preferred Stock would not be entitled to receive any such dividend, such unpaid dividend will not become payable and we will have no obligation to pay dividends for such dividend period, whether or not dividends are declared for any subsequent dividend period with respect to the Series G Preferred Stock.

In addition, the depositary and registrar will rely on the funds it receives from the Series G Preferred Stock in order to make payments to you on the depositary shares. Unlike indebtedness, for which principal and interest would customarily be payable on specified due dates, in the case of the Series G Preferred Stock (i) dividends are payable only if declared by our board of directors or a duly authorized committee of the board and (ii) payments of dividends and any redemption price will be subject to restrictions regarding our lawfully available assets. Also, as a bank holding company, our ability to declare and pay dividends is dependent on certain federal regulatory considerations, including the guidelines of the Federal Reserve regarding capital adequacy and dividends.

---

**Table of Contents**

***Uncertainty relating to the market's LIBOR setting process and changes thereto may adversely affect the value of the depositary shares.***

From March 15, 2023, the depositary shares will bear interest at interest rates based on LIBOR. Beginning in 2008, concerns have been raised that some of the member banks surveyed by the British Bankers' Association (the "BBA") in connection with the calculation of LIBOR across a range of maturities and currencies may have been under-reporting or otherwise manipulating the inter-bank lending rate applicable to them in order to profit on their derivatives positions or to avoid an appearance of capital insufficiency or adverse reputational or other consequences that may have resulted from reporting inter-bank lending rates differing from those they actually submitted. At least one BBA member bank has entered into a settlement with a number of its regulators and law enforcement agencies with respect to alleged manipulation of LIBOR, and investigations by regulators and governmental authorities in various jurisdictions are ongoing. If manipulation of LIBOR or another inter-bank lending rate occurred, it may have resulted in that rate being artificially lower (or higher) than it would otherwise have been. Any such manipulation could have occurred over a substantial period of time.

Following a review of LIBOR conducted at the request of the U.K. Government, on September 28, 2012, Martin Wheatley (Managing Director of the U.K. Financial Services Authority and Chief Executive-designate of the Financial Conduct Authority) published recommendations for reforming the setting and governing of LIBOR (the "Wheatley Review"). The Wheatley Review made a number of recommendations for changes with respect to LIBOR including the introduction of statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the BBA to an independent administrator, changes to the method of compilation of lending rates and new regulatory oversight and enforcement mechanisms for rate-setting and reduction in the number of currencies and tenors for which LIBOR is published. On October 17, 2012, the Financial Secretary to the U.K. Treasury responded to the Wheatley Review, endorsing the report's recommendations, and indicating that the U.K. Government would act without delay to take the necessary action to implement the recommendations. However, it is not possible to predict the effect of any changes in the methods pursuant to which the LIBOR rates are determined and any other reforms to LIBOR that will be enacted in the United Kingdom and elsewhere. Any such changes or reforms to LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR rates, which could have an adverse impact on the value of your depositary shares and any payments linked to LIBOR thereunder. In addition, uncertainty as to the extent and mechanism by which the recommendations will be adopted and the timing of such changes may adversely affect the current trading market for LIBOR-based securities and the value of the depositary shares.

***The historical levels of three-month LIBOR are not an indication of the future levels of three-month LIBOR.***

In the past, the level of three-month LIBOR has experienced significant fluctuations. You should note that historical levels, fluctuations and trends of three-month LIBOR are not necessarily indicative of future levels. Any historical upward or downward trend in three-month LIBOR is not an indication that three-month LIBOR is more or less likely to increase or decrease at any time during the Floating Rate Period, and you should not take the historical levels of three-month LIBOR as an indication of its future performance.

***Investors should not expect us to redeem the Series G Preferred Stock on the date it becomes redeemable or on any particular date afterwards.***

The Series G Preferred Stock is a perpetual equity security. The Series G Preferred Stock has no maturity or mandatory redemption date and is not redeemable at the option of investors. By its terms, the Series G Preferred Stock may be redeemed by us at our option either in whole or in part at any time on or after March 15, 2023 or in whole prior to March 15, 2023 upon the occurrence of certain changes relating to the regulatory capital treatment of the Series G Preferred Stock, as described below under "Description of Series G Preferred Stock - Redemption." Any decision we may make at any time to propose a redemption of the Series G Preferred Stock will depend upon, among other things, our evaluation of our capital position, including for bank capital ratio purposes, the composition of our shareholders' equity and general market conditions at that time. In addition, our right to redeem the Series G Preferred Stock is subject to limitations established by the Federal Reserve's guidelines applicable to bank holding companies, and under current regulatory rules and regulations we would need regulatory approval to redeem the Series G Preferred Stock.

## **Table of Contents**

***If we are deferring payments on our outstanding junior subordinated debt securities or are in default under the indentures governing those securities, we will be prohibited from making distributions on or redeeming the Series G Preferred Stock.***

In addition to the fact that the Series G Preferred Stock is subordinate to our indebtedness, the terms of our outstanding junior subordinated debt securities prohibit us from declaring or paying any dividends or distributions on the Series G Preferred Stock, or redeeming, purchasing, acquiring or making a liquidation payment with respect to our Series G Preferred Stock, if we are aware of any event that would be an event of default under the indenture governing those junior subordinated debt securities or at any time when we have deferred interest thereunder.

***The Series G Preferred Stock and the related depositary shares may not have an active trading market.***

The Series G Preferred Stock and the related depositary shares are new issues with no established trading market. Although we plan to apply to have the depositary shares listed on the New York Stock Exchange, there is no guarantee that we will be able to list the depositary shares. Even if the depositary shares are listed, there may be little or no secondary market for the depositary shares. Even if a secondary market for the depositary shares develops, it may not provide significant liquidity, and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices in any secondary market could be substantial. Further, because the shares of Series G Preferred Stock do not have a stated maturity date, investors seeking liquidity in the depositary shares will be limited to selling their depositary shares in the secondary market. We do not expect that there will be any separate public trading market for the shares of the Series G Preferred Stock except as represented by the depositary shares.

***You are making an investment decision with regard to the depositary shares as well as the Series G Preferred Stock.***

As described in this prospectus supplement, we are issuing fractional interests in shares of Series G Preferred Stock in the form of depositary shares. Accordingly, the depositary will rely on the payments it receives on the Series G Preferred Stock to fund all payments on the depositary shares. You should carefully review the information in this prospectus supplement and in the accompanying prospectus regarding both of these securities.

***Holders of Series G Preferred Stock will have limited voting rights.***

Holders of the Series G Preferred Stock and, accordingly, holders of depositary shares have no voting rights with respect to matters that generally require the approval of voting shareholders, and have only limited voting rights as described below under "Description of Series G Preferred Stock - Voting Rights."

***We may issue additional depositary shares representing an interest in our preferred stock, shares of preferred stock or securities convertible or exchangeable for our preferred stock and thereby materially and adversely affect the price of the depositary shares and preferred stock.***

We are not restricted from issuing additional depositary shares representing an interest in our preferred stock, shares of preferred stock or securities convertible or exchangeable for our preferred stock, including in each case additional shares of preferred stock, during the life of the Series G Preferred Stock. If we issue such additional securities, it may materially and adversely affect the price of the depositary shares and/or Series G Preferred Stock.

***Our results of operations depend upon the results of operations of our subsidiaries.***

We are a holding company that conducts substantially all of our operations through our banking and other subsidiaries. As a result, our ability to make dividend payments on the Series G Preferred Stock will depend primarily upon the receipt of dividends and other distributions from our subsidiaries. We and certain of our subsidiaries have experienced periods of unprofitability or reduced profitability since the financial crisis. During the last three years, the noncash accelerated discount amortization expense caused by subordinated debt holders converting their debt to preferred stock has hurt our profitability. Future conversions of subordinated debt into preferred stock may continue to hurt our profitability. The ability of the Company and our subsidiary banks

---

## **Table of Contents**

to pay dividends is restricted by regulatory requirements, including profitability and the need to maintain required levels of capital. Lack of profitability or reduced profitability exposes us to the risk that regulators could restrict the ability of our subsidiary banks to pay dividends and, accordingly, our ability to make dividend payments in respect of the depositary shares. It also increases the risk that the Company may have to establish a valuation allowance against its net deferred tax asset. Some of the Company's subsidiary banks have disallowed a portion of their deferred tax asset for regulatory capital purposes.

The ability of our banking subsidiaries to pay dividends or make other payments to us is also limited by their obligations to maintain sufficient capital and by other general regulatory restrictions on their dividends. If they do not satisfy these regulatory requirements, we may be unable to pay dividends on our preferred stock, including the Series G Preferred Stock. The OCC, the primary regulator for certain of our subsidiary banks, has issued policy statements generally requiring insured banks only to pay dividends out of current operations earnings. In addition, in the opinion of the applicable regulatory authority, a bank under its jurisdiction is engaged in or is about to engage in an unsafe or unsound practice, which could include the payment of dividends under certain circumstances, such authority may take actions requiring that such bank refrain from the practice. Payment of dividends could also be subject to regulatory limitations if a subsidiary bank were to become under-capitalized for purposes of the applicable federal regulatory prompt corrective action regulations. Under-capitalized is currently defined as having a total risk-based capital ratio of less than 8.0%, a Tier 1 risk-based capital ratio of less than 4.0%, or a core capital, or leverage, ratio of less than 4.0%.

### ***U.S. corporate holders of depositary shares may be unable to use the dividends received deduction.***

Payments on the preferred shares underlying the depositary shares will be treated as dividends for U.S. federal income tax purposes to the extent paid out of our current or accumulated earnings and profits, and may be eligible for the dividends received deduction if paid to corporate U.S. holders. Any payments on the depositary shares in excess of our current and accumulated earnings and profits will be treated first as a return of capital reducing holders' tax basis in the preferred shares, and then as gain from the sale or exchange of the preferred shares. A reduction in the basis of the shares would increase any gain or reduce any loss realized on the subsequent sale, redemption or other disposition of the preferred shares. Any payments on the shares treated as a return of capital, or any gain recognized by a corporate U.S. holder on the deemed or actual sale or exchange of the preferred shares, would not be eligible for the dividends received deduction.

Although we presently have accumulated earnings and profits, we may not have sufficient current or accumulated earnings and profits during future fiscal years for the distributions on the preferred shares underlying the depositary shares to qualify as dividends for U.S. federal income tax purposes. If any distributions on the preferred shares underlying the depositary shares with respect to any fiscal year are not eligible for the dividends received deduction because of insufficient current or accumulated earnings and profits, the market value of the depositary shares may decline.

### **Risks Related to the Auction Process**

We are distributing the depositary shares through an auction conducted by Zions Direct, our auction service provider. A participant in this auction is subject to certain risks, which include the following.

#### ***The price of the depositary shares could decline rapidly and significantly following this offering.***

The dividend rate for the depositary shares for the Fixed Rate Period and the Floating Rate Spread will be determined through an auction process conducted by the auction service provider with the public offering price for the depositary shares set at the liquidation preference of \$25 per share. The dividend rate for the depositary shares for the Fixed Rate Period, the Floating Rate Spread and the public offering price may bear no relation to market demand for the depositary shares after the conclusion of the auction. If there is little or no demand for the depositary shares at or above the public offering price after the conclusion of the auction, the price of the depositary shares offered hereby would likely decline following this offering. Limited or less-than-expected liquidity in the depositary shares, including less-than-expected liquidity due to a sale of less than all of the depositary shares being offered by us in the auction, if any, could also cause the trading price of the depositary shares to decline. In addition, the auction process may lead to more volatility in, or a decline in, the

---

**Table of Contents**

trading price of the depositary shares after the initial sales of the depositary shares in this offering. You should not assume you will be able to make a short-term profit by selling the depositary shares you purchase in the offering shortly after completion of the offering.

***The auction process for this offering may result in a phenomenon known as the winner's curse, and, as a result, investors may experience significant losses.***

The auction process for this offering may result in a phenomenon known as the winner's curse. At the conclusion of the auction process, successful bidders that receive allocations of depositary shares in this offering may infer that there is little incremental demand for the depositary shares above or equal to the public offering price. As a result, successful bidders may conclude that they paid too much for the depositary shares and could seek to immediately sell their depositary shares to limit their losses should the price of the depositary shares decline in trading after the auction is completed. In this situation, other investors that did not submit successful bids may wait for this selling to be completed, resulting in reduced demand for the depositary shares in the public market and a significant decline in the price of the depositary shares. Therefore, we caution investors that submitting successful bids and receiving allocations may be followed by a significant decline in the value of their investment in the depositary shares shortly after this offering.

***The auction process for this offering may result in less price-sensitive investors playing a larger role in the determination of the market-clearing dividend rate and constituting a larger portion of the investors in this offering, and, as a result, the public offering price may not be sustainable following the completion of this offering.***

In a typical public offering of securities, a majority of the securities sold to the public are purchased by professional investors that have significant experience in determining valuations for companies in connection with such offerings. These professional investors typically have access to, or conduct their own, independent research and analysis regarding investments in such offerings. Other investors typically have less access to this level of research and analysis, and as a result, may be less sensitive to price when participating in the auction process. Because of the auction process, these less price-sensitive investors may have a greater influence in setting the market-clearing dividend rate (because a larger number of lower dividend rate bids may cause the market-clearing dividend rate in the auction to be lower than it would otherwise have been absent such bids) and may represent a higher level of participation in this offering than is normal for other public offerings. This, in turn, could cause the auction to result in a market-clearing dividend rate that is lower than the dividend rate professional investors are willing to receive for depositary shares purchased at the liquidation preference of \$25 per share. As a result, the price of the depositary shares may decrease after the completion of this offering. Also, because professional investors may have a substantial degree of influence on the trading price of the depositary shares over time, the price of the depositary shares may decline and not recover after this offering. In addition, if the market-clearing dividend rate of the depositary shares is below the level that investors determine is reasonable for the depositary shares, some investors may attempt to short sell the depositary shares after trading begins, which would create additional downward pressure on the trading price of the depositary shares.

***Successful bidders may receive the full number of depositary shares subject to their bids, so potential investors should not make bids for more depositary shares than they are prepared to purchase.***

Each bidder (other than bidders who submit bids indirectly through an underwriter) may submit multiple concurrent bids. However, as bids are independent, each bid may result in an allocation of the depositary shares. Allocation of the depositary shares will be determined by, first, allocating depositary shares to any bids made below the market-clearing dividend rate, and second, allocating depositary shares among bids made at the market-clearing dividend rate to the bid with the earliest time stamp, then to the bid with the next earliest time stamp and so on until all of the depositary shares being offered are allocated to bidders. If bids for all the depositary shares offered in this offering are received, the bids of successful bidders that are below the market-clearing dividend rate will be allocated all of the depositary shares represented by such bids, and only bids submitted at the market-clearing dividend rate will experience any allocation. Bids that have been submitted are final and irrevocable, and bidders who submit successful bids will be obligated to purchase the depositary shares allocated to them. Accordingly, the sum of a bidder's bid sizes should be no more than the total number of

---

**Table of Contents**

depository shares the bidder is willing to purchase, and we caution investors against submitting a bid that does not accurately represent the number of depository shares that they are willing and prepared to purchase. For more information on the allocation of depository shares, see *The Auction Process Allocation*.

***Even if you submit a bid that is equal to the market-clearing dividend rate, you may not be allocated any or all of the depository shares for which you bid.***

We will determine the dividend rate for the Fixed Rate Period for the depository shares sold pursuant to this prospectus supplement through an auction conducted by Zions Direct, our auction service provider. The auction process will determine a market-clearing dividend rate for such depository shares. The market-clearing dividend rate will be the lowest dividend rate at which all of the depository shares offered in the auction would be sold to bidders. For an explanation of the meaning of market-clearing dividend rate, see *The Auction Process* beginning on page S-41 of this prospectus supplement. If your dividend rate bid equals the market-clearing dividend rate, you will be allocated depository shares only to the extent that depository shares have not been allocated to bidders with lower dividend rate bids or to other bidders who bid at the market-clearing dividend rate with an earlier time stamp. If bids for the entire auction amount are received, each bid submitted at the market-clearing dividend rate with an earlier time stamp will receive an allocation in priority to bids with a later time stamp. Moreover, if at the time of the submission deadline, the number of depository shares subject to a bid is less than 50% of the auction amount, then the offering will be cancelled and we will not sell any depository shares in this offering. We could also decide, in our sole discretion, not to sell any depository shares in this offering after the market-clearing dividend rate has been determined. As a result of these factors, you may not receive an allocation for all the depository shares for which you submit a bid.

***The auction service provider and the underwriters reserve the right to reject any bid and we may choose to reject all bids.***

Zions Direct, in its capacity as the auction service provider, reserves the right, in its sole discretion (subject to consultation with Deutsche Bank Securities Inc. and Goldman, Sachs & Co. as necessary), to reject any bid by bidders with brokerage accounts with Zions Direct that it deems to be manipulative, mistaken or made due to a misunderstanding of the depository shares on the part of the bidder or for any other reason it may determine. Bids submitted (i) directly by bidders with brokerage accounts with Deutsche Bank Securities Inc. or Goldman, Sachs & Co. (the Non-ZD Underwriter Bidders ) may be similarly rejected by the applicable underwriter in consultation with the auction service provider and (ii) by Non-ZD Underwriter Bidders indirectly through the underwriters may be similarly rejected by the auction service provider upon request of the applicable underwriter. The auction service provider and the underwriters reserve this right in order to preserve the integrity of the auction process. Other conditions for valid bids, including eligibility and account funding requirements of participating dealers and individuals, may vary. As a result of these varying requirements, the auction service provider and the underwriters may reject a bidder's bid, even while it accepts another bidder's identical bid. See the section of this prospectus supplement entitled *The Auction Process Allocation*. In addition, although neither Zions nor Zions Direct is required to do so, if the market-clearing dividend rate increases during the course of the auction, you may be requested to reconfirm your bid; if you are requested to reconfirm your bid and fail to do so in a timely manner, your bid may, in our sole discretion, be deemed to be withdrawn or accepted. We further reserve the right to, but are not obligated to, reject all bids even if we are able to sell the entire auction amount for any other reason. You will not be entitled to an allocation of depository shares, even if your bid is in-the-money at the time the auction closes, until our auction service provider has reviewed the results of the auction and informed you that your bid or bids have been accepted.

***We cannot assure you that the auction will be successful or that the full number of offered depository shares will be sold.***

We may decide not to sell any depository shares in this offering, regardless of the market-clearing dividend rate, even if bids are received for the entire auction amount. If bids are received for 100% of the auction amount and we elect to sell depository shares in the auction process, the entire auction amount will be allocated to the winning bidders. If the number of depository shares for which valid bids are received is 50% or more of the auction amount but less than 100% of the auction amount, the market-clearing dividend rate will be equal to the

## **Table of Contents**

maximum dividend rate of 6.30% and we may (but are not required to) sell the number of depositary shares subject to bids received in the auction. If at the time of the submission deadline, the number of depositary shares subject to a bid is less than 50% of the auction amount, then the offering will be cancelled and we will not issue any depositary shares in this offering. The liquidity of the depositary shares may be adversely affected if less than all of the offered depositary shares are sold by us.

***The auction will take place and end while debt and equity markets in the United States are still open, and, as a result, factors that you may take into account in determining the dividend rate for the depositary shares may change after you submit a bid.***

The auction will commence at 9:30 a.m., New York City time, on January 30, 2013 and will close at 3:00 p.m., New York City time, on January 31, 2013, subject to two-minute extensions not to exceed a total of ten minutes beyond 3:00 p.m., New York City time, on January 31, 2013. In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately. Debt and equity markets in the United States will be open during the auction and after the submission deadline. As a result, factors which you may have used to determine the price at which you bid for the depositary shares for example, the price of securities of other banks or bank holding companies may change after you submit a bid.

***Once you submit a bid, you may generally not revoke it.***

Once you have submitted a bid, you may not subsequently increase your dividend rate bid or lower the number of depositary shares bid for in that bid while that bid is in-the-money. Therefore, even if circumstances arise after you have submitted a bid that make you want to increase your dividend rate bid or lower the number of depositary shares originally bid for, you will nonetheless be bound by that bid so long as it remains in-the-money.

***In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately.***

In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately. Accordingly, there can be no assurance that the auction will remain open for the full scheduled time and you should carefully monitor your bids and the market-clearing dividend rate throughout the auction process.

***You should not expect to sell your depositary shares for a profit after the conclusion of the offering.***

As we mentioned above, we will use the auction process to determine a market-clearing dividend rate for the depositary shares offered pursuant to this prospectus supplement. However, this market-clearing dividend rate may bear little or no relationship to market demand for our depositary shares following such an offering, or the price at which the depositary shares may be sold. If there is little or no market demand for the depositary shares following the closing of the auction, the price of the depositary shares may decline. If your objective is to make a short-term profit by selling your depositary shares after the conclusion of the auction, you should not submit a bid in the auction.

***Submitting bids through any underwriter, rather than directly on the Zions Direct website, or through brokers that are not the underwriters, will require that bidders comply with earlier deadlines to submit or modify their bids. In addition, bidders that submit bids indirectly through the underwriters will not be able to preserve the time stamp of earlier bids if such bidders modify their bids.***

In order to participate in the auction, bidders must have an account with Deutsche Bank Securities Inc., Goldman, Sachs & Co. or Zions Direct, Inc. Other brokers will need to submit their bids, either for their own account or on behalf of their customers, through Deutsche Bank Securities Inc., Goldman, Sachs & Co. or Zions Direct, Inc. Potential investors and brokers that wish to submit bids in the auction and do not have an account with Deutsche Bank Securities Inc., Goldman, Sachs & Co. or Zions Direct, Inc. must either establish such an account prior to bidding in the auction or cause a broker that has such an account to submit a bid through that account. Bidders who elect to submit bids indirectly through the underwriters rather than directly on the auction platform must submit their bids to the underwriters by 2:00 p.m., New York City time, on January 31, 2013, and any such

## **Table of Contents**

bids may not be modified after such time. Brokers will also impose earlier submission or modification deadlines than that applicable to bidders bidding directly on the auction platform in order to have sufficient time to aggregate bids received from their respective customers and to transmit the aggregate bid to the auction service provider or applicable underwriter before the auction closes. As a result of such earlier submission or modification deadlines, potential investors who submit bids indirectly through an underwriter or through a broker will need to submit or modify their bids earlier than other bidders, and it may in some circumstances be more difficult for such bids to be submitted or modified. Bids that are submitted indirectly through other persons rather than directly on the auction platform may be subject to additional systematic or operational risks arising from such other persons' systems or operations.

In addition, a bidder who submits bids indirectly through the underwriter may only place one bid at any time. Such bidder may increase the total number of depository shares the bidder is bidding for and/or decrease the dividend rate bid represented by such bid, but can only do so by submitting a new bid for the total amount for which such bidder is bidding. As a result, bidders who submit bids indirectly through an underwriter, unlike bidders that submit bids directly on the Zions Direct website, will not be able to preserve the time stamp of earlier bids.

***The auction service provider may experience difficulties with the auction platform, which may disrupt the ability of bidders to place bids, particularly during periods of expected high volume such as those at the end of the auction.***

While the auction platform has been subjected to stress testing to confirm its functionality and ability to handle numerous bidders, we cannot predict the response of the potential investors to the issuance of the depository shares. Bidders should be aware that if enough bidders try to access the platform and submit bids simultaneously, there may be a delay in receiving and/or processing their bids. Bidders should be aware that auction website capacity limits may prevent last-minute bids from being received by the auction website and should plan their bidding strategy accordingly. We cannot guarantee that any submitted bid will be received, processed and accepted during the auction process.

### **Risks Related to the Company**

***We have been and could continue to be negatively affected by adverse economic conditions.***

The United States and many other countries recently faced a severe economic crisis, including a major recession. These adverse economic conditions have negatively affected, and are likely to continue for some time to adversely affect, our assets, including our loans and securities portfolios, capital levels, results of operations, and financial condition. In response to the economic crisis, the United States and other governments established a variety of programs and policies designed to mitigate the effects of the crisis. These programs and policies appear to have stabilized in the United States the severe financial crisis that occurred in the second half of 2008, but adverse economic conditions continue to exist in the United States and globally. Concerns about the European Union's sovereign debt crisis have continued to cause uncertainty for financial markets globally. It is possible economic conditions may again become more severe or that adverse economic conditions may continue for a substantial period of time. In addition, economic uncertainty resulting from possible changes in the ratings of sovereign debt issued by the United States and other nations, and fiscal imbalances in the United States, at federal, state and municipal levels, in the European Union and in other countries, combined with political difficulties in resolving these imbalances, may directly or indirectly adversely impact economic conditions faced by us and our customers. Any increase in the severity or duration of adverse economic conditions, including a double-dip recession or delay in a full economic recovery, would adversely affect us.

***Our ability to maintain required capital levels and adequate sources of funding and liquidity has been and may continue to be adversely affected by market conditions.***

We are required to maintain certain capital levels in accordance with banking regulations and any capital requirements imposed by our regulators. We must also maintain adequate funding sources in the normal course of business to support our operations and fund outstanding liabilities. Our ability to maintain capital levels, sources of funding, and liquidity has been and could continue to be impacted by changes in the capital markets in which we operate and deteriorating economic and market conditions.



---

**Table of Contents**

Each of our subsidiary banks must remain well-capitalized and meet certain other requirements for us to retain our status as a financial holding company. Failure to comply with those requirements could result in a loss of our financial holding company status if such conditions are not corrected within 180 days or such longer period as may be permitted by the Federal Reserve Board, although we do not believe that the loss of such status would have an appreciable effect on our operations or financial results. In addition, failure by our bank subsidiaries to meet applicable capital guidelines or to satisfy certain other regulatory requirements can result in certain activity restrictions or a variety of enforcement remedies available to the federal regulatory authorities that include limitations on the ability to pay dividends, the issuance by the regulatory authority of a capital directive to increase capital and the termination of deposit insurance by the FDIC.

***Failure to effectively manage our interest rate risk, and prolonged periods of low interest rates, could adversely affect us.***

Net interest income is the largest component of our revenue. The management of interest rate risk for us and our bank subsidiaries is centralized and overseen by an Asset Liability Management Committee appointed by our board. We have been successful in our interest rate risk management as evidenced by achieving a relatively stable net interest margin over the last several years when interest rates have been volatile and the rate environment challenging; however, a failure to effectively manage our interest rate risk could adversely affect us. Factors beyond our control can significantly influence the interest rate environment and increase our risk. These factors include competitive pricing pressures for our loans and deposits, adverse shifts in the mix of deposits and other funding sources, and volatile market interest rates subject to general economic conditions and the policies of governmental and regulatory agencies, in particular the Federal Reserve Board.

The Federal Reserve Board has stated its expectations that short-term interest rates may remain low through late 2014. Such a scenario may continue to create or exacerbate margin compression for us as a result of repricing of longer-term loans.

***As a regulated entity, we are subject to capital requirements that may limit our operations and potential growth.***

We are a bank holding company and a financial holding company. As such, we and our subsidiary banks are subject to the comprehensive, consolidated supervision and regulation of the Federal Reserve Board, the OCC (in the case of our national bank subsidiaries) and the FDIC, including risk-based and leverage capital ratio requirements. Capital needs may rise above normal levels when we experience deteriorating earnings and credit quality, and our banking regulators may increase our capital requirements based on general economic conditions and our particular condition, risk profile and growth plans. Compliance with the capital requirements, including leverage ratios, may limit operations that require the intensive use of capital and could adversely affect our ability to expand or maintain present business levels.

***Weakness in the economy and in the real estate market, including specific weakness within the markets where our subsidiary banks do business and within certain of our loan products, has adversely affected us and may continue to adversely affect us.***

Credit exposure is one of our most significant risks. The Company's level of problem credits remained relatively high as of December 31, 2011. The deterioration in credit quality that started in the latter half of 2007 has most significantly affected the construction and land development segment of our portfolio. Although virtually all of our markets and lending segments have been adversely affected by the economic recession, the distress has been mostly concentrated in construction and land development loans in the Southwest states (generally, Arizona, California, and Nevada), which markets have been particularly adversely affected by job losses, declines in residential and commercial sale volumes and real estate values, and declines in new construction activity.

If the strength of the U.S. economy in general and the strength of the local economies in which we and our subsidiary banks conduct operations decline further, this could result in, among other things, further deterioration in credit quality and/or continued reduced demand for credit, including a resultant adverse effect on the income from our loan portfolio, an increase in charge-offs and an increase in the allowance for loan and lease losses; if such developments occur, we may be required to raise additional capital.

---

**Table of Contents**

***Economic and other circumstances may require us to raise capital at times or in amounts that are unfavorable to the Company.***

The Company's subsidiary banks must maintain certain risk-based and leverage capital ratios as required by their banking regulators which can change depending upon general economic conditions and their particular condition, risk profile and growth plans. Compliance with capital requirements may limit the Company's ability to expand and have required, and may require, capital investment from Zions Bancorporation. These uncertainties and risks may increase the Company's cost of capital and other financing costs.

***Credit quality has adversely affected us and may continue to adversely affect us.***

Credit risk is one of our most significant risks. Although most credit quality indicators continued to improve during 2012, our credit quality may continue to show weakness in some loan types and markets in which we continue to operate as the economic recovery progresses.

***Failure to effectively manage our credit concentration or counterparty risk could adversely affect us.***

Increases in concentration or counterparty risk could adversely affect us. Concentration risk across our loan and investment portfolios could pose significant additional credit risk to us due to exposures which perform in a similar fashion. The management of concentration risk is centralized and overseen by the Corporate Concentration Risk Committee, which routinely analyzes aggregate exposure, industries, and correlations. Counterparty risk could also pose additional credit risk, but it is routinely monitored and analyzed.

***The regulation of incentive compensation under the Dodd-Frank Act and otherwise by the federal regulatory authorities may adversely affect our ability to retain our highest performing employees.***

Under the Dodd-Frank Act, the bank regulatory agencies have published guidance and proposed regulations which limit the manner and amount of compensation that banking organizations provide to employees. These regulations and guidance may adversely affect our ability to retain key personnel. If we were to suffer such adverse effects with respect to our employees, our business, financial condition and results of operations could be adversely affected, perhaps materially.

***Stress testing and capital management under the Dodd-Frank Act limit our ability to increase dividends, repurchase shares of our stock, access the capital markets and impose restrictions and obligations on us.***

Under the stress testing and capital management standards implemented by bank regulatory agencies under the Dodd-Frank Act, the bank regulatory agencies have additional authority and processes to require us, among other things, to limit our dividends, repurchases of common stock, and access to capital markets for certain types of capital. Among other things, any increase in quarterly dividends not contemplated in our annual capital plan will require Federal Reserve Board approval. In addition, certain types of capital raising transactions or other transactions involving our securities that are not contemplated in our annual capital plan may require us to seek supplemental Federal Reserve Board approval, which could result in delays and cause us to be unable to access or otherwise take advantage of the capital markets at opportune times. These limitations may adversely impact the Company's ability to attract nongovernmental capital.

***Increases in FDIC insurance premiums may adversely affect our earnings.***

During 2008 and 2009, higher levels of bank failures dramatically increased resolution costs of the FDIC and depleted the deposit insurance fund. In addition, the FDIC instituted two temporary programs to further insure customer deposits at FDIC insured banks. These programs, which were later extended by the Dodd-Frank Act, have placed additional stress on the deposit insurance fund. In order to maintain a strong funding position and restore reserve ratios of the deposit insurance fund, the FDIC has increased assessment rates of insured institutions. In addition, on November 12, 2009, the FDIC adopted a rule requiring banks to prepay three years' worth of premiums to replenish the depleted insurance fund. Further, on January 12, 2010, the FDIC requested comments on a proposed rule tying assessment rates of FDIC-insured institutions to the institution's employee compensation programs. The exact requirements of such a rule are not yet known, but such a rule could increase the amount of premiums we must pay for FDIC insurance. Further, as described below, under the Dodd-Frank Act, the FDIC must undertake several initiatives that will result in higher deposit insurance fees

## **Table of Contents**

being paid to the FDIC. For example, an FDIC final rule issued on February 7, 2011 revises the assessment system applicable to large banks and implements the use of assets as the base for deposit insurance assessments instead of domestic deposits. We are generally unable to control the amount of premiums that we are required to pay for FDIC insurance. These announced increases and any future increases or required prepayments of FDIC insurance premiums may adversely impact our earnings.

***The Dodd-Frank Act imposes significant new limitations on our business activities and subjects us to increased regulation and additional costs.***

The Dodd-Frank Act has material implications for the Company and the entire financial services industry. The Dodd-Frank Act places significant additional regulatory oversight and requirements on financial institutions, including the Company, with more than \$50 billion of assets. In addition, among other things, the Dodd-Frank Act will or potentially could:

Affect the levels of capital and liquidity with which the Company must operate and how it plans capital and liquidity levels (including a phased-in elimination of the Company's existing trust preferred securities as Tier 1 capital);

Subject the Company to new and/or higher fees paid to various regulatory entities, including but not limited to deposit insurance fees to the FDIC;

Impact the Company's ability to invest in certain types of entities or engage in certain activities;

Impact a number of the Company's business and risk management strategies;

Regulate the pricing of certain of our products and services and restrict the revenue that the Company generates from certain businesses;

Subject the Company to new capital planning actions, including stress testing and timing expectations for capital-raising;

Subject the Company to regulation by the Consumer Financial Protection Bureau, with very broad rule-making and enforcement authorities;

Grant authority to state agencies to enforce state and federal laws against national banks;

Subject the Company to new and different litigation and regulatory enforcement risks; and

Limit the amount and manner of compensation paid to executive officers and employees generally.

Because the responsible agencies are still in the process of proposing and finalizing regulations required under the Dodd-Frank Act, the full impact of this legislation on the Company, its business strategies, and financial performance cannot be known at this time, and may not be known for some time. Individually and collectively, regulations adopted under the Dodd-Frank Act may materially adversely affect the Company's business, financial condition, and results of operations.

***Other legislative and regulatory actions taken now or in the future may have a significant adverse effect on our operations.***

## Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

In addition to the Dodd-Frank Act described above, bank regulatory agencies and international regulatory consultative bodies have proposed or appear to be considering new regulations and requirements, some of which may be imposed without formal promulgation.

There can be no assurance that any or all of these regulatory changes or actions will ultimately be adopted. However, if adopted, some of these proposals could adversely affect the Company by, among other things: impacting after tax returns earned by financial services firms in general; limiting the Company's ability to grow; increasing taxes or fees on some of the Company's funding or activities; limiting the range of products and services that the Company could offer; and requiring the Company to raise capital at inopportune times.

The ultimate impact of these proposals cannot be predicted, as it is unclear which, if any, may be adopted.

S-21

---

**Table of Contents**

*U.S. regulatory agencies, in response to the adoption of Basel III and Title I of the Dodd-Frank Act, will require us to raise our capital and liquidity to levels that may exceed those that the market considers to be optimal.*

Basel III was adopted in December 2010, and was updated in January 2013, by the Basel Committee on Banking Supervision, and provides an international framework for the establishment of bank capital and liquidity standards. Title I of the Dodd-Frank Act requires that banking organizations of our size undergo regular stress testing of their capital, assets and profitability and authorizes bank regulatory agencies to promulgate new capital and liquidity standards. In August 2012, the U.S. bank regulatory agencies published proposed regulations that, consistent with Basel III and the Dodd-Frank Act, would re-define the components of capital and require higher capital ratios for all banking organizations. The U.S. banking agencies are currently developing proposed rules to implement the Basel III liquidity framework for U.S. banking organizations. Maintaining higher capital and liquidity levels may reduce our profitability and performance measures.

*We could be adversely affected by accounting, financial reporting, and regulatory and compliance risk.*

The Company is exposed to accounting, financial reporting, and regulatory and compliance risk. For example, the Company provides to its customers, and uses for its own capital, funding and risk management needs, a number of complex financial products and services, which require estimates, judgments and interpretations of complex and changing accounting and regulatory policies in order to provide and account for these products and services. Identification, interpretation and implementation of complex and changing accounting standards as well as compliance with regulatory requirements pose an ongoing risk.

*Problems encountered by other financial institutions could adversely affect financial markets generally and have indirect adverse effects on us.*

The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. As a result, concerns about, or a default or threatened default by, one institution could lead to significant market-wide liquidity and credit problems, losses or defaults by other institutions. This is sometimes referred to as systemic risk and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which we interact on a daily basis, and therefore could adversely affect us.

*The quality and liquidity of our asset-backed investment securities portfolio has adversely affected us and may continue to adversely affect us.*

The Company's asset-backed investment securities portfolio includes collateralized debt obligations (CDOs) collateralized by trust preferred securities issued by bank holding companies, insurance companies, and REITs that may have some exposure to construction loan, commercial real estate, and the subprime markets and/or to other categories of distressed assets. In addition, asset-backed securities also include structured asset-backed CDOs (also known as diversified structured finance CDOs) which have exposure to subprime and home equity mortgage securitizations. Many factors, some of which are beyond the Company's control, significantly influence the fair value and impairment status of these securities. These factors include, but are not limited to, defaults, deferrals, and restructurings by debt issuers, the views of banking regulators, changes in our accounting treatment with respect to these securities, rating agency downgrades of securities, lack of market pricing of securities, or the return of market pricing that varies from the Company's current model valuations, and changes in prepayment rates and future interest rates. For example, during the fourth quarter of 2012, we disclosed our expectation that increased prepayments experienced in our CDO portfolio during the fourth quarter would lead to higher other-than-temporary impairment (OTTI) charges as a result of the use of higher constant prepayment rate (CPR) speeds in our valuation models for these securities. Additionally, we also disclosed that, following discussions with federal banking regulators, we were reviewing assumptions in our valuation models for certain bank holding company trust preferred securities that underlie certain of our CDO securities namely, those that are currently deferring distributions and nearing the end of their deferral periods. We disclosed that, in combination with the effect of the higher CPR speeds, this could lead to the incurrence of significant OTTI in our CDO portfolio. The occurrence of one or more of these factors could result in additional OTTI charges with respect to our CDO portfolio, which could be material.

## **Table of Contents**

### ***The Company may not be able to utilize the significant deferred tax asset recorded on our balance sheet.***

The Company's balance sheet includes a significant deferred tax asset. The largest components of this asset result from additions to our allowance for loan and lease losses for purposes of generally accepted accounting principles in excess of loan losses actually taken for tax purposes and other than temporary impairment losses taken on our securities portfolio that have not yet been realized for tax purposes by selling the securities. Our ability to continue to record this deferred tax asset is dependent on the Company's ability to realize its value through net operating loss carry-backs or future projected earnings. Loss of part or all of this asset would adversely impact tangible capital. In addition, inclusion of this asset in determining regulatory capital is subject to certain limitations. A portion of the deferred tax asset of Zions and some of its subsidiary banks has been disallowed for regulatory purposes.

### ***Our information systems may experience an interruption or security breach.***

We rely heavily on communications and information systems to conduct our business. Any failure, interruption or breach in security of these systems could result in failures or disruptions in our customer relationship management, general ledger, deposit, loan and other systems. While we have policies and procedures designed to prevent or limit the effect of the possible failure, interruption or security breach of our information systems, there can be no assurance that any such failure, interruption or security breach will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failure, interruption or security breach of our information systems could damage our reputation, result in a loss of customer business, subject us to additional regulatory scrutiny, or expose us to civil litigation and possible financial liability.

### ***We could be adversely affected by legal and governmental proceedings.***

We are subject to risks associated with legal claims, fines, litigation, and regulatory and other government proceedings. Our exposure to these proceedings has increased and may further increase as a result of stresses on customers, counterparties and others arising from the current economic environment; new regulations promulgated under recently adopted statutes; and the creation of new examination and enforcement bodies.

### ***We could be adversely affected by failure in our internal controls.***

A failure in our internal controls could have a significant negative impact not only on our earnings, but also on the perception that customers, regulators and investors may have of us. We continue to devote a significant amount of effort, time and resources to improving our controls and ensuring compliance with complex accounting standards and regulations.

### ***We could be adversely affected as a result of acquisitions.***

From time to time, we make acquisitions including the acquisition of assets and liabilities of failed banks from the FDIC acting as a receiver. The FDIC-supported transactions are subject to loan loss sharing agreements. Failure to comply with the terms of the agreements could result in the loss of indemnification from the FDIC. The success of any acquisition depends, in part, on our ability to realize the projected cost savings from the acquisition and on the continued growth and profitability of the acquisition target. We have been successful with most prior acquisitions, but it is possible that the merger integration process with an acquired company could result in the loss of key employees, disruptions in controls, procedures and policies, or other factors that could affect our ability to realize the projected savings and successfully retain and grow the target's customer base.

**Table of Contents****USE OF PROCEEDS**

The cash proceeds to us from the sale of the depositary shares will be approximately \$        million (after deducting estimated underwriting discounts and commissions and estimated offering expenses). We intend to use the net cash proceeds from this offering for general corporate purposes.

**CAPITALIZATION**

The following table sets forth our consolidated capitalization as of September 30, 2012:

on an actual basis, and

as adjusted to give effect to the offer and sale of the depositary shares in this offering at their liquidation preference of \$25. You should read this table in conjunction with the more detailed information, including our consolidated financial statements and related notes, incorporated by reference in this prospectus supplement.

	<b>As of September 30, 2012</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(unaudited)</b>	
	<b>(in thousands,</b>	
	<b>except share data)</b>	
Federal Home Loan Bank advances and other borrowings over one year	\$ 23,438	\$ 23,438
Other long-term debt	2,303,221	2,303,221
Shareholders' equity:		
Preferred stock, without par value, 4,400,000 shares authorized: Series A (liquidation preference \$1,000 per share), 60,053 shares issued and outstanding (actual and as adjusted); Series C (liquidation preference \$1,000 per share), 794,085 shares issued and outstanding (actual and as adjusted); Series F (liquidation preference \$1,000 per share), 143,750 issued and outstanding (actual and as adjusted); Series G (liquidation preference \$1,000 per share), none issued and outstanding (actual) and 200,000 issued and outstanding (as adjusted)	1,123,377	1,323,377
Common stock, without par value; authorized 350,000,000 shares; issued and outstanding 184,156,402	4,162,001	4,162,001
Retained earnings	1,170,477	1,170,477
Accumulated other comprehensive loss	(534,738)	(534,738)
Controlling interest shareholders' equity	5,921,117	6,121,117
Noncontrolling interests	(2,862)	(2,862)
Total shareholders' equity	5,918,255	6,118,255
Total capitalization	\$ 8,244,914	\$ 8,444,914

**Table of Contents****RATIO OF EARNINGS TO FIXED CHARGES AND COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table sets forth certain information concerning our consolidated ratios of earnings to fixed charges and earnings to combined fixed charges and preferred stock dividends. For the purpose of computing the consolidated ratio of earnings to fixed charges and combined fixed charges and preferred stock dividends, earnings consist of consolidated income from continuing operations before provision for income taxes and fixed charges, and fixed charges consist of interest expense, a portion of rent expense representative of interest, trust-preferred securities related expense, and amortization of debt issuance costs.

	Nine Months Ended September 30,			Year Ended December 31,			
	2012	2011	2011	2010	2009	2008	2007
Ratio of earnings to fixed charges:							
Excluding interest on deposits	3.35	2.41	2.60	(a)	(a)	(a)	2.99
Including interest on deposits	2.76	2.02	2.14	(a)	(a)	(a)	1.54
Ratio of earnings to combined fixed charges and preferred stock dividends:							
Excluding interest on deposits	1.51	1.36	1.40	(a)	(a)	(a)	2.83
Including interest on deposits	1.44	1.29	1.33	(a)	(a)	(a)	1.52

(a) Ratio is less than one; earnings are inadequate to cover fixed charges. The dollar amount of the coverage deficiency for the affected periods is presented below. The amount is the same whether including or excluding interest on deposits:

(in thousands)	Nine Months Ended September 30,				Year Ended December 31,		
	2012	2011	2011	2010	2009	2008	2007
Coverage deficiency earnings to fixed charges:				\$ (409,925)	\$ (1,629,805)	\$ (324,803)	
Coverage deficiency earnings to fixed charges and preferred stock dividends:				(532,809)	(1,732,774)	(349,227)	

S-25



---

**Table of Contents**

**DESCRIPTION OF SERIES G PREFERRED STOCK**

*The depositary will be the sole holder of the Series G Preferred Stock, as described under "Description of Depositary Shares" below, and all references in this prospectus supplement to the holders of the Series G Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series G Preferred Stock, as described under "Description of Depositary Shares."*

*This prospectus supplement summarizes specific terms and provisions of the Series G Preferred Stock. Terms that apply generally to our preferred stock are described in the "Description of Preferred Stock We May Offer" section of the accompanying prospectus. The following summary of the terms and provisions of the Series G Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the pertinent sections of our Restated Articles of Incorporation, as amended, which we refer to throughout this prospectus as the articles of incorporation, our bylaws, the applicable provisions of the Utah Revised Business Corporation Act, or the UBCA, and the Articles of Amendment creating the Series G Preferred Stock, which will be included as an exhibit to documents filed with the SEC.*

**General**

Our articles of incorporation authorize us to issue 4,400,000 shares of preferred stock, without par value. We may issue preferred stock from time to time in one or more series, without shareholder approval, when authorized by our board of directors. Upon issuance of a particular series of preferred stock, our board of directors is authorized to specify:

the number of shares to be included in the series;

the annual dividend rate for the series and any restrictions or conditions on the payment of dividends;

the redemption price, if any, and the terms and conditions of redemptions;

any sinking fund provisions for the purchase or redemption of the series;

if the series is convertible, the terms and conditions of conversion;

the amounts payable to holders upon our liquidation, dissolution or winding up; and

any other rights, preferences and limitations relating to the series.

The board's ability to authorize, without shareholder approval, the issuance of preferred stock with conversion and other rights may adversely affect the rights of holders of our common stock or other series of preferred stock that may be outstanding.

The Series G Preferred Stock is a single series of authorized preferred stock consisting of \_\_\_\_\_ shares. As described in the accompanying prospectus, we may from time to time, without notice to or the consent of holders of the Series G Preferred Stock, issue additional shares of preferred stock, including additional shares of Series G Preferred Stock.

In addition, we will generally be able to pay dividends and distributions upon liquidation, dissolution or winding up only out of lawfully available assets for such payment (i.e., after taking account of all indebtedness and other non-equity claims). The Series G Preferred Stock will be fully paid and nonassessable when issued. Holders of Series G Preferred Stock will not have preemptive or subscription rights to acquire more capital stock of Zions.

## Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

The Series G Preferred Stock will not be convertible into, or exchangeable for, shares of any other class or series of stock or other securities of Zions. The Series G Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of Zions to redeem or repurchase the Series G Preferred Stock.

We reserve the right to re-open this series and issue additional shares of Series G Preferred Stock and related depositary shares either through public or private sales at any time and from time to time. The additional

S-26

---

## **Table of Contents**

shares of Series G Preferred Stock and related depositary shares would be deemed to form a single series with the Series G Preferred Stock and the depositary shares, respectively, offered by this prospectus supplement; provided that such additional shares are fungible for U.S. federal income tax purposes with the shares offered hereby. In the event that we issue additional shares of the Series G Preferred Stock and the related depositary shares after the original issue date, (i) if the date is a dividend payment date, the dividends on such additional shares will be calculated from such date and (ii) if the date is not a dividend payment date, the dividends on such additional shares will be calculated from the most recent dividend payment date preceding the date on which such additional shares of Series G Preferred Stock were issued.

### **Ranking**

Shares of the Series G Preferred Stock will rank senior to our common stock; equally with our Series A Floating-Rate Non-Cumulative Perpetual Preferred Stock (our Series A Preferred Stock), our 9.50% Series C Non-Cumulative Perpetual Preferred Stock (our Series C Preferred Stock), our Series F Fixed-Rate Non-Cumulative Perpetual Preferred Stock (our Series F Preferred Stock) and at least equally with each other series of our preferred stock we may issue (except for any senior series that may be issued with the requisite consent of the holders of the Series G Preferred Stock and any other class or series whose vote is required) with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding up.

During any dividend period, so long as any share of Series G Preferred Stock remains outstanding, unless the full dividends for the then-current dividend period on all outstanding shares of Series G Preferred Stock have been paid, or declared and funds set aside therefor, and we are not in default on our obligations to redeem any shares of Series G Preferred Stock that have been called for redemption:

no dividend will be declared or paid or set aside for payment and no distribution will be declared or made or set aside for payment on any junior stock (other than a dividend payable solely in junior stock);

no shares of junior stock will be repurchased, redeemed or otherwise acquired for consideration by us, directly or indirectly (other than as a result of a reclassification of junior stock for or into other junior stock, or the exchange or conversion of one share of junior stock for or into another share of junior stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of junior stock) nor will any monies be paid to or made available for a sinking fund for the redemption of any such shares by us; and

no shares of parity stock will be repurchased, redeemed or otherwise acquired for consideration by us otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series G Preferred Stock and such parity stock, except by conversion into or exchange for junior stock.

As used in this prospectus supplement, junior stock means our common stock and any other class or series of stock of Zions hereafter authorized and issued over which Series G Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of Zions.

On any dividend payment date for which dividends are not paid in full on the shares of Series G Preferred Stock and any parity stock, all dividends declared on shares of Series G Preferred Stock and any parity stock for payment on such dividend payment date will be declared on a proportionate basis.

As used in this prospectus supplement with respect to the Series G Preferred Stock, parity stock means our Series A Preferred Stock, our Series C Preferred Stock, our Series F Preferred Stock and any other class or series of stock of Zions that ranks on par with the Series G Preferred Stock in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of Zions.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, stock or otherwise) as may be determined by our board of directors or a duly authorized committee of the board may be declared and paid on our common stock and any other stock ranking equally with or junior to the Series G Preferred Stock from time to time out of any assets legally available for such payment, and the holders of Series G Preferred Stock will not be entitled to participate in any such dividend.



---

**Table of Contents**

**Dividends**

Dividends on shares of the Series G Preferred Stock will not be mandatory. Holders of Series G Preferred Stock will be entitled to receive, when, as and if declared by our board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under the UBCA, non-cumulative cash dividends. These dividends will be payable (i) during the Fixed Rate Period, at a rate per annum equal to % and (ii) during the Floating Rate Period, at an annual floating rate equal to three-month LIBOR plus the Floating Rate Spread, applied to the \$1,000 liquidation preference per share (equivalent to \$25 per depositary share) and will be paid, if declared, quarterly in arrears on the 15th day of March, June, September and December of each year commencing on June 15, 2013. Each such date is referred to as a dividend payment date.

Dividends will be payable to holders of record of Series G Preferred Stock as they appear on our books on the applicable record date, which will be March 1, June 1, September 1 and December 1 immediately preceding the respective dividend payment date. The corresponding record dates for the depositary shares will be the same as the record dates for the Series G Preferred Stock.

A dividend period is the period from and including a dividend payment date to but excluding the next dividend payment date, except that the initial dividend period will commence on and include the original issue date of the Series G Preferred Stock to but excluding the next dividend payment date. Dividends payable on the Series G Preferred Stock for the Fixed Rate Period will be computed on the basis of a 360-day year of twelve 30-day months and the actual number of days elapsed in any period of less than one month. Dividends payable on the Series G Preferred Stock for the Floating Rate Period will be computed on the basis of a 360-day year of the actual number of days in a dividend period. During the Fixed Rate Period, if any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next succeeding business day and no interest will accrue on the postponed amount from the original due date to the next day that is a business day. During the Floating Rate Period, if any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next succeeding business day and dividends will accrue to, but excluding, the date dividends are paid. However, if the postponement would cause the dividend payment date to fall in the next calendar month during the Floating Rate Period, the dividend payment date will instead be brought forward to the immediately preceding business day.

Dividends on the shares of Series G Preferred Stock offered hereby will be calculated from the original issue date, which is expected to be , 2013. If additional shares of Series G Preferred stock are issued at a future date:

if the date is a dividend payment date, the dividends on such additional shares will be calculated from such date; and

if the date is not a dividend payment date, the dividends on such additional shares will be calculated from the most recent dividend payment date preceding the date on which such additional shares of Series G Preferred Stock were issued.

The dividend rate for each dividend period in the Floating Rate Period will be determined by the calculation agent using three-month LIBOR as in effect on the second London business day prior to the beginning of the dividend period, which date is the dividend determination date for the dividend period. The calculation agent then will add the Floating Rate Spread to the three-month LIBOR as determined on the dividend determination date. Absent manifest error, the calculation agent's determination of the dividend rate for a dividend period for the Series G Preferred Stock will be binding and conclusive on you, the transfer agent and us. The calculation agent will notify us of each determination of the dividend rate and will make the dividend rate available to any stockholder upon request.

Business day means any day that is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in Salt Lake City, Utah or New York City generally are authorized or required by law or executive order to close.

---

**Table of Contents**

A London business day means any day on which dealings in U.S. dollars are transacted or, with respect to any future date, are expected to be transacted in the London interbank market.

Three-month LIBOR means the London interbank offered rate for deposits in U.S. dollars having an index maturity of three months in amounts of at least \$1,000,000, as that rate appears on Reuters screen page LIBOR01 at approximately 11:00 a.m., London time, on the relevant dividend determination date. If no offered rate appears on Reuters screen page LIBOR01 on the relevant dividend determination date at approximately 11:00 a.m., London time, then the calculation agent, after consultation with us, will select four major banks (which may include affiliates of the underwriters of the Series G Preferred Stock) in the London interbank market and will request each of their principal London offices to provide a quotation of the rate at which three-month deposits in U.S. dollars in amounts of at least \$1,000,000 are offered by it to prime banks in the London interbank market, on that date and at that time, that is representative of single transactions at that time. If at least two quotations are provided, three-month LIBOR will be the arithmetic average (rounded upward, if necessary, to the nearest .00001 of 1%) of the quotations provided. Otherwise, the calculation agent, after consultation with us, will select three major banks (which may include affiliates of the underwriters of the Series G Preferred Stock) in New York City and will request each of them to provide a quotation of the rate offered by it at approximately 11:00 a.m., New York City time, on the dividend determination date for loans in U.S. dollars to leading European banks having an index maturity of three months for the applicable dividend period in an amount of at least \$1,000,000 that is representative of single transactions at that time. If three quotations are provided, three-month LIBOR will be the arithmetic average (rounded upward, if necessary, to the nearest .00001 of 1%) of the quotations provided. Otherwise, three-month LIBOR for the next dividend period will be equal to three-month LIBOR in effect for the then-current dividend period.

The amount of dividends payable per share of Series G Preferred Stock on each dividend payment date for each full dividend period will be calculated by multiplying the per annum dividend rate in effect for that dividend period by 1/4, and multiplying the rate obtained by \$1,000.

Dividends on shares of Series G Preferred Stock will not be cumulative. Accordingly, if the board of directors or a duly authorized committee of the board does not declare a dividend on the Series G Preferred Stock for any dividend period, such dividend will not accrue or be payable, and we will have no obligation to pay dividends for such dividend period, whether or not dividends on the Series G Preferred Stock are declared for any future dividend period.

**Liquidation Rights**

Upon any voluntary or involuntary liquidation, dissolution or winding up of Zions, holders of the Series G Preferred Stock are entitled to receive out of assets of Zions available for distribution to shareholders, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to the Series G Preferred Stock, before any distribution of assets is made to holders of common stock or of any of our other shares of junior stock, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) plus declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of the Series G Preferred Stock will not be entitled to any other amounts from us after they have received their full liquidating distribution.

In any such distribution, if the assets of Zions are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of the Series G Preferred Stock and all holders of any other shares of parity stock, the amounts paid to the holders of Series G Preferred Stock and to the holders of all parity stock will be paid pro rata in accordance with the respective aggregate liquidating distribution owed to those holders. If the liquidation preference plus declared and unpaid dividends has been paid in full to all holders of Series G Preferred Stock and any other shares of parity stock, the holders of our junior stock will be entitled to receive all remaining assets of Zions according to their respective rights and preferences.

For purposes of this section, the merger or consolidation of Zions with any other entity, including a merger or consolidation in which the holders of Series G Preferred Stock receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of the assets of Zions for cash, securities or other property, will not constitute a liquidation, dissolution or winding up of Zions.

---

**Table of Contents**

**Redemption**

The Series G Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The Series G Preferred Stock is not redeemable prior to March 15, 2023. On or after that date (each such date, a Series G Redemption Date ), the Series G Preferred Stock will be redeemable at our option, in whole or in part, at a redemption price equal to \$1,000 per share (equivalent to \$25 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. If any such day is not a business day, then any shares called for redemption will be redeemed on the next succeeding day that is a business day and any payment otherwise payable on the Series G Redemption Date will be made on the next succeeding day that is a business day (without any interest or other payment in respect of such delay). Holders of Series G Preferred Stock will have no right to require the redemption or repurchase of the Series G Preferred Stock.

Notwithstanding the foregoing, within 90 days of our good faith determination that an event has occurred that would constitute a regulatory capital treatment event, we may, at our option, subject to the approval of the appropriate federal banking agency, provide notice of our intent to redeem in accordance with the procedures described below, and subsequently redeem, all (but not less than all) of the shares of Series G Preferred Stock at the time outstanding at a redemption price equal to \$1,000 per share (equivalent to \$25 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

A regulatory capital treatment event means our determination, in good faith, that, as a result of any

amendment to, or change (including any announced prospective change) in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series G Preferred Stock;

proposed change in those laws or regulations that is announced after the issuance of any share of Series G Preferred Stock; or

official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series G Preferred Stock, there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of all shares of Series G Preferred Stock then outstanding as Tier 1 capital (or its equivalent) for purposes of the capital adequacy guidelines or regulations of the appropriate federal banking agency, as then in effect and applicable, for as long as any share of Series G Preferred Stock is outstanding.

If shares of the Series G Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series G Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption (provided, that if the depositary shares representing the Series G Preferred Stock are held in book-entry form through The Depository Trust Company, or DTC, we may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth:

the redemption date;

the number of shares of the Series G Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder;

the redemption price;

the place or places where the certificates evidencing shares of Series G Preferred Stock are to be surrendered for payment of the redemption price; and

that dividends on the shares to be redeemed will cease to accrue on the redemption date.  
If notice of redemption of any shares of Series G Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by us for the benefit of the holders of any shares of Series G

S-30



## **Table of Contents**

Preferred Stock so called for redemption, then, on and after the redemption date, (i) declared but unpaid dividends will cease to accrue on such shares of Series G Preferred Stock, (ii) such shares of Series G Preferred Stock will no longer be deemed outstanding and (iii) all rights of the holders of such shares will terminate, except the right to receive the redemption price. See *Description of Depositary Shares* below for information about redemption of the depositary shares relating to our Series G Preferred Stock.

In case of any redemption of only part of the shares of the Series G Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as we may determine to be fair and equitable.

Under the Federal Reserve's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series G Preferred Stock is subject to prior approval of the Federal Reserve Board. See *Risk Factors*. Investors should not expect us to redeem the Series G Preferred Stock on the date it becomes redeemable or on any particular date afterwards in this prospectus supplement.

## **Voting Rights**

Except as provided below, the holders of the Series G Preferred Stock will have no voting rights.

### ***Right to Elect Two Directors Upon Non-Payment of Dividends***

If and whenever dividends on any shares of the Series G Preferred Stock or any other class or series of voting parity stock (as defined below) have not been declared and paid in an aggregate amount at least equal, as to any such class or series, to the amount of dividends payable on such class and series at its stated dividend rate for a period of six dividend periods, whether or not for consecutive dividend periods (a *Nonpayment*), the number of directors then constituting our board will be increased by two. Holders of all classes and series of any voting parity stock as to which a Nonpayment exists (including, if applicable, the Series G Preferred Stock) will be entitled to vote as a single class for the election of the two additional members of our board of directors (the *Preferred Directors*), but only if the election of any such directors would not cause us to violate the listing standards of the Nasdaq Stock Market (or any other exchange on which our securities may be listed) or the rules and regulations of any other regulatory or self-regulatory body. In addition, our board of directors will at no time include more than two Preferred Directors. As used herein, *voting parity stock* means the Series G Preferred Stock, the Series A Preferred Stock, the Series C Preferred Stock, the Series F Preferred Stock and each other class or series of preferred stock that ranks on parity with the Series G Preferred Stock as to payment of dividends and has voting rights similar to those described in this paragraph.

In the event of a Nonpayment, at the written request of any holder of record of at least 20% of the outstanding shares of any voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series G Preferred Stock) addressed to our Secretary at our principal office, our Secretary will call a special meeting of the holders of all voting parity stock with respect to which a Nonpayment exists for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the shareholders, in which event such election will be held at such next annual or special meeting of shareholders). So long as these voting rights have not ceased, holders of any and all voting parity stock with respect to which a Nonpayment exists (including, if applicable, the Series G Preferred Stock) voting as a single class will continue to elect such directors at each subsequent annual meeting.

If and when full dividends have been paid regularly for at least four dividend periods following a Nonpayment on any class or series of voting parity stock as to which a Nonpayment exists or existed, the foregoing voting rights will cease with respect to that class or series (subject to re-vesting in the event of each subsequent Nonpayment). If and when full dividends have been paid regularly for at least four dividend periods on all classes and series of voting parity stock as to which a Nonpayment exists or existed, the term of office of each Preferred Director so elected will immediately terminate and the number of directors on the board of directors will automatically decrease by two.

Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of all classes and series of voting parity stock with respect to which a Nonpayment then exists, voting as a single class. So long as the voting rights described above remain in effect, any vacancy in the

---

## **Table of Contents**

office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of voting parity stock with respect to which a Nonpayment then exists voting as a single class, with the successor to serve until the next annual meeting of shareholders. The Preferred Directors will each be entitled to one vote per director on any matter.

### ***Other Voting Rights***

So long as any shares of Series G Preferred Stock remain outstanding:

the affirmative vote or consent of the holders of at least two-thirds of all outstanding shares of Series G Preferred Stock and any class or series of preferred stock that ranks on a parity with the Series G Preferred Stock as to payment of dividends and the distribution of assets upon liquidation, dissolution or winding-up of Zions, voting together as a class, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series G Preferred Stock with respect to the payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up of Zions; and

the affirmative vote or consent of the holders of at least two-thirds of all shares of the Series G Preferred Stock at the time outstanding, voting separately as a class, will be required to amend any provisions of Zions's articles of incorporation, whether by merger, consolidation or otherwise, so as to materially and adversely affect the powers, preferences, privileges or rights of the Series G Preferred Stock, taken as a whole.

With respect to the second bullet above, the following will be deemed not to materially and adversely affect any power, preference or right of the Series G Preferred Stock:

any increase in the amount of the authorized or issued Series G Preferred Stock or the amount of our authorized common stock or preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of any other class or series of common stock or other equity securities ranking equally with and/or junior to the Series G Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or noncumulative) and/or the distribution of assets upon liquidation, dissolution or winding up of Zions;

any change to the number of directors or classification of or number of classes of directors; and

the occurrence of any such amendment, whether by merger, consolidation or otherwise, so long as any of the shares of Series G Preferred Stock remains outstanding with the terms thereof materially unchanged or new shares of the surviving corporation or entity are issued with the same terms as the Series G Preferred Stock, in each case taking into account that upon the occurrence of this event Zions may not be the surviving entity.

Each holder of shares of Series G Preferred Stock will have one vote per share on any matter on which holders of such shares are entitled to vote, including when acting by written consent.

The foregoing voting provisions described under **Right to Elect Two Directors Upon Non-Payment of Dividends** and **Other Voting Rights** will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series G Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by us for the benefit of the holders of the Series G Preferred Stock to effect such redemption.

### **Registrar**

Zions First National Bank will be the registrar, dividend disbursing agent and redemption agent for the Series G Preferred Stock.

**Calculation Agent**

Zions First National Bank will be the calculation agent for the Series G Preferred Stock.

S-32

## **Table of Contents**

### **DESCRIPTION OF DEPOSITARY SHARES**

*In this prospectus supplement, references to holders of depositary shares mean those who own depositary shares registered in their own names, on the books that we or the depositary maintain for this purpose, and not indirect holders who own beneficial interests in depositary shares registered in street name or issued in book-entry form through DTC. Please review the special considerations that apply to indirect holders described in the Book Entry Issuance section of this prospectus supplement and Legal Ownership and Book-Entry Issuance in the accompanying prospectus.*

*This prospectus supplement summarizes specific terms and provisions of the depositary shares related to our Series G Preferred Stock. Terms that apply generally to all our preferred stock issued in the form of depositary shares (including the depositary shares offered in this prospectus supplement) are described in the Description of Depositary Shares We May Offer section of the accompanying prospectus.*

#### **General**

As described in the accompanying prospectus in the Description of Preferred Stock We May Offer section, we are issuing fractional interests in shares of preferred stock in the form of depositary shares. Each depositary share will represent a 1/40th ownership interest in a share of Series G Preferred Stock, and will be evidenced by a depositary receipt. The shares of Series G Preferred Stock represented by depositary shares will be deposited under a deposit agreement among Zions, Zions First National Bank, as depositary, and the holders from time to time of the depositary receipts evidencing the depositary shares. Subject to the terms of the deposit agreement, each holder of a depositary share will be entitled, through the depositary, in proportion to the applicable fraction of a share of Series G Preferred Stock represented by such depositary share, to all the rights and preferences of the Series G Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

Immediately following the issuance of the Series G Preferred Stock, we will deposit the Series G Preferred Stock with the depositary, which will then issue the depositary shares to or on the instructions of the underwriters. Copies of the forms of deposit agreement and the depositary receipt may be obtained from us upon request and in the manner described in the Where You Can Find More Information section of the accompanying prospectus.

#### **Dividends and Other Distributions**

The depositary will distribute any cash dividends or other cash distributions received in respect of the deposited Series G Preferred Stock to the record holders of depositary shares relating to the underlying Series G Preferred Stock in proportion to the number of depositary shares held by the holders. The depositary will distribute any property received by it other than cash to the record holders of depositary shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders of the depositary shares in proportion to the number of depositary shares they hold.

Record dates for the payment of dividends and other matters relating to the depositary shares will be the same as the corresponding record dates for the Series G Preferred Stock.

The amounts distributed to holders of depositary shares will be reduced by any amounts required to be withheld by the depositary or by us on account of taxes or other governmental charges.

#### **Redemption of Depositary Shares**

If we redeem the Series G Preferred Stock represented by the depositary shares, the depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption of the Series G Preferred Stock held by the depositary. The redemption price per depositary share will be equal to 1/40th of the redemption price per share payable with respect to the Series G Preferred Stock (or \$25 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Whenever we redeem shares of Series G Preferred Stock held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing shares of Series G Preferred Stock so redeemed.

## **Table of Contents**

In case of any redemption of less than all of the outstanding depositary shares, the depositary shares to be redeemed will be selected by the depositary pro rata, by lot, or in such other manner determined by us to be equitable. In any such case, we will redeem depositary shares only in increments of 40 shares and any multiple thereof.

### **Voting the Series G Preferred Stock**

When the depositary receives notice of any meeting at which the holders of the Series G Preferred Stock are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares relating to the Series G Preferred Stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the Series G Preferred Stock, may instruct the depositary to vote the number of the Series G Preferred Stock represented by the holder's depositary shares. To the extent possible, the depositary will vote the number of shares of the Series G Preferred Stock represented by depositary shares in accordance with the instructions it receives. We will agree to take all reasonable actions that the depositary determines are necessary to enable the depositary to vote as instructed. If the depositary does not receive specific instructions from the holders of any depositary shares representing the Series G Preferred Stock, it will vote all depositary shares of that series held by it proportionately with instructions received to the extent permitted by the New York Stock Exchange or other applicable regulatory body.

### **Listing**

We expect the depositary shares to be approved for listing on the New York Stock Exchange, subject to official notice of issuance, under the symbol ZBPRG.

### **Form of Preferred Stock and Depositary Shares**

The depositary shares will be issued in book-entry form through DTC, as described in [Book-Entry Issuance](#) in this prospectus supplement and in [Legal Ownership and Book-Entry Issuance](#) in the accompanying prospectus. The Series G Preferred Stock will be issued in registered form to the depositary. See [Description of Preferred Stock We May Offer](#) and [Description of Depositary Shares We May Offer](#) in the accompanying prospectus.

---

**Table of Contents**

**BOOK-ENTRY ISSUANCE**

DTC will act as securities depository for all of the depository shares. We will issue the depository shares only as fully-registered securities registered in the name of Cede & Co. (DTC's nominee). We will issue and deposit with DTC one or more fully-registered global certificates for the depository shares representing, in the aggregate, the total number of the depository shares to be sold in this offering.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization under the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation under the meaning of the New York Uniform Commercial Code and a clearing agency registered under the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for equity, corporate and municipal debt securities and other securities that DTC's direct participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation, which, in turn, is owned by a number of direct participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to indirect participants such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of depository shares within the DTC system must be made by or through direct participants, who will receive a credit for the depository shares on DTC's records. The ownership interest of each actual purchaser of each depository share is in turn to be recorded on the direct and indirect participants' records. DTC will not send written confirmation to beneficial owners of their purchases, but beneficial owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the direct or indirect participants through which the beneficial owners purchased depository shares. Transfers of ownership interests in the depository shares are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in depository shares, unless the book-entry system for the depository shares is discontinued.

To facilitate subsequent transfers, all depository shares deposited by direct participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of depository shares with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the depository shares; DTC's records reflect only the identity of the direct participants to whose accounts such depository shares are credited, which may or may not be beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners and the voting rights of direct participants, indirect participants and beneficial owners, subject to any statutory or regulatory requirements as is in effect from time to time, will be governed by arrangements among them.

We will send redemption notices to Cede & Co. as the registered holder of the depository shares. If less than all of these depository shares are redeemed, DTC's current practice is to determine by lot the amount of the interest of each direct participant to be redeemed.

---

**Table of Contents**

Although voting on the depositary shares is limited to the holders of record of the depositary shares, in those instances in which a vote is required, neither DTC nor Cede & Co. will itself consent or vote on depositary shares. Under its usual procedures, DTC would mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to direct participants for whose accounts the depositary shares are credited on the record date (identified in a listing attached to the omnibus proxy).

Redemption proceeds, distributions and dividend payments on the depositary shares will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit direct participants' accounts, upon DTC's receipt of funds and corresponding detail information from us or our agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such participant and not of DTC, Zions or its agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemptions proceeds, distributions and dividend payments by Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Zions or its agent, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of direct and indirect participants.

DTC may discontinue providing its services as securities depositary on any of the depositary shares at any time by giving reasonable notice to us. If a successor securities depositary is not obtained, final depositary shares certificates must be printed and delivered. We may at our option decide to discontinue the use of the system of book-entry transfers through DTC (or a successor depositary). In this case, final certificates for the depositary shares will be printed and delivered.

As long as DTC or its nominee is the registered owner of the global security certificates, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the global security certificates and all depositary shares represented by these certificates for all purposes under the instruments governing the rights and obligations of holders of depositary shares. Except in the limited circumstances referred to above, owners of beneficial interests in global security certificates:

will not be entitled to have such global security certificates or the depositary shares represented by these certificates registered in their names;

will not receive or be entitled to receive physical delivery of securities certificates in exchange for beneficial interests in global security certificates; and

will not be considered to be owners or holders of the global security certificates or the depositary shares represented by these certificates for any purpose under the instruments governing the rights and obligations of holders of depositary shares.

We have obtained the information in this section about DTC and DTC's book-entry system from sources that we believe to be accurate, but we assume no responsibility for the accuracy of the information. We have no responsibility for the performance by DTC or its participants of their respective obligations as described in this prospectus or under the rules and procedures governing their respective operations.

**Table of Contents**

**MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the material U.S. federal income tax consequences relevant to the purchase, ownership and disposition of the depositary shares. This discussion supplements the discussion of U.S. federal income taxation in the accompanying prospectus under United States Taxation Taxation of Preferred Stock and Depositary Shares. The summary is limited to taxpayers who purchase the depositary shares in the initial offering at the initial offering price and who will hold the depositary shares as capital assets. This section does not apply to you if you are a member of a special class of holders subject to special rules, including:

a dealer in securities;

a financial institution;

a regulated investment company;

a real estate investment trust;

an insurance company;

a tax-exempt organization;

a person holding our depositary shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;

a person that purchases or sells the depositary shares as part of a wash sale for U.S. federal income tax purposes;

a trader in securities that has elected the mark-to-market method of accounting for its securities;

a person liable for alternative minimum tax;

a person who owns 10% or more of our voting stock;

a partnership or other pass-through entity for U.S. federal income tax purposes; or

a U.S. holder (as defined below) whose functional currency is not the U.S. dollar.

The following summary is based upon current provisions of the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations and judicial or administrative authority, all of which are subject to change, possibly with retroactive effect. State, local and foreign tax consequences are not summarized. In addition, this section is based in part upon the representations of the depositary and the assumptions that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms. You are a U.S. holder if you



Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

are a beneficial owner of depositary shares for U.S. federal income tax purposes and you are:

a citizen or resident of the United States,

a domestic corporation,

an estate whose income is subject to U.S. federal income tax regardless of its source, or

a trust if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust.

You are a non-U.S. holder if you are a beneficial owner of depositary shares for U.S. federal income tax purposes and you are:

a nonresident alien individual,

a foreign corporation, or

an estate or trust that in either case is not subject to U.S. federal income tax on a net income basis on income or gain from the depositary shares relating to our Series G Preferred Stock.

S-37

---

## **Table of Contents**

If a partnership holds depository shares, the tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. If you are a partner in a partnership holding depository shares, you should consult your tax advisor with regard to the U.S. federal income tax treatment of an investment in the depository shares.

*You should consult your own tax advisor regarding the U.S. federal, state and local and other tax consequences of owning and disposing depository shares in your particular circumstances.*

In general, and taking into account earlier assumptions, beneficial owners of depository shares will be treated as owners of the underlying Series G Preferred Stock for U.S. federal income tax purposes.

### **U.S. Holders**

#### ***Dividends***

Dividends on the Series G Preferred Stock will be dividends for U.S. federal income tax purposes to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, and will be taxable as ordinary income. Although we expect that our current and accumulated earnings and profits will be such that all dividends paid with respect to the Series G Preferred Stock will qualify as dividends for U.S. federal income tax purposes, we cannot guarantee that result. Our accumulated earnings and profits and our current earnings and profits in future years will depend in significant part on our future profits or losses, which we cannot accurately predict. To the extent that the amount of any dividend paid on a share of Series G Preferred Stock exceeds our current and accumulated earnings and profits attributable to that share, the dividend will be treated first as a return of capital and will be applied against and reduce your adjusted tax basis (but not below zero) in that share of Series G Preferred Stock. This reduction in basis would increase any gain or reduce any loss realized by you on the subsequent sale, redemption or other disposition of your Series G Preferred Stock. The amount of any such dividend in excess of your adjusted tax basis will then be taxed as capital gain from the sale or exchange of your Series G Preferred Stock. For purposes of the remainder of this discussion, it is assumed that dividends paid on the Series G Preferred Stock will constitute dividends for U.S. federal income tax purposes.

If you are a corporation, dividends that are received by you will generally be eligible for a 70% dividends-received deduction under the Code. However, the Code disallows this dividends-received deduction in its entirety if the Series G Preferred Stock with respect to which the dividend is paid is held by you for less than 46 days during the 91-day period beginning on the date which is 45 days before the date on which the Series G Preferred Stock became ex-dividend with respect to such dividend.

If you are an individual, dividends generally will be taxable at the preferential rates applicable to long-term capital gains. The rate reduction will not apply to dividends received to the extent that you elect to treat the dividends as investment income, which may be offset by investment expense. Furthermore, the rate reduction will also not apply to dividends that are paid to you with respect to Series G Preferred Stock that is held by you for less than 61 days during the 121-day period beginning on the date which is 60 days before the date on which the Series G Preferred Stock became ex-dividend with respect to such dividend.

In general, for purposes of meeting the holding period requirements for both the dividends-received deduction and the reduced maximum tax rate on dividends described above, you may not count towards your holding period any period in which you (a) have the option to sell, are under a contractual obligation to sell, or have made (and not closed) a short sale of Series G Preferred Stock or substantially identical stock or securities, (b) are the grantor of an option to buy Series G Preferred Stock or substantially identical stock or securities or (c) otherwise have diminished your risk of loss by holding one or more other positions with respect to substantially similar or related property. In general, a taxpayer has diminished its risk of loss on stock by holding a position in substantially similar or related property if the taxpayer is the beneficiary of a guarantee, surety agreement, or similar arrangement that provides for payments that will substantially offset decreases in the fair market value of the stock. In addition, the dividends-received deduction as well as the reduced tax rate on dividends are disallowed if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met. You are advised to consult your own tax advisor regarding the implications of these rules in light of your particular circumstances.

**Table of Contents**

You should consider the effect of section 246A of the Code, which reduces the dividends-received deduction allowed with respect to debt-financed portfolio stock. The Code also imposes a 20% alternative minimum tax on corporations. In some circumstances, the portion of dividends subject to the dividends-received deduction will serve to increase a corporation's minimum tax base for purposes of the determination of the alternative minimum tax. In addition, a corporate shareholder may be required to reduce its basis in stock with respect to certain extraordinary dividends, as provided under section 1059 of the Code. You should consult your own tax adviser in determining the application of these rules in light of your particular circumstances.

***Dispositions, Including Redemptions***

A sale, exchange or other disposition of Series G Preferred Stock will generally result in gain or loss equal to the difference between the amount realized upon the disposition and your adjusted tax basis in the Series G Preferred Stock, which will generally equal your purchase price for the Series G Preferred Stock, subject to reduction (if applicable) as described under the caption "Dividends" above. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if your holding period for the Series G Preferred Stock exceeds one year. Long-term capital gain recognized by a non-corporate U.S. holder is eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A redemption of Series G Preferred Stock for cash will be treated as a sale or exchange if it (1) results in a complete termination of your interest in our stock or (2) is not essentially equivalent to a dividend with respect to you, both within the meaning of Section 302(b) of the Code. In determining whether any of these tests have been met, stock considered to be owned by you by reason of certain constructive ownership rules, as well as shares actually owned by you, must generally be taken into account. If a particular U.S. holder of depositary shares does not own (actually or constructively) any additional stock, or owns only an insubstantial percentage of our outstanding stock, and does not participate in our control or management, a redemption of the Series G Preferred Stock of such holder will generally qualify for sale or exchange treatment. Otherwise, the redemption may be taxable as a dividend. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code will be satisfied with respect to any particular U.S. holder of the depositary shares relating to our Series G Preferred Stock depends upon the facts and circumstances at the time that the determination must be made, prospective U.S. holders of the depositary shares relating to our Series G Preferred Stock are advised to consult their own tax advisors regarding the tax treatment of a redemption. If a redemption of Series G Preferred Stock is treated as an exchange, it will be taxable as described in the preceding paragraph. If a redemption is treated as a distribution, the entire amount received will be treated as a distribution and will be taxable as described under the caption "Dividends" above.

**Non-U.S. Holders**

The discussion in this section is addressed to non-U.S. holders of the depositary shares.

***Dividends***

Generally, dividends paid to a non-U.S. holder with respect to the depositary shares will be subject to U.S. federal income and withholding tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty (provided the non-U.S. holder furnishes the payor with a properly completed IRS Form W-8BEN or an acceptable substitute form certifying that such holder is eligible for treaty benefits), unless the dividends are effectively connected with a trade or business carried on by the non-U.S. holder within the United States (and the non-U.S. holder provides the payor with a properly completed Form W-8ECI or an acceptable substitute form). Dividends that are effectively connected with such trade or business (and, if required by an applicable income tax treaty, are attributable to a U.S. permanent establishment maintained by the non-U.S. holder) will generally be subject to U.S. federal income tax on a net basis at applicable individual or corporate rates and, in the case of a non-U.S. holder which is a corporation, may be subject to a branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder eligible for a reduced rate of U.S. withholding tax pursuant to an applicable income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS.

## **Table of Contents**

### ***Dispositions***

A non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on gain realized on the sale, exchange or redemption of the depositary shares so long as:

the gain is not effectively connected with a U.S. trade or business of the holder (or if a tax treaty applies, the gain is not attributable to a U.S. permanent establishment maintained by such non-U.S. holder);

in the case of a nonresident alien individual, such holder is not present in the United States for 183 or more days in the taxable year of the sale or disposition (in which case the gain may be subject to tax if certain other conditions are met); and

we are not and have not been a U.S. real property holding corporation for U.S. federal income tax purposes of which such non-U.S. holder held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of our common stock and are not eligible for any treaty exemption.

If you are a corporate non-U.S. holder, effectively connected gains that you recognize may also, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate. We have not been, are not and do not anticipate becoming a U.S. real property holding corporation for U.S. federal income tax purposes.

### ***FATCA Withholding on Payments to Foreign Financial Institutions and Other Foreign Entities***

A 30% withholding tax will be imposed on certain payments ( withholdable payments ) that are made to certain foreign financial institutions, investment funds and other non-U.S. persons that fail to comply with information reporting requirements in respect of their direct and indirect United States shareholders and/or United States accountholders ( FATCA withholding ). Such withholdable payments will include dividends on the depositary shares relating to our Series G Preferred Stock and the gross proceeds from the sale or other disposition of the depositary shares relating to our Series G Preferred Stock. You could be affected by such FATCA withholding if you are subject to the information reporting requirements and fail to comply with them or if you hold our Series G Preferred Stock through another person (e.g., a foreign bank or broker) that is subject to FATCA withholding because it fails to comply with these requirements (even if you would not otherwise have been subject to FATCA withholding). Pursuant to recently promulgated U.S. Treasury regulations, FATCA withholding will only apply to payments of dividends made on or after January 1, 2014, and to payments of gross proceeds from a sale or other disposition of our depositary shares relating to our Series G Preferred Stock made on or after January 1, 2017.

---

**Table of Contents**

**THE AUCTION PROCESS**

The following describes the auction process used to determine the dividend rate for the Fixed Rate Period and the Floating Rate Spread for the depositary shares in this offering. The auction process differs from methods traditionally used in other underwritten public offerings. Zions, the auction service provider and the underwriters will determine the dividend rate, and the auction service provider and the underwriters will determine the allocation of the depositary shares, in this offering by an online auction process conducted by Zions Direct in its capacity as the auction service provider. This process will involve a modified Dutch auction mechanism in which the auction service provider will receive and accept irrevocable bids from bidders at or above a minimum dividend rate bid of 5.30% (in increments of 0.05%) and up to and including the maximum dividend rate bid of 6.30%. After the auction closes, the auction service provider will determine the market-clearing dividend rate for the sale of the depositary shares offered by this prospectus supplement for the Fixed Rate Period and, if we choose to proceed with the offering, the auction service provider and the underwriters will allocate depositary shares to the successful bidders. The market-clearing dividend rate for the depositary shares may bear little or no relationship to the dividend rate that would be established using traditional valuation methods. The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes. You should carefully consider the risks described under Risk Factors Risks Related to the Auction Process in this prospectus supplement.

**General**

We will determine the dividend rate of the depositary shares for the Fixed Rate Period and the Floating Rate Spread in this offering through an auction, which will be conducted by Zions Direct, the auction service provider. We will announce the auction at approximately 4:00 p.m., New York City time, on January 28, 2013 so that prospective holders will have time to take the necessary steps to become registered qualified bidders as described below. Unless delayed prior to commencement, the auction will commence at 9:30 a.m., New York City time, on January 30, 2013, and will end at 3:00 p.m., New York City time, on January 31, 2013, subject to two-minute extensions not to exceed a total of ten minutes beyond 3:00 p.m., New York City time, on January 31, 2013, described under Auction Bidding Process; Irrevocability of Bids. In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately.

The auction will be held on the website [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com), which also contains the rules that govern the auction. The following describes how the auction service provider will conduct the auction. We reserve the right to change the rules that govern the auction.

None of the underwriters, the auction service provider or we have undertaken any efforts to qualify the depositary shares for sale in any jurisdiction outside the United States. Except to the limited extent that this offering will be open to certain non-U.S. investors under private placement exemptions in certain countries other than the United States, investors located outside the United States should not expect to be eligible to participate in this offering.

Deutsche Bank Securities Inc., Goldman, Sachs & Co. and/or Zions Direct, Inc. may contact potential investors with information about the auction and how to participate and may solicit bids from prospective investors via telephone, e-mail or other electronic communication.

**Date, Time and Location of the Auction**

The auction will commence at 9:30 a.m., New York City time, on January 30, 2013, and will end at 3:00 p.m., New York City time, on January 31, 2013. Such period of time may be extended as described under Auction Bidding Process; Irrevocability of Bids. In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately. The auction will be hosted on the internet website [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com). Zions and the underwriters may in their discretion determine to delay the commencement of the auction to a date after the date specified above at any time prior to the commencement of the auction. Any such delay will be announced by press release, and Zions will file a Form 8-K specifying the revised auction dates, if any.

---

## **Table of Contents**

### **Registration and Qualification of Bidders; Suitability**

Our objective is to conduct an auction in which you submit informed bids.

You may submit bids for the depositary shares in two ways: directly through the auction site or indirectly through the underwriters or other brokers. Prospective bidders that want to bid for our depositary shares directly through the auction site will be required to have a brokerage account with Zions Direct or one of the other underwriters. Although there is no maximum bid size for the auction, individual bid limits will be set for bidders by the auction service provider (other than Non-ZD Underwriter Bidders). Non-ZD Underwriter Bidders must obtain a bidder ID and password from the underwriter with which they have such brokerage account, unless they elect to bid indirectly through such underwriter. Prospective bidders (other than Non-ZD Underwriter Bidders) who want to bid for more than their individual bid limit may contact the auction service provider by telephone at (800) 524-8875 to request a greater individual bid limit. Any decision to increase a bidder's individual bid limit, upon such request, will be in the auction service provider's discretion. To ensure that the auction service provider has adequate time to consider any such request, such request must be made prior to the start of the auction. A bidder may be required to submit specified financial information, including account information and tax identification numbers, in order to increase such bidder's individual bid limit and to establish the bidder's suitability for a larger investment in the depositary shares. The auction service provider may contact a bidder (other than a non-ZD Underwriter Bidder) to request any other pertinent information that is required to establish the individual bid limit and the suitability of such bidder.

As described below under "Auction Bidding Process; Irrevocability of Bids," each bidder who submits a bid directly on the auction platform is allowed to place up to five separate, concurrent bids. However, a bidder will not be able to successfully place aggregate in-the-money bids (as described under "Auction Bidding Process; Irrevocability of Bids") that exceed the bidder's individual bid limit, if any. Any bids submitted that would cause a bidder to exceed such bidder's individual bid limit will only be accepted to the extent such bid is within such bid limit. A bidder who submits bids indirectly through an underwriter may only place one bid at any time. If such bidder's bid is in-the-money, such bidder may increase the total number of depositary shares the bidder is bidding for and/or decrease the dividend rate represented by such bid, but can only do so by submitting a new bid for the total amount for which such bidder is bidding.

We caution you that the depositary shares may not be a suitable investment for you even if you qualify to participate in the auction. Moreover, even if you qualify to participate in the auction and place a bid, you may not receive an allocation of depositary shares in the offering for a number of reasons described below.

In order to participate in the auction, a prospective bidder who elects to bid directly on the auction platform must (1) open a brokerage account with Zions Direct or one of the other underwriters, (2) register to have a bidding account and (3) satisfy and agree to the applicable terms and conditions of the auction in order to become a qualified bidder. Prospective bidders will be required to answer certain questions that indicate that such bidder has accessed or received the offering materials and understands the risk of investing in our depositary shares and that our depositary shares are suitable for such bidder. In addition, by registering to bid in the auction, a prospective bidder represents and warrants to us that such bidder's bid is submitted for and on behalf of such prospective bidder by himself, herself or itself, as applicable, or by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract with respect to the bid for, and purchase of, the depositary shares. Prospective bidders that have or open a brokerage account with one of the underwriters (including Zions Direct) may also participate in the auction by electing to bid indirectly through that underwriter.

#### **STEP 1: Open a brokerage account**

Individuals and institutions, including brokers, who wish to participate in the auction must have a brokerage account with Zions Direct or one of the other underwriters prior to bidding in the auction. Brokers will need to submit their bids, either for their own account or on behalf of their customers, through one of the underwriters (including Zions Direct).

## **Table of Contents**

### STEP 2: Become a registered bidder

Individuals and institutions, including brokers, who wish to participate directly in the auction must have a bidding account. Individuals and institutions that have or open a brokerage account with one of the underwriters other than Zions Direct may obtain a bidder ID and password from the underwriter with which they open such brokerage account (provided that they meet the suitability standards established by such underwriter). Other individuals and institutions that have or open a brokerage account with Zions Direct can open a bidding account and obtain a bidder ID and password by going to the website <https://auctions.zionsdirect.com/user/register>, filling in minimal contact information and submitting the bidder registration form electronically. During the registration process, each prospective bidder (other than Non-ZD Underwriter Bidders) will select a bidder ID, and password to access the bid page on [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) and to submit bids in the auction. Institutions can also apply to open a bidding account by calling (800) 524-8875. After successfully submitting a bidder registration form or obtaining a bidder ID and password from one of the underwriters, a prospective bidder becomes a registered bidder for the auction for the depositary shares. The auction service provider will confirm by e-mail a prospective bidder's successful registration (other than Non-ZD Underwriter Bidders). A prospective bidder is not obligated to submit a bid in the auction simply because that bidder has registered to bid in the auction.

### STEP 3: Become a qualified bidder

After logging into the bidder's bidding account and selecting the depositary shares auction, bidders who wish to participate directly in the auction must qualify to participate in the depositary shares auction. For such prospective bidders to qualify to bid in the depositary shares auction, they must (1) make certain acknowledgements regarding access or receipt of documents pertinent to the depositary shares auction, (2) verify certain suitability questions relating to an investment in the depositary shares and (3) if they are not a non-ZD Underwriter Bidder, authorize and direct the broker/dealer through which they will hold the depositary shares purchased in the auction to update their suitability profile, if necessary. Such review, verification, certification and authorization are acknowledged by clicking on the corresponding checkboxes and by clicking on "I Agree" on the webpage that appears when accessing the auction. Such certification and authorization is a requirement for bidders (other than Non-ZD Underwriter Bidders) to qualify to participate directly in the depositary shares auction. Once updated, a bidder's suitability profile will remain so updated after the auction in the bidder's broker/dealer account through which the bidder will hold the depositary shares purchased in the auction, and will not be further updated unless such bidder contacts the broker/dealer through which it will hold any securities purchased in an auction to provide further updates. By satisfying and accepting the terms and conditions of the securities auction and authorizing updates in the suitability profile if necessary, a bidder becomes able to participate directly in the depositary shares auction.

Individuals and institutions that elect to bid indirectly through one of the underwriters other than Zions Direct do not have to complete Steps 2 and 3 described above in order to participate in the auction; however, they must have a brokerage account with one of such underwriters prior to bidding in the auction.

Each prospective bidder will be solely responsible for making necessary arrangements to access [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) for purposes of directly submitting its bid, or with an underwriter for purposes of indirectly submitting a bid, in a timely manner and in compliance with the requirements described in this prospectus supplement.

Zions, the underwriters and the auction service provider do not have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and none of Zions, the underwriters or the auction service provider will be responsible for a bidder's failure to register to bid or for proper operation of [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com), or have any liability for any delays or interruptions of, or any damages caused by, [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com).

Interested investors may also submit bids to purchase depositary shares through a broker (that is not an underwriter) with which such investor has a brokerage account. Brokers (that are not underwriters) that wish to directly submit bids on the auction platform, either for their own account or on behalf of their customers, must first qualify and register as described above.

---

## **Table of Contents**

Each broker that submits bids through the auction site will be required to establish and enforce client suitability standards, including eligibility, account status and size, to evaluate whether an investment in the depositary shares is appropriate for any particular investor. Each of them, including the underwriters, will individually apply its own standards in making that determination, but in each case those standards will be implemented in accordance with the applicable requirements and guidelines of FINRA. If you do not meet the relevant suitability requirements, you will not be able to bid in the auction. Accounts at one of the underwriters, Zions Direct or any other broker are also subject to the customary rules of those institutions. You should contact your brokerage firm to better understand how you may submit bids in the auction.

### **Auction Bidding Process; Irrevocability of Bids**

The auction will be open from 9:30 a.m., New York City time, on January 30, 2013 until 3:00 p.m., New York City time, on January 31, 2013, unless delayed prior to commencement. Such period of time may be extended as described below. In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately. Bids must be submitted electronically at [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com). Each prospective bidder will be solely responsible for registering to bid at [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) as described above.

Unless you elect to bid indirectly through an underwriter, you will not be able to bid in the auction unless you have registered on [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) as described above under Registration and Qualification of Bidders; Suitability. Each bidder will be able to access the auction from 9:30 a.m., New York City time, on January 30, 2013 until 3:00 p.m., New York City time, on January 31, 2013 using the bidder ID and password obtained at the time of registration. Bidders who elect to submit bids indirectly through an underwriter rather than directly on the auction platform must submit their bids to the underwriters by 2:00 p.m., New York City time, on January 31, 2013. In the event that the market-clearing dividend rate equals the minimum dividend rate of 5.30% prior to 3:00 p.m., New York City time, on January 31, 2013, then the auction will close immediately.

The minimum size of a bid is one depositary share (equivalent to \$25 liquidation preference). There is no maximum bid size. You will only be allowed to bid for a whole number of depositary shares. Zions Direct reserves the right, in its sole discretion (subject to consultation with Deutsche Bank Securities Inc. and Goldman, Sachs & Co. as necessary), to reject any bid by bidders with brokerage accounts with Zions Direct that it deems to be manipulative, mistaken or made due to a misunderstanding of the depositary shares on the part of the bidder or for any other reason it may determine. Bids submitted (i) directly by Non-ZD Underwriter Bidders may be similarly rejected by the applicable underwriter in consultation with the auction service provider and (ii) by Non-ZD Underwriter Bidders indirectly through the underwriters may be similarly rejected by the auction service provider upon request of the applicable underwriter. The auction service provider and the underwriters reserve this right in order to preserve the integrity of the auction process.

Bidding for depositary shares will be on the basis of the dividend rate for the Fixed Rate Period that you are willing to receive for depositary shares purchased at a price equal to the liquidation preference, or \$25 per depositary share. The auction site will permit you to place irrevocable bids for the dividend rate for the Fixed Rate Period at or above the minimum dividend rate bid of 5.30% (in increments of 0.05%) and up to and including the maximum dividend rate bid of 6.30%. Bidders who elect to submit bids indirectly through an underwriter rather than directly on the auction platform may submit their bids, on the same basis as described above in this paragraph, to the underwriters by 2:00 p.m., New York City time, on January 31, 2013.

The Floating Rate Spread will be determined by taking the dividend rate for the Fixed Rate Period determined by the auction process and subtracting the mid-market 10-year swap rate at the time the auction concludes.

Your bid will be binding on you once you submit it in accordance with the provisions described below. You will not thereafter be able to retract or cancel that bid. The auction service provider will rely on your bid in setting the market-clearing dividend rate and in sending notices of acceptance to successful bidders. Once you have submitted a bid (whether directly or through an underwriter), you may not then increase the dividend rate bid or lower the number of depositary shares bid for while that bid is in-the-money. You may increase the



---

**Table of Contents**

number of depositary shares you are bidding for and you will be able to decrease the dividend rate bid. However, if you wish to increase the number of depositary shares for which you are bidding without lowering the dividend rate, you must use an additional bid row in order to preserve the time stamp of your earlier bid (unless you are a bidder who submit bids indirectly through an underwriter, in which case you will not be able to preserve the time stamp of your earlier bids). If your bid is or becomes out-of-the-money, you will be able to:

increase or decrease the number of depositary shares you are bidding for (subject to your individual bid limit, if any); and/or

decrease the dividend rate that you are willing to receive on the depositary shares during the Fixed Rate Period.

Each bidder who submits a bid directly on the auction platform may place up to five separate, concurrent bids. Each bid may be made for different numbers of depositary shares and for different dividend rates. A bidder who has one active bid will be able to bid up to his individual bid limit in that one bid. However, if a bidder has more than one active bid, the aggregate amount of in-the-money bids (as described below) cannot exceed that bidder's individual bid limit. Any bids submitted that would cause a bidder to exceed such bidder's individual bid limit will only be accepted to the extent such bid is within such bid limit. A bidder who submits bids indirectly through an underwriter may only place one bid at any time. Such bidder may increase the total number of depositary shares the bidder is bidding for and/or decrease the dividend rate represented by such bid, but can only do so by submitting a new bid for the total amount for which such bidder is bidding. As a result, bidders who submit bids indirectly through an underwriter will not be able to preserve the time stamp of earlier bids.

The individual bid limit for any given bidder (other than Non-ZD Underwriter Bidders) is allocated first to the lowest dividend rate per unit bid by such bidder multiplied by the number of depositary shares bid at that dividend rate. Any remaining individual bid limit for that bidder is then allocated to the next lowest dividend rate per unit bid by such bidder multiplied by the number of depositary shares bid at that dividend rate, and so on until the individual bid limit assigned to that bidder has been reached. The bids of a bidder who has placed multiple bids may be deemed to be in-the-money only to the extent that (i) the dividend rate is at or below the market-clearing dividend rate and (ii) the aggregate dollar amount of the multiple bids that are in-the-money is less than or equal to that bidder's individual bid limit. In short, the maximum number of depositary shares that a bidder may be allocated will be those depositary shares designated as in-the-money by the auction website.

Each separate in-the-money bid may be modified as described above in order to increase the number of depositary shares bid for or to decrease the dividend rate bid. There is no limit to the number of times that a bidder may improve an individual bid. In no event will a bidder be allowed to submit or modify a bid in a manner that would result in a reduction in that bidder's aggregate number of depositary shares that are currently designated as in-the-money. A modification of one bid does not modify any other bid. Because each bid is independent of any other bid, each bid may result in an allocation of depositary shares; consequently, the sum of a bidder's bid sizes should be no more than the total number of depositary shares the bidder is willing to purchase.

You should consider all the information in this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference in determining whether to submit a bid, the number of depositary shares you are interested in purchasing and your dividend rate bid.

In connection with submitting a bid directly on the auction platform, you must log on to [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) and do the following:

state the number of depositary shares that you are interested in purchasing;

state the dividend rate that you are willing to receive during the Fixed Rate Period for depositary shares purchased at a price equal to the liquidation preference, or \$25 per depositary share; and

review your bid to ensure accuracy and then confirm that bid.

---

## **Table of Contents**

Submitting a bid is a two-step process. First, bidders click **Submit** on the bid page. Second, after reviewing their bid to ensure that it is correct, bidders must confirm their bid by checking the **I confirm the bid shown in the table above** box and then clicking **Confirm** on the confirmation page before the system will accept the bid and it becomes official, binding and irrevocable.

Once a bidder submits a bid to [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com), that bid will constitute an irrevocable offer to purchase the depositary shares (except as set forth above) on the terms provided for in the bid. By submitting a bid directly on the auction platform, a bidder agrees to receive all notifications required by law or regulation or provided for by the terms and conditions under which the depositary shares are purchased and owned electronically at the last electronic address the bidder had provided.

The underwriters or the auction service provider may require you to deposit funds or securities in your brokerage accounts with value sufficient to cover the aggregate dollar amount of your bids. Bids may be rejected if you do not provide the required funds or securities within the required time. The underwriters or the auction service provider may, however, decide to accept successful bids regardless of whether you have deposited funds or securities in your brokerage accounts. In any case, if you are a successful bidder, you will be obligated to purchase the depositary shares allocated to you in the allocation process and will be required to deposit funds in your brokerage accounts prior to settlement, which is expected to occur within five business days after the allocation of depositary shares following completion of the auction.

Bidders bidding directly on the auction platform will be able to monitor the status of their bids as described more fully below. Bids submitted on [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) must be received before 3:00 p.m., New York City time, on January 31, 2013, unless the auction is extended as described in the next paragraph. Bids submitted through the underwriters must be received before 2:00 p.m., New York City time, on January 31, 2013.

During the final two minutes of the auction, if there is a change in the market-clearing dividend rate, the auction will automatically be extended two minutes from the time of such change. In no event will such two-minute extensions extend the auction more than a total of ten minutes beyond 3:00 p.m., New York City time, on January 31, 2013.

While the auction platform has been subjected to stress testing to confirm its functionality and ability to handle numerous bidders, we cannot predict the response of the potential investors to any issuance of depositary shares pursuant to this prospectus supplement. Bidders should be aware that if enough bidders try to access the platform and submit bids simultaneously, there may be a delay in receiving and/or processing their bids. Bidders should be aware that auction website capacity limits may prevent last-minute bids from being received by the auction website and should plan their bidding strategy accordingly. We cannot guarantee that any submitted bid will be received, processed and accepted during the auction process.

The auction will be an open auction, with bidders bidding directly on the auction platform being updated on the status of their bids relative to other bidders, as described in this paragraph. At no point during the auction, however, will bidders have access to other bidders' identities. After submission and confirmation of bid quantity and dividend rate, the [www.auctions.zionsdirect.com](http://www.auctions.zionsdirect.com) web page will indicate whether that bid is at that time a successful one, or in-the-money. If a bid is in-the-money at a particular point in time during the auction, that means that, (i) if at such point in time the aggregate number of bids submitted for the depositary shares is less than the auction amount, such bid is at or below the maximum dividend rate bid of 6.30%, and (ii) if at such point in time the aggregate number of bids submitted for the depositary shares is equal to or greater than the auction amount, the in-the-money number of depositary shares of that bidder's bid would be accepted if the auction ended at that particular time. In order for a bid to be accepted, a bid must be in-the-money at the close of the auction. In order to monitor the progress of the auction, bidders bidding directly on the auction platform may need to manually refresh the bid page to see whether their status has changed. This process will continue until the end of the auction, at which point our auction service provider will review the submitted bids and determine the auction purchasers and allocations. See **Risk Factors** **Risks Related to the Auction Process** beginning on page S-14 of this prospectus supplement.

**Table of Contents****Market-Clearing Dividend Rate**

All depositary shares will be sold at the market-clearing dividend rate. If the number of depositary shares for which bids are received in the auction is equal to or greater than 100% of the auction amount, the market-clearing dividend rate for our depositary shares in the auction will be the lowest dividend rate at which the auction amount is sold. The auction service provider will determine this dividend rate by moving down the list of accepted bids in ascending order of dividend rate bid until the total quantity of depositary shares bid for is greater than or equal to the auction amount.

For example, assume that 1,000 depositary shares are being offered and that the following bidders have bid as follows:

<b>Bidder</b>	<b>Number of Depositary Shares Represented by Bid</b>	<b>Dividend Rate Bid</b>
A	500	5.30%
B	500	5.35%
C	500	5.40%

In this example, 5.30% is not the market-clearing dividend rate because only 500 of the depositary shares offered could be sold with that dividend rate at a purchase price equal to the liquidation preference of \$25 per depositary share. Furthermore, 5.40% is not the market-clearing dividend rate because, although all of the depositary shares being offered are sold with a dividend rate below 5.40%, this is not the lowest dividend rate at which all of the depositary shares offered could be sold at a purchase price equal to the liquidation preference of \$25 per share. Instead, all of the depositary shares offered in this example will be sold with a lower dividend rate of 5.35% for the Fixed Rate Period at a purchase price equal to the liquidation preference of \$25 per share. Therefore, 5.35% is the market-clearing dividend rate in this example. The entire auction amount will be sold with a dividend rate for the Fixed Rate Period equal to the market-clearing dividend rate at a purchase price equal to the liquidation preference of \$25 per depositary share, unless we decide, in our discretion, to refrain from selling any depositary shares in the offering after the market-clearing dividend rate has been determined. Even the depositary shares that were bid for at 5.30% will be sold with a dividend rate for the Fixed Rate Period equal to 5.35% at a purchase price equal to the liquidation preference of \$25 per share. Both Bidder A and Bidder B will be awarded 500 depositary shares with a dividend rate on the depositary shares of 5.35% for the Fixed Rate Period. Bidder C will not be awarded any depositary shares in this auction.

We caution you that the market-clearing dividend rate may have little or no relationship to the dividend rate for the Fixed Rate Period that would be established using other indicators of value. The scenario above is an example only and should not be considered indicative of an appropriate or likely market-clearing dividend rate of our depositary shares.

**Maximum Dividend Rate Bid**

The maximum dividend rate bid will be 6.30%. Any dividend rate bid above the maximum dividend rate bid will be automatically rejected.

**Allocation/Time Stamp**

During the auction, depositary shares are allocated to bids with the lowest dividend rate bid. Once the auction is fully subscribed, allocation of depositary shares being auctioned is determined first by allocating depositary shares to any bids made below the market-clearing dividend rate and second, by allocating depositary shares made at the market-clearing dividend rate by time stamp. Bidders bidding below the market-clearing dividend rate will be allocated the entire quantity of depositary shares for which they bid; however, in no event will a bidder be allowed to successfully bid for a greater number of depositary shares than the lesser of (i) the number of depositary shares that that bidder's individual bid limit, if any, would purchase at the offering price of \$25 per share and (ii) the total number of that bidder's bids designated as in-the-money by the auction website. In the event that multiple bidders bid at exactly the market-clearing dividend rate and the total quantity of depositary shares for which they have bid exceeds the aggregate amount of depositary shares not allocated to higher bidders, the auction service provider will allocate the remaining depositary shares to the bids with the

**Table of Contents**

earliest time stamp. The depositary shares will first be allocated to the bid with the earliest time stamp, then to the bid with the next earliest time stamp, and so on until all of the depositary shares being offered are allocated to bidders. Thus, if your dividend rate bid equals the market-clearing dividend rate, you will be allocated depositary shares only to the extent that depositary shares have not been allocated to bidders with lower dividend rate bids or to other bidders who bid at the market-clearing dividend rate with an earlier time stamp. To preserve the bidder's earliest time stamp, a bidder will be required to use an additional bid row to increase the number of depositary shares bid for without improving the dividend rate (unless you are a bidder who submit bids indirectly through an underwriter, in which case you will not be able to preserve the time stamp of your earlier bids).

For example, assume again that 1,000 depositary shares are being offered and that the following bidders have again bid as follows:

<b>Bidder</b>	<b>Number of Depositary Shares</b>	<b>Dividend Rate</b>	<b>Time Stamp</b>
	<b>Represented by Bid</b>	<b>Bid</b>	
A	400	5.30%	11:00 a.m.
B	400	5.40%	10:00 a.m.
C	400	5.40%	10:30 a.m.

In this example, 5.40% is the market-clearing dividend rate because it is the lowest dividend rate for the Fixed Rate Period at which all of the depositary shares offered could be sold at a purchase price equal to the liquidation preference of \$25 per depositary share. Therefore, Bidder A is allocated all 400 depositary shares bid for, because Bidder A's bid was lower than the market-clearing dividend rate. This leaves 600 depositary shares to be allocated to the bidders that bid at the market-clearing dividend rate. Bidder B and Bidder C bid for an aggregate of 800 depositary shares at the same dividend rate. However, Bidder B has a time stamp that is earlier than Bidder C's time stamp. Therefore, the remaining 600 depositary shares are allocated first to Bidder B and the remaining depositary shares are allocated to Bidder C. Bidder B will be allocated 400 depositary shares and Bidder C will be allocated 200 depositary shares. This scenario is an example only and should not be considered indicative of an appropriate or likely market-clearing dividend rate for our depositary shares.

In the event that a single bidder bids at the market-clearing dividend rate but the available quantity is less than that for which the bidder bid, the bidder will receive only the available quantity.

We reserve the right to alter the method of allocation of the depositary shares as we deem necessary to ensure a fair and orderly distribution. Zions Direct, in its capacity as the auction service provider, reserves the right, in its sole discretion (subject to consultation with Deutsche Bank Securities Inc. and Goldman, Sachs & Co. as necessary), to reject any bid by bidders without brokerage accounts with an underwriter that it deems to be manipulative, mistaken or made due to a misunderstanding of the depositary shares on the part of the bidder or for any other reason it may determine. Bids submitted (i) directly by Non-ZD Underwriter Bidders may be similarly rejected by the applicable underwriter in consultation with the auction service provider and (ii) by Non-ZD Underwriter Bidders indirectly through the underwriters may be similarly rejected by the auction service provider upon request of the applicable underwriter. The auction service provider and the underwriters reserve this right in order to preserve the integrity of the auction process. We further reserve the right to reject all bids, if we are unable to sell all of the depositary shares offered in this auction, or for any other reason. You will not be entitled to an allocation of depositary shares, even if your bid is in-the-money at the time the auction closes, until our auction service provider has reviewed the results of the auction and you are informed that your bid or bids have been accepted.

We may decide not to sell any depositary shares in the auction process, regardless of the market-clearing dividend rate, even if bids are received for the entire auction amount. If the number of depositary shares for which bids are received is at least 50% but less than 100% of the auction amount and we elect to sell depositary shares, then each bidder will be allocated the aggregate number of depositary shares represented by such bidder's bids. If at the end of the auction, the number of depositary shares subject to a bid is less than 50% of the auction amount, then the offering will be cancelled and we will not issue any depositary shares pursuant to the auction.

## **Table of Contents**

### **Results of Auction and Bid Acceptance**

As soon as practicable after the auction has ended, Zions Direct will, either directly or through the other underwriters, notify via telephone or e-mail each successful bidder who was awarded depositary shares in the auction, which notice shall specify at a minimum (i) that the auction has closed; (ii) that such bidder's bid has, or bids have, been accepted; (iii) the number of the depositary shares that have been allocated to such winning bidder; and (iv) the market-clearing dividend rate to be paid for such depositary shares. As a result of the varying delivery times involved in sending e-mails over the Internet or other methods of delivery, you may receive notices of acceptance before or after other bidders. If you submit a successful bid or bids, you will be obligated to purchase the depositary shares allocated to you regardless of whether you are aware that the notice of acceptance of your bid or bids has or have been sent. The auction service provider will also cause the results of the auction to be posted on the website.

### **Settlement and Payment**

We expect that delivery of the depositary shares will be made to investors on or about the delivery date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement (such settlement being referred to as T+5). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade depositary shares on the date of this prospectus supplement will be required, by virtue of the fact that the depositary shares initially will settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement.

Settlement and payment terms will occur as specified pursuant to the terms of each bidder's respective brokerage account with Zions Direct, Inc., Deutsche Bank Securities Inc. or Goldman, Sachs & Co., as applicable.

### **Material Developments**

During the course of the auction, you should monitor your relevant e-mail accounts, telephone and facsimile for notifications related to the offering, which may include:

*Notice of Additional Information by Free Writing Prospectus.* Additional information relating to the offering or Zions may become available during the course of the auction in a free writing prospectus.

*Potential Request for Reconfirmation.* If material information becomes available during the course of the auction, you (or your broker, if you submitted your bid through a broker) may be requested to reconfirm your bid, although none of us, the auction service provider or the underwriters is under any obligation to reconfirm bids for any reason. If you are requested to reconfirm your bid and fail to do so in a timely manner, your bid may be deemed withdrawn. However, your bid may be accepted even if it has not been reconfirmed.

*Potential Notice of Cancellation.* If material information relating to Zions becomes available during the course of the auction, Zions may choose to cancel the auction.

**Table of Contents****UNDERWRITING (CONFLICTS OF INTEREST)**

We and the underwriters for the offering, for whom Deutsche Bank Securities Inc. and Goldman, Sachs & Co. are acting as representatives, have entered into an underwriting agreement with respect to the depositary shares. Subject to the terms and conditions of the underwriting agreement, the underwriters have agreed to purchase the number of depositary shares indicated in the following table at a public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus supplement:

Underwriters	Number of Depositary Shares
Deutsche Bank Securities Inc.	
Goldman, Sachs & Co.	
Zions Direct, Inc.	

Total

The underwriting agreement provides that the obligation of the underwriters to purchase the depositary shares offered hereby is subject to certain conditions precedent and that the underwriters will purchase all of the depositary shares we determine to sell, if any. The number of depositary shares that we may determine to sell will depend, in part, upon the success of the auction process. See "The Auction Process Allocation" in this prospectus supplement.

The underwriters plan to offer the depositary shares for sale pursuant to the auction process described above under "The Auction Process." Depositary shares sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover of this prospectus supplement. Any depositary shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ per depositary share from the public offering price. Any such securities dealers may resell any depositary shares purchased from the underwriters to certain other brokers or dealers at a discount of up to \$ per depositary share from the public offering price. If all the depositary shares are not sold at the public offering price, the underwriters may change the public offering price and the other selling terms. The offering of the depositary shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part. As described under "The Auction Process," we may decide not to sell any depositary shares in the auction process, regardless of the market-clearing dividend rate set in the auction process.

We have agreed with the underwriters, subject to certain exceptions, not to sell, contract to sell or otherwise offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, lend or otherwise transfer or dispose of any securities of the company that are substantially similar to the shares of Series G Preferred Stock or the depositary shares, including any securities that are convertible into or exchangeable for, or that represent the right to receive such shares or depositary shares, or substantially similar securities, during the period from the date of this prospectus supplement continuing through the date 30 days after the date of this prospectus supplement, except with the prior written consent of the representatives.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering on a per depositary share and aggregate basis.

	Per Depositary Share	Aggregate Amount
Underwriting discounts and commissions	\$	\$

Upon the completion of this offering, Zions Direct will receive a fee of \$200,000 for providing auction services in respect of this offering.

We estimate that our share of the total expenses of the offering of the depositary shares, excluding underwriting discounts and commissions, will be approximately \$ . All expenses of this offering will be paid by us. These expenses include the SEC's filing fees and fees under state securities or "blue sky" laws.

Prior to this offering, there has been no public market for the depositary shares. We do not expect that there will be any separate public trading market for the shares of the Series G Preferred Stock except as represented by the depositary shares. We expect the depositary shares to be approved for listing on the New York Stock



---

**Table of Contents**

Exchange, subject to official notice of issuance, under the symbol ZBPRG. Deutsche Bank Securities Inc. and Goldman, Sachs & Co. have advised us that they intend to make a market in the depositary shares prior to the commencement of trading on the New York Stock Exchange, but are not obligated to do so, and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the depositary shares or that an active public market for the depositary shares will develop.

In connection with the offering and any subsequent market-making activities, the underwriters may purchase and sell the depositary shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of depositary shares than they then hold, and must be closed out by purchasing those depositary shares in the open market. Stabilizing transactions consist of various bids for or purchases of depositary shares made by the underwriters in the open market prior to the completion of the offering.

These activities by the underwriters, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the depositary shares, and may stabilize, maintain or otherwise affect the market price of the depositary shares. As a result, the price of the depositary shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the New York Stock Exchange, in the over-the-counter market or otherwise.

In connection with this offering, the underwriters and any selling group member who is a qualified market maker on the New York Stock Exchange may engage in passive market making transactions in the depositary shares on the New York Stock Exchange in accordance with Rule 103 of Regulation M under the Exchange Act during the business day before the pricing of this offering, prior to the commencement of offers or sales of the depositary shares. Passive market makers must comply with applicable volume and price limitations and must be identified as passive market makers. In general, a passive market maker must display its bid at a price not in excess of the highest independent bid for the security; if all independent bids are lowered below the passive market maker's bid, however, the bid must then be lowered when purchase limits are exceeded.

We expect that delivery of the depositary shares will be made to investors on or about the delivery date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement (such settlement being referred to as T+5). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade depositary shares on the date of this prospectus supplement will be required, by virtue of the fact that the depositary shares initially will settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that relevant Member State (the Relevant Implementation Date), an offer to the public of any depositary shares which are the subject of the offering contemplated by this prospectus supplement may not be made in that relevant Member State, except that an offer to the public in that relevant Member State of any depositary shares may be made at any time with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive, if they have been implemented in that relevant Member State:

- (a) to legal entities which are qualified investors as defined in the Prospectus Directive;
- (b) to fewer than 100, or, if the relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriter for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of depositary shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.





---

**Table of Contents**

For the purposes of this provision, the expression an offer to the public in relation to any depositary shares in any relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any depositary shares to be offered so as to enable an investor to decide to purchase any depositary shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

This EEA selling restriction is in addition to any other selling restrictions set out in this prospectus supplement.

Each underwriter has represented and agreed that:

- (1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA )) received by it in connection with the issue or sale of the depositary shares in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the depositary shares in, from or otherwise involving the United Kingdom.

The depositary shares have not been and will not be offered or sold by means of any document other than (1) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (2) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (3) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the depositary shares has been or will be issued or be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the depositary shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

The depositary shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law ) and each underwriter has agreed that it will not offer or sell any depositary shares, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

This prospectus supplement and the accompanying prospectus have not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the SFA ). Accordingly, this prospectus supplement, the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the depositary shares may not be circulated or distributed, nor may the depositary shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

- (1) to an institutional investor under Section 274 of the SFA;

---

**Table of Contents**

(2) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA; or

(3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the depositary shares are subscribed or purchased under Section 275 by a relevant person which is:

(1) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred for 6 months after that corporation or that trust has acquired the depositary shares under Section 275 except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person under Section 275(2) of the SFA, or any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, or contribute to payments the underwriters may be required to make in respect thereof.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their respective affiliates have performed various banking, investment banking, custodial and financial advisory services for us and our affiliates, from time to time, for which they have received customary fees and expenses, and the underwriters may provide such services for us and our affiliates in the future, for which they may receive fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments, including serving as counterparties to certain derivative and hedging arrangements, and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**Conflict of Interest**

Zions Direct is an underwriter and the auction service provider in connection with this offering and is an affiliate of Zions Bancorporation. As such, Zions Direct has a conflict of interest in this offering within the meaning of FINRA Rule 5121. Consequently, the offering is being conducted in compliance with the provisions of Rule 5121. The other joint book-running managers for this offering, Deutsche Bank Securities Inc. and Goldman, Sachs & Co., do not have a conflict of interest and meet the requirements of Rule 5121(f)(12)(E). Zions Direct is not permitted to place bids in this offering with respect to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.



**Table of Contents**

**Purchases by Affiliates or for Customer Accounts**

Other affiliates of ours, including Zions First National Bank's Liquid Asset Management Department, Zions First National Bank's Trust Department and/or Contango Capital Advisors, Inc., may make purchases of (or submit bids for) the depositary shares for the accounts of certain customers who have provided to such affiliate or department of such affiliate specific written instructions authorizing it to do so. In addition, certain of our officers and/or directors may also submit bids for the depositary shares. If any affiliate, officer or director of ours submits bids for the depositary shares, the market-clearing dividend rate may be lower due to the participation of such affiliate, officer or director in the auction, which may benefit us.

S-54

**Table of Contents**

**VALIDITY OF DEPOSITARY SHARES**

The validity of the depositary shares offered hereby will be passed upon for us by Callister Nebeker & McCullough, a Professional Corporation, Salt Lake City, Utah. Sullivan & Cromwell LLP, Los Angeles, California will pass upon certain matters relating to this offering for us. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, will pass upon certain matters relating to this offering for the underwriters.

**EXPERTS**

Ernst & Young LLP, an independent registered public accounting firm, has audited our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2011, and the effectiveness of our internal control over financial reporting as of December 31, 2011, as set forth in their reports, which are incorporated by reference in this prospectus supplement and elsewhere in the registration statement. Our consolidated financial statements and our management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2011 are incorporated by reference in reliance on Ernst & Young LLP's reports, given on their authority as experts in accounting and auditing.

S-55

**Table of Contents**

Prospectus

**Zions Bancorporation**

**Debt Securities**

**Warrants or Other Rights**

**Stock Purchase Contracts**

**Units**

**Common Stock**

**Preferred Stock**

**Depositary Shares**

**Zions Capital Trust C**

**Zions Capital Trust D**

**Capital Securities**

**As fully and unconditionally**

**guaranteed as described herein by Zions Bancorporation**

Zions Bancorporation and the Issuer Trusts from time to time may offer to sell the securities listed above. The debt securities, warrants, rights, purchase contracts and preferred stock may be convertible into or exercisable or exchangeable for common or preferred stock or other securities of the Company or debt or equity securities of one or more other entities. The common stock of the Company is quoted on the Nasdaq Global Select Market under the symbol ZION.

Zions Bancorporation and the Issuer Trusts may offer and sell these securities to or through one or more underwriters, dealers and/or agents on a continuous or delayed basis.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in one or more supplements to this prospectus. Such supplements may also add to, update or change information contained in this prospectus.

**Investing in these securities involves risks. See Risk Factors section beginning on page 6 of this prospectus.**

**These securities will not be savings accounts, deposits or other obligations of any bank or non-bank subsidiary of ours and are not insured by the Federal Deposit Insurance Corporation (the FDIC ), the Board of Governors of the Federal Reserve System (the Federal Reserve Board ) or any other governmental agency.**

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**This prospectus is dated April 4, 2011.**



**Table of Contents**

**TABLE OF CONTENTS**

<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	2
<u>Disclosure Regarding Forward-Looking Statements</u>	4
<u>Risk Factors</u>	6
<u>Use of Proceeds</u>	7
<u>Description of Debt Securities We May Offer</u>	8
<u>Description of Warrants or Other Rights We May Offer</u>	30
<u>Description of Stock Purchase Contracts We May Offer</u>	35
<u>Description of Units We May Offer</u>	36
<u>Description of Our Capital Stock</u>	40
<u>Description of Preferred Stock We May Offer</u>	51
<u>Description of Depositary Shares We May Offer</u>	54
<u>The Issuer Trusts</u>	58
<u>Description of Capital Securities and Related Instruments</u>	60
<u>Description of Junior Subordinated Debentures</u>	73
<u>Description of Guarantees</u>	86
<u>Relationship Among the Capital Securities and the Related Instruments</u>	90
<u>Legal Ownership and Book-Entry Issuance</u>	93
<u>Securities Issued in Bearer Form</u>	98
<u>Considerations Relating to Indexed Securities</u>	102
<u>United States Taxation</u>	105
<u>Plan of Distribution</u>	129
<u>Benefit Plan Investor Considerations</u>	133
<u>Validity of the Securities</u>	135
<u>Experts</u>	135

## **Table of Contents**

### **Prospectus**

#### **ABOUT THIS PROSPECTUS**

This document is called a prospectus, and it provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement containing specific information about the terms of the securities being offered. That prospectus supplement may include a discussion of any risk factors or other special considerations that apply to those securities. The prospectus supplement may also add, update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in that prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

Zions Bancorporation, a Utah corporation, also referred to in this document as Zions, and Zions Capital Trust C and Zions Capital Trust D, each a statutory trust created under the laws of the State of Delaware (each trust is also referred to as an Issuer Trust and together as the Issuer Trusts), have filed a registration statement with the Securities and Exchange Commission, or the SEC, using a shelf registration or continuous offering process. Under the shelf registration process, from time to time, Zions and the Issuer Trusts may offer and sell securities described in this prospectus or any combination of such securities in one or more offerings.

Our SEC registration statement containing this prospectus, including exhibits, provides additional information about us and the securities offered under this prospectus. The registration statement can be read at the SEC's web site or at the SEC's offices. The SEC's web site and street addresses are provided under the heading **Where You Can Find More Information**.

When acquiring securities, you should rely only on the information provided in this prospectus and in the related prospectus supplement, including any information incorporated by reference. No one is authorized to provide you with different information. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference is truthful or complete for any date other than the date indicated on the cover page of these documents.

We are not offering the securities in any state where the offer is prohibited. The distribution of this prospectus and any prospectus supplement and the offering of our securities in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus and any prospectus supplement come should inform themselves about and observe any such restrictions. This prospectus and any prospectus supplement do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

After the securities are issued, one or more of our subsidiaries, including Zions Direct, Inc. or Amegy Investments, Inc., may buy and sell any of the securities as part of their business as a broker-dealer. Those subsidiaries may use this prospectus and the related prospectus supplement in those transactions. Any sale by a subsidiary will be made at the prevailing market price at the time of sale.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to **the Company**, **Zions**, **we**, **us**, **our** or similar references mean Zions Bancorporation and its subsidiaries.

Unless otherwise stated, currency amounts in this prospectus and any prospectus supplement are stated in United States dollars.

Zions® and Zions Bank® are registered service marks of Zions Bancorporation. All other service marks, trademarks and trade names referred to in this prospectus or any prospectus supplement are the property of their respective owners.

---

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room in Washington, D.C. at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, our SEC filings are available to the public at the SEC's web site at <http://www.sec.gov>. However, information on this website does not constitute a part of this prospectus. You can also inspect reports, proxy statements and other information about us at the offices of the Nasdaq Global Select Market, 1735 K Street, N.W., Washington, D.C. 20006.

The SEC allows us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document Zions has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus and any prospectus supplement. Information that Zions files with the SEC after the date of this prospectus and any prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus and any prospectus supplement to the extent that the subsequently filed information modifies or supersedes the existing information.

We incorporate by reference:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2010;

our Current Reports on Form 8-K filed on January 24, 2011, January 27, 2011, February 10, 2011 and February 15, 2011 (except in each case, any information that has been deemed to be furnished and not filed, and any exhibits related thereto);

the description of our common stock and rights set forth in our Current Report on Form 8-K filed on April 4, 2011 and any amendments or reports filed for the purpose of updating such description;

the description of our Series A Floating-Rate Non-Cumulative Perpetual Preferred Stock ( Series A Preferred Stock ), 9.50% Series C Non-Cumulative Perpetual Preferred Stock ( Series C Preferred Stock ) and Series E Fixed-Rate Resettable Non-Cumulative Perpetual Preferred Stock ( Series E Preferred Stock ) and respective rights set forth in Forms 8-A filed on December 7, 2006, July 9, 2008 and June 18, 2010, respectively, and any amendments or reports filed for the purpose of updating such descriptions;

and the description of the warrants set forth in our registration statement on Form 8-A, dated May 25, 2010, filed pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the Exchange Act ), including any amendment or report filed with the SEC for the purpose of updating such description.

In addition, all reports and other documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and any prospectus supplement (other than any information furnished pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K unless we specifically state in such Current Report that such information is to be considered filed under the Exchange Act or we incorporate it by reference into a filing under the Securities Act of 1933, as amended (the Securities Act ), or the Exchange Act) will be deemed to be incorporated by reference in this prospectus and any prospectus supplement and to be part of this prospectus and any prospectus supplement from the date of the filing of such reports and documents. Any statement contained in this prospectus, any prospectus supplement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus and any prospectus supplement to the extent that a statement contained in any subsequently filed document which is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus or any prospectus supplement.

**Table of Contents**

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Investor Relations

Zions Bancorporation

One South Main Street, 15<sup>th</sup> Floor

Salt Lake City, Utah 84133

(801) 524-4787

In addition, these filings are available on our web site at <http://www.zionsbancorporation.com>. Our web site does not form a part of this prospectus or any prospectus supplement.

**Table of Contents**

**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

Statements in this prospectus, including information incorporated by reference, that are based on other than historical data are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations or forecasts of future events and include, among others:

statements with respect to the beliefs, plans, objectives, goals, guidelines, expectations, anticipations and future financial condition, results of operations and performance of Zions Bancorporation and its subsidiaries; and

statements preceded by, followed by or that include the words may, could, should, would, believe, anticipate, estimate, expect, intend, plan, projects, or similar expressions.

These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Forward-looking statements involve significant risks and uncertainties and actual results may differ materially from those presented, either expressed or implied, in this prospectus, including the information incorporated by reference. You should carefully consider those risks and uncertainties in reading this prospectus. Factors that might cause such differences include, but are not limited to:

the Company's ability to successfully execute its business plans, manage its risks, and achieve its objectives;

changes in political and economic conditions, including without limitation the political and economic effects of the current economic crisis, delay of recovery from the current economic crisis, and other major developments, including wars, military actions and terrorist attacks;

changes in financial market conditions, either internationally, nationally or locally in areas in which the Company conduct its operations, including without limitation, reduced rates of business formation and growth, commercial and residential real estate development and real estate prices;

fluctuations in markets for equity, fixed-income, commercial paper and other securities, including availability, market liquidity levels, and pricing;

changes in interest rates, the quality and composition of the loan and securities portfolios, demand for loan products, deposit flows and competition;

acquisitions and integration of acquired businesses;

increases in the levels of losses, customer bankruptcies, bank failures, claims, and assessments;

changes in fiscal, monetary, regulatory, trade and tax policies and laws, and regulatory assessments and fees, including policies of the U.S. Department of Treasury (the U.S. Treasury), the Federal Reserve Board, and the FDIC;

## Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

our participation or lack of participation in, or exit from, governmental programs implemented under the Emergency Economic Stabilization Act of 2008, as amended ( EESA ) and the American Recovery and Reinvestment Act ( ARRA ), including without limitation the Troubled Asset Relief Program ( TARP ) and the Capital Purchase Program ( CPP ) and the impact of such programs and related regulations on the Company and on international, national, and local economic and financial markets and conditions;

the impact of the EESA and the ARRA and related rules and regulations, and changes in those rules and regulations, on the business operations and competitiveness of the Company and that of other participating American financial institutions, including the impact of the executive compensation limits of these acts, which may impact the ability of the Company and that of other participating American financial institutions to retain and recruit executives and other personnel necessary for their businesses and competitiveness;

**Table of Contents**

the impact of the financial reform bill, known as the Dodd-Frank Wall Street Reform and Consumer Protection Act and rules and regulations thereunder most of which have not yet been promulgated;

new capital and liquidity requirements, which U.S. regulatory agencies are expected to establish in response to new international standards known as Basel III;

continuing consolidation in the financial services industry;

new litigation or changes in existing litigation;

success in gaining regulatory approvals, when required;

changes in consumer spending and savings habits;

increased competitive challenges and expanding product and pricing pressures among financial institutions;

demand for financial services in the Company's market areas;

inflation and deflation;

technological changes and the Company's implementation of new technologies;

the Company's ability to develop and maintain secure and reliable information technology systems;

legislation or regulatory changes which adversely affect the Company's operations or business;

the Company's ability to comply with applicable laws and regulations;

changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies; and

increased costs of deposit insurance and changes with respect to FDIC insurance coverage levels.

We have identified some additional important factors that could cause future events to differ from our current expectations and they are described in this prospectus under the caption "Risk Factors," as well as in our most recent Annual Report on Form 10-K for the year ended December 31, 2010, including without limitation under the captions "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" and in other documents that we may file with the SEC, all of which you should review carefully.

## Edgar Filing: ZIONS BANCORPORATION /UT/ - Form 424B3

Except to the extent required by law, the Company specifically disclaims any obligation to update any factors or to publicly announce the result of revisions to any of the forward-looking statements, including the information incorporated by reference, to reflect future events or developments.



**Table of Contents**

**RISK FACTORS**

We have included discussions of cautionary factors describing risks relating to our business and an investment in our securities in our Annual Report on Form 10-K for the year ended December 31, 2010, including without limitation under the captions Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations and Quantitative and Qualitative Disclosures About Market Risk, which is incorporated by reference into this prospectus. See Where You Can Find More Information for an explanation of how to get a copy of this report. Additional risks related to our securities may also be described in a prospectus supplement. Before purchasing our securities, you should carefully consider the risk factors we describe in any prospectus supplement or in any report incorporated by reference into this prospectus or such prospectus supplement, including our Annual Report on Form 10-K for the year ended December 31, 2010. Although we discuss key risks in those risk factor descriptions, additional risks not currently known to us or that we currently deem immaterial also may impair our business. Our subsequent filings with the SEC may contain amended and updated discussions of significant risks. We cannot predict future risks or estimate the extent to which they may affect our financial performance.

**Table of Contents**

**USE OF PROCEEDS**

Unless otherwise specified in the applicable prospectus supplement for any offering of securities, the net proceeds we receive from the sale of these securities will be used for general corporate purposes, which may include:

funding investments in, or extensions of credit to, our subsidiaries;

funding investments in non-affiliates;

reducing or refinancing debt;

redeeming outstanding securities;

financing possible acquisitions; and

working capital.

Pending such use, we may temporarily invest net proceeds. We will disclose any proposal to use the net proceeds from any offering of securities in connection with an acquisition in the prospectus supplement relating to such offering.

Each Issuer Trust will use the proceeds from any offering of capital securities to purchase the corresponding junior subordinated debentures issued by us. We expect to use the net proceeds from the sale of the subordinated debt securities to the Issuer Trusts as described above.

---

**Table of Contents**

**DESCRIPTION OF DEBT SECURITIES WE MAY OFFER**

*Please note that in this section entitled **Description of Debt Securities We May Offer**, references to **Zions**, **we**, **our** and **us** refer only to **Zions Bancorporation** and not to its consolidated subsidiaries. Also, in this section, references to **holders** mean those who own debt securities registered in their own names, on the books that we or the trustee maintain for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. Owners of beneficial interests in the debt securities should also read the section entitled **Legal Ownership and Book-Entry Issuance**.*

*The following description summarizes the material provisions of the senior indenture, the subordinated indenture and the debt securities to be issued under these indentures. This description is not complete and is subject to, and is qualified in its entirety by reference to, the indenture under which the debt securities are issued and the Trust Indenture Act of 1939, as amended (the **Trust Indenture Act**). The specific terms of any series of debt securities will be described in the applicable prospectus supplement, and may differ from the general description of the terms presented below. The senior indenture and the subordinated indenture have been filed as exhibits to the registration statement of which this prospectus forms a part. Whenever particular defined terms of the senior indenture or the subordinated indenture, each as supplemented or amended from time to time, are referred to in this prospectus or a prospectus supplement, those defined terms are incorporated in this prospectus or such prospectus supplement by reference.*

**Debt Securities May Be Senior or Subordinated**

We may issue senior or subordinated debt securities. Unless we specify otherwise in the applicable prospectus supplement, neither the senior debt securities nor the subordinated debt securities will be secured by any property or assets of ours or of our subsidiaries. If you own an unsecured debt security, you are one of our unsecured creditors.

The senior debt securities and, in the case of senior debt securities in bearer form, any related interest coupons, will constitute part of our senior indebtedness, will be issued under the senior debt indenture described below and will rank on a parity with all of our other unsubordinated debt (except to the extent such other indebtedness is secured by collateral that does not also secure the senior debt securities offered by this prospectus).

The subordinated debt securities and, in the case of subordinated debt securities in bearer form, any related interest coupons, will constitute part of our subordinated debt, will be issued under the subordinated debt indenture described below and will be subordinate in right of payment to all of our senior indebtedness, as defined below under **Subordination Provisions**. Upon the occurrence of certain events of insolvency, the subordinated debt securities will be contractually subordinated to the prior payment in full of our general obligations, as defined under **Subordination Provisions**.

Neither indenture limits our ability to incur additional secured or unsecured senior or subordinated indebtedness.

When we use the terms **debt security** or **debt securities** in this description, we mean either the senior debt securities or the subordinated debt securities.

**We Are A Holding Company**

We are a holding company and a legal entity separate and distinct from our subsidiaries, and our right to participate in any distribution of assets of any subsidiary upon its liquidation, reorganization or otherwise, and

---

## **Table of Contents**

the ability of holders of debt securities to benefit indirectly from such distribution, is subject to superior claims. Accordingly, our senior debt securities and subordinated debt securities will be structurally subordinated to all indebtedness and other liabilities, including trade payables and lease obligations, of each of our subsidiaries, except to the extent we may be a creditor of that subsidiary with recognized senior claims. Claims on our subsidiary banks by creditors other than us include long-term debt, including subordinated and junior subordinated debt issued by our subsidiary, Amegy Corporation, and substantial obligations with respect to deposit liabilities and federal funds purchased, securities sold under repurchase agreements, other short-term borrowings and various other financial obligations. If we are entitled to participate in any assets of any of our subsidiaries upon the liquidation or reorganization of the subsidiary, the rights of holders of the senior debt securities and subordinated debt securities with respect to those assets will be subject to the contractual subordination of the subordinated debt securities.

### **The Senior Debt Indenture and the Subordinated Debt Indenture**

The senior debt securities are governed by the senior debt indenture, and the subordinated debt securities are governed by the subordinated debt indenture. Each indenture is a contract between us and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee, which indenture may be supplemented from time to time as provided therein. The indentures are substantially identical, except for our covenants described under [Restriction on Sale or Issuance of Capital Stock of Major Constituent Banks](#), which are included only in the senior debt indenture, the provisions relating to subordination, which are included only in the subordinated debt indenture, and the provisions relating to defaults and events of default.

The trustee under each indenture has two main roles:

first, the trustee can enforce your rights against us if we default. There are some limitations on the extent to which the trustee acts on your behalf, which we describe later under [Events of Default and Defaults](#); and

second, the trustee performs administrative duties for us, such as sending you interest payments and notices. See [Our Relationship with the Trustee](#) below for more information about the trustee.

When we refer to the indenture or the trustee with respect to any debt securities, we mean the indenture under which those debt securities are issued and the trustee under that indenture.

### **We May Issue Many Debt Securities or Series of Debt Securities**

We may issue as many debt securities or distinct series of debt securities under either indenture as we wish. This section summarizes terms of the debt securities that apply generally to all debt securities or series of debt securities. The provisions of each indenture allow us not only to issue debt securities with terms different from those of debt securities previously issued under that indenture, but also to reopen previously issued debt securities and issue additional debt securities of the same series as such debt securities, with the same CUSIP number, stated maturity, interest payment dates, if any, and other terms, except for the date of issuance and issue price. We will describe the financial and other specific terms of your debt securities in the applicable prospectus supplement. Those terms may vary from the terms described here.

*As you read this section, please remember that the specific terms of your debt security as described in your prospectus supplement will supplement and, if applicable, may modify or replace the general terms described in this section. The statements we make in this section may not apply to your debt security.*

## **Table of Contents**

When we refer to a series of debt securities, we mean a series issued under the applicable indenture. When we refer to your prospectus supplement, we mean the prospectus supplement describing the specific terms of the debt security you purchase.

### **Amounts That We May Issue**

Neither indenture limits the aggregate amount of debt securities that we may issue, whether secured or unsecured, or the number of series or the aggregate amount of any particular series of debt securities. We may issue debt securities, as well as increase the total authorized amount, at any time without your consent and without notifying you.

In addition, we have issued and have outstanding, and may in the future issue, junior subordinated debentures to certain financing trust affiliates, which will issue capital securities guaranteed by us on the same subordinated basis as the junior subordinated debentures. The junior subordinated debentures and related guarantees generally rank junior to the subordinated debt securities. The terms debt securities, senior debt securities and subordinated debt securities do not include the junior subordinated debentures or related guarantees.

We are not subject to financial or similar restrictions by the terms of the debt securities, except as described under **Restriction on Sale or Issuance of Capital Stock of Major Constituent Banks** below. The indentures do not contain any covenants designed to afford holders of debt securities protection in the event of a highly leveraged transaction involving us.

### **Principal Amount, Stated Maturity and Maturity**

Unless otherwise specified in the applicable prospectus supplement, the principal amount of a debt security means the principal amount payable at its stated maturity, unless such amount is not determinable, in which case the principal amount of a debt security is its face amount.

The term **stated maturity** with respect to any debt security means the day on which the principal amount of your debt security is scheduled to become due. The principal of your debt security may become due sooner, by reason of redemption or acceleration after an event of default or otherwise in accordance with the terms of your debt security. The day on which the principal of your debt security actually becomes due, whether at the stated maturity or otherwise, is called the maturity of the principal.

We also use the terms **stated maturity** and **maturity** to refer to the days when other payments become due. For example, we may refer to a regular interest payment date when an installment of interest is scheduled to become due as the **stated maturity** of that installment. When we refer to the **stated maturity** or the **maturity** of a debt security without specifying a particular payment, we mean the stated maturity or maturity, as the case may be, of the principal.

### **Governing Law**

The indentures are, and the debt securities will be, governed by New York law.

### **Currency of Debt Securities**

Unless otherwise specified in the applicable prospectus supplement, amounts that become due and payable on your debt security will be payable in U.S. dollars. You will have to pay for your debt securities by delivering

## **Table of Contents**

the requisite amount for the principal, in U.S. dollars or other specified currency, to the underwriter or dealer that we name in the prospectus supplement related to your debt securities, unless other arrangements have been made between you and us or you and that dealer.

### **Types of Debt Securities**

We may issue any of the three types of senior debt securities or subordinated debt securities described below. A debt security may have elements of each of the three types of debt securities described below. For example, a debt security may bear interest at a fixed rate for some periods and at a floating rate in others. Similarly, a debt security may provide for a payment of principal at maturity linked to an index and also bear interest at a fixed or floating rate.

#### ***Fixed Rate Debt Securities***

A debt security of this type will bear interest at a fixed rate described in the applicable prospectus supplement. This type includes zero coupon debt securities, which bear no interest and are instead issued at a price lower than the principal amount. See Original Issue Discount Debt Securities below for more information about zero coupon and other original issue discount debt securities.

Each fixed rate debt security, except any zero coupon debt security, will bear interest from its original issue date or from the most recent date to which interest on the debt security has been paid or made available for payment. Interest will accrue on the principal of a fixed rate debt security at the fixed rate per annum stated in the applicable prospectus supplement, until the principal is paid or made available for payment. Each payment of interest due on an interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid, or made available for payment, or from the issue date if none has been paid, or made available for payment, to but excluding the interest payment date or the date of maturity. We will compute interest on fixed rate debt securities on the basis of a 360-day year of twelve 30-day months (30/360 (ISDA) day count convention). We will pay interest on each interest payment date and at maturity as described below under Payment Mechanics for Debt Securities in Registered Form.

If your debt security is a zero coupon debt security, the applicable prospectus supplement may specify the original issue discount and the information necessary to determine the accreted value. The accreted value will be (1) as of any date prior to the stated maturity, an amount equal to the sum of (A) the original issue price of your debt security and (B) the portion of the excess of the principal amount of your debt security over the original issue price that shall have been accreted from the original issue price on a daily basis and compounded annually on a date specified in the applicable prospectus supplement, up to and including the stated maturity, at a rate that will be specified in the applicable prospectus supplement from the original issue date, computed on the basis of a 360-day year of twelve 30-day months (30/360 (ISDA) day count convention); and (2) as of any date on or after the stated maturity, the principal amount of your debt security.

#### ***Floating Rate Debt Securities***

A debt security of this type will bear interest at rates that are determined by reference to an interest rate formula. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. If your debt security is a floating rate debt security, the formula and any adjustments that apply to the interest rate will be specified in your prospectus supplement.

Each floating rate debt security will bear interest from its original issue date or from the most recent date to which interest on your debt security has been paid or made available for payment. Interest will accrue on the principal of a floating rate debt security at a rate per annum determined according to the interest rate formula

---

**Table of Contents**

stated in the applicable prospectus supplement, until the principal is paid or made available for payment. We will pay interest on each interest payment date and at maturity as described below under Payment Mechanics for Debt Securities in Registered Form.

*Calculation Agent.* Calculations relating to floating rate debt securities will be made by the calculation agent, an institution that we appoint as our agent for this purpose. That institution may include any affiliate of ours, such as Zions First National Bank. The prospectus supplement for a particular floating rate debt security will name the institution that we have appointed to act as the calculation agent for that debt security as of its original issue date. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the debt security without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent.

*Calculation of Interest.* For each floating rate debt security, the calculation agent will determine, on the corresponding interest calculation or interest determination date, as described in the applicable prospectus supplement, the interest rate that takes effect on each interest reset date. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period i.e., the period from and including an interest payment date (or with respect to the initial interest period, the original issue date) to but excluding the next succeeding interest payment date. For each interest period, the calculation agent will calculate the amount of accrued interest by multiplying the face amount of the floating rate debt security by an accrued interest factor for the interest period. Unless we specify otherwise in the applicable prospectus supplement, this factor will be equal to the number of days in the applicable interest period divided by 360 (Actual/360 (ISDA) day count convention).

Upon the request of the holder of any floating rate debt security, the calculation agent will provide for that debt security the interest rate then in effect, and, if determined, the interest rate that will become effective on the next interest reset date.

All percentages resulting from any calculation relating to any debt security will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point, e.g., 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655). All amounts used in or resulting from any calculation relating to a floating rate debt security will be rounded upward or downward, as appropriate, to the nearest cent, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate debt security during a particular interest period, the calculation agent may obtain rate quotes from various reference banks or dealers active in the relevant market, as described in the applicable prospectus supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant floating rate debt securities and its affiliates, and they may include our affiliates.

***Indexed Debt Securities***

A debt security of this type provides that the principal amount payable at its maturity, and/or the amount of interest payable on an interest payment date, will be determined by reference to

securities of one or more issuers;

one or more currencies;

one or more commodities;

any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance;

## **Table of Contents**

one or more indices; and/or

one or more baskets of the items described above.

An indexed debt security may provide either for cash settlement or for physical settlement by delivery of the underlying security or another property of the type listed above. An indexed debt security may also provide that the form of settlement may be determined at our option or at the holder's option. Some indexed debt securities may be exchangeable, at our option or the holder's option, for securities of an issuer other than us.

If you purchase an indexed debt security, your prospectus supplement will include information about the relevant index or indices, about how amounts that are to become payable will be determined by reference to the price or value of that index and about the terms on which the security may be settled physically or in cash. Your prospectus supplement will also identify the calculation agent that will calculate the amounts payable with respect to the indexed debt security and will have sole discretion in doing so. The calculation agent may be one of our affiliates. See *Considerations Relating to Indexed Securities* for more information about risks of investing in debt securities of this type.

### **Original Issue Discount Debt Securities**

A fixed rate debt security, a floating rate debt security or an indexed debt security may be an original issue discount debt security. A debt security of this type is issued at a price lower than its principal amount and may provide that, upon redemption or acceleration of its maturity, an amount less than its principal amount may be payable. An original issue discount debt security may be a zero coupon debt security. A debt security issued at a discount to its principal may, for U.S. federal income tax purposes, be considered an original issue discount debt security, regardless of the amount payable upon redemption or acceleration of maturity. See *United States Taxation Taxation of Debt Securities United States Holders Original Issue Discount* below for a brief description of the U.S. federal income tax consequences of owning an original issue discount debt security.

### **Form of Debt Securities**

We will issue each debt security in global (i.e., book-entry) form only, unless we specify otherwise in the applicable prospectus supplement. Debt securities in book-entry form will be represented by a global security registered in the name of a depository, which will be the holder of all the debt securities represented by the global security. Those who own beneficial interests in a global debt security will do so through participants in the depository's securities clearing system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depository and its participants. We describe book-entry securities under *Legal Ownership and Book-Entry Issuance*.

In addition, we will issue each debt security in registered form, without coupons, unless the conditions for issuance of bearer securities described under *Securities Issued in Bearer Form* are met and we choose to issue the debt security in bearer form. We describe bearer securities under *Securities Issued in Bearer Form*. As we note in that section, some of the features that we describe in this section entitled *Description of Debt Securities We May Offer* may not apply to bearer securities.

### **Information in Your Prospectus Supplement**

Your prospectus supplement will describe the specific terms of your debt security, which will include some or all of the following, as applicable:

whether it is a senior debt security or a subordinated debt security;

the aggregate principal amount of your debt security or the debt securities of the same series, as applicable;



**Table of Contents**

the stated maturity;

the specified currency or currencies for principal and interest and, if the specified currency is not U.S. dollars, certain other terms relating to your debt security;

the issue price at which we originally issue your debt security, expressed as a percentage of the principal amount, and the original issue date;

whether your debt security is a fixed rate debt security, a floating rate debt security or an indexed debt security or any combination thereof and also whether it is an original issue discount debt security;

if your debt security is a fixed rate debt security, the rate per annum at which your debt security will bear interest, if any, and the interest payment dates;

if your debt security is a floating rate debt security, the interest rate basis; any applicable index currency or index maturity, spread or spread multiplier or initial base rate, maximum or minimum rate; the interest reset, determination, calculation and payment dates; the day count convention used to calculate interest payments; and the calculation agent;

if your debt security is an original issue discount debt security, the yield to maturity;

if your debt security is an indexed debt security, the principal amount, if any, we will pay you at maturity, the amount of interest, if any, we will pay you on an interest payment date or the formula we will use to calculate these amounts, if any, and the terms on which your debt security will be exchangeable for or payable in cash, securities or other property;

if your debt security may be converted into or exercised or exchanged for common stock or preferred stock or other securities of Zions Bancorporation or debt or equity securities of one or more third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at our option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of common stock or preferred stock or other securities issuable upon conversion, exercise or exchange may be adjusted;

the circumstances under which your debt security may be redeemed at our option or repaid at the holder's option before the stated maturity including any redemption commencement date, repayment date(s), redemption price(s) and redemption period(s);

the authorized denominations, if other than \$1,000 and integral multiples of \$1,000 in excess thereof;

the depositary for your debt security, if other than DTC, and any circumstances under which the holder may request securities in non-global form, if we choose not to issue your debt security in book-entry form only;

if your debt security will be issued in bearer form, any special provisions relating to bearer securities that are not addressed in this prospectus;

the circumstances under which we will pay additional amounts on any debt securities held by a person who is not a United States person for tax purposes and under which we can redeem the debt securities if we have to pay additional amounts;

the names and duties of any co-trustees, depositaries, authenticating agents, paying agents, transfer agents or registrars for your debt securities;

the terms and conditions, if any, pursuant to which the debt securities of a series are secured; and

any other terms of your debt security which could be different from those described in this prospectus.

Your prospectus supplement will summarize specific financial and other terms of your debt security, while this prospectus describes terms that apply generally to all the debt securities. Consequently, the terms described

## **Table of Contents**

in your prospectus supplement will supplement those described in this prospectus and, if the terms described there are inconsistent with those described here, the terms described there will be controlling. The terms used in your prospectus supplement have the meanings described in this prospectus, unless otherwise specified.

### **Redemption and Repayment**

Unless otherwise indicated in your prospectus supplement, your debt security will not be entitled to the benefit of any sinking fund that is, we will not deposit money on a regular basis into any separate custodial account to repay your debt securities. In addition, we will not be entitled to redeem your debt security before its stated maturity unless your prospectus supplement specifies a redemption commencement date. You will not be entitled to require us to buy your debt security from you, before its stated maturity, unless your prospectus supplement specifies one or more repayment dates.

If your prospectus supplement specifies a redemption commencement date or a repayment date, it will also specify one or more redemption prices or repayment prices, which may be expressed as a percentage of the principal amount of your debt security. It may also specify one or more redemption periods during which the redemption prices relating to a redemption of debt securities during those periods will apply.

If your prospectus supplement specifies a redemption commencement date, your debt security will be redeemable at our option at any time on or after that date or at a specified time or times. If we redeem your debt security, we will do so at the specified redemption price, together with interest accrued to but excluding the redemption date. If different prices are specified for different redemption periods, the price we pay will be the price that applies to the redemption period during which your debt security is redeemed.

If your prospectus supplement specifies a repayment date, your debt security will be repayable at your option on the specified repayment date at the specified repayment price, together with interest accrued to but excluding the repayment date.

If we exercise an option to redeem any debt security, we will give to the trustee and the holder written notice of the principal amount of the debt security to be redeemed, not less than 30 days nor more than 60 days before the applicable redemption date. We will give the notice in the manner described below in Notices.

If a debt security represented by a global debt security is subject to repayment at the holder's option, the depository or its nominee, as the holder, will be the only person that can exercise the right to repayment. Any indirect owners who own beneficial interests in the global debt security and wish to exercise a repayment right must give proper and timely instructions to their banks or brokers through which they hold their interests, requesting that they notify the depository to exercise the repayment right on their behalf. Different firms have different deadlines for accepting instructions from their customers, and you should take care to act promptly enough to ensure that your request is given effect by the depository before the applicable deadline for exercise.

*Street name and other indirect owners should contact their banks or brokers for information about how to exercise a repayment right in a timely manner.*

We or our affiliates may purchase debt securities from investors who are willing to sell from time to time, either in the open market at prevailing prices or in private transactions at negotiated prices. Debt securities that we or they purchase may, at our discretion, be held, resold or canceled.

### **Mergers and Similar Transactions**

We are generally permitted to merge or consolidate with another corporation or other entity. We are also permitted to sell our assets substantially as an entirety to another corporation or other entity or to have another

## **Table of Contents**

entity sell its assets substantially as an entirety to us. With regard to any series of debt securities, however, we may not take any of these actions unless all of the following conditions are met:

if we are not the successor entity, the person formed by the consolidation or into or with which we merge or the person to which our properties and assets are conveyed, transferred or leased must be an entity organized and existing under the laws of the United States, any state or the District of Columbia and must expressly assume the due and punctual payment of the principal of, any premium, and interest on the debt securities of that series and the performance of our other covenants under the relevant indenture;

immediately after giving effect to that transaction, no default or event of default under the debt securities of that series, and no event which, after notice or lapse of time or both, would become a default or an event of default under the debt securities of that series, has occurred and is continuing; and

an officer's certificate and legal opinion relating to these conditions must be delivered to the trustee.

If the conditions described above are satisfied with respect to the debt securities of any series, we will not need to obtain the approval of the holders of those debt securities in order to merge or consolidate or to sell our assets. Also, these conditions will apply only if we wish to merge or consolidate with another entity or sell our assets substantially as an entirety to another entity or to acquire the assets of another entity substantially as an entirety. We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another entity, any merger of another entity with one of our subsidiaries, any transaction that involves a change of control of us but in which we do not merge or consolidate and any transaction in which we sell less than substantially all our assets.

Also, if we merge, consolidate or sell our assets substantially as an entirety and the successor is a non-U.S. entity, neither we nor any successor would have any obligation to compensate you for any resulting adverse tax consequences relating to your debt securities.

### **Subordination Provisions**

The subordinated debt securities are subordinated in right of payment to the prior payment in full of all of our senior indebtedness and, under specified circumstances, to our general obligations. This means that, in certain circumstances where we may not be making payments on all of our debt obligations as they become due, the holders of all of our senior indebtedness and general obligations will be entitled to receive payment in full of all amounts due or to become due to them before the holders of the subordinated debt securities will be entitled to receive any amounts under the subordinated debt securities. These circumstances include when we make a payment or distribute assets to creditors upon our liquidation, dissolution, winding up or reorganization.

These subordination provisions mean that if we are insolvent, a direct holder of our senior indebtedness may ultimately receive out of our assets more than a holder of the same amount of subordinated debt securities, and a senior creditor of ours that is owed a specific amount may ultimately receive more than a holder of the same amount of subordinated debt securities. The subordinated debt indenture does not limit our ability to incur senior or subordinated indebtedness or general obligations, including indebtedness ranking on an equal basis with the subordinated debt securities.

The subordinated debt indenture provides that, unless all principal of and any premium or interest on senior indebtedness has been paid in full, no payment or other distribution may be made in respect of any subordinated debt securities in the following circumstances:

in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for the benefit of creditors or other similar proceedings or events involving us or our assets;

**Table of Contents**

(a) in the event and during the continuation of any default in the payment of principal, premium or interest on any senior indebtedness beyond any applicable grace period or (b) in the event that any judicial proceeding is pending with respect to any such default; or

in the event that any subordinated debt securities have been declared due and payable before their stated maturity.

If the trustee under the subordinated debt indenture or any holders of the subordinated debt securities receive any payment or distribution that is prohibited under the subordination provisions, and if this fact is made known to the trustee or holders at or prior to the time of such payment or distribution, then the trustee or the holders will have to repay that money to us.

Further, in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for the benefit of creditors or other similar proceedings or events involving us or our assets, any creditors in respect of general obligations, which we define below, will be entitled to receive payment in full of all amounts due or to become due on or in respect of such general obligations after payment in full to the holders of senior indebtedness, before any amount is made available for payment or distribution to the holders of any subordinated debt security. However, upon the occurrence of a termination event, which we define below, such subordination to the creditors in respect of general obligations will become null and void and have no further effect.

Even if the subordination provisions prevent us from making any payment when due on the subordinated debt securities of any series, we will be in default on our obligations under that series if we do not make the payment when due. This means that the trustee under the subordinated debt indenture and the holders of that series can take action against us, but they will not receive any money until the claims of the holders of senior indebtedness have been fully satisfied.

The subordinated debt indenture allows the holders of senior indebtedness to obtain a court order requiring us and any holder of subordinated debt securities to comply with the subordination provisions.

The subordinated debt indenture defines senior indebtedness as:

the principal of, and premium, if any, and interest in respect of our indebtedness for purchased or borrowed money, whether or not evidenced by securities, notes, debentures, bonds or other similar instruments issued by us;

all our capital lease obligations;