

US BANCORP \DE\
Form 424B3
April 17, 2012
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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 17, 2012

PROSPECTUS SUPPLEMENT

(To Prospectus dated April 21, 2011)

**Depository Shares Each Representing a 1/1,000th Interest
in a Share of Series G Non-Cumulative Perpetual Preferred Stock**

U.S. Bancorp is offering _____ depository shares each representing a 1/1,000th ownership interest in a share of Series G Non-Cumulative Perpetual Preferred Stock, \$1.00 par value, with a liquidation preference of \$25,000 per share (equivalent to \$25 per depository share) (the "Series G Preferred Stock"). As a holder of depository 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 depository.

Dividends on the Series G Preferred Stock, when, as and if declared by our board of directors or a duly authorized committee of the board, will accrue and be payable on the liquidation preference amount, on a non-cumulative basis, quarterly in arrears on the 15th day of January, April, July and October of each year, commencing on _____, 2012, at a rate *per annum* equal to _____ % from the date of issuance to, but excluding, _____, 2017, and thereafter at a floating rate *per annum* equal to three-month LIBOR plus a spread of _____ %. If our board of directors or a duly authorized committee of the board has not declared a dividend on the Series G Preferred Stock before the dividend payment date for any dividend period, such dividend shall not be cumulative and shall cease to accrue and be payable, and we will have no obligation to pay dividends accrued 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 _____, 2017 at a redemption price equal to \$25,000 per share (equivalent to \$25 per depository share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. The Series G Preferred Stock may be redeemed in whole, but not in part, prior to _____, 2017 upon the occurrence of a regulatory capital treatment event, as described herein, at a redemption price equal to \$25,000 per share (equivalent to \$25 per depository share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends. 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-20.

Application will be made to list the depository shares on the New York Stock Exchange under the symbol USB PrN.

Our depository shares are equity securities and 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 or any other government agency.

Investing in our depositary shares involves risks. Potential purchasers of our depositary shares should consider the information set forth in the Risk Factors section beginning on page S-7 of this prospectus supplement.

None of the Securities and Exchange Commission, any state securities commission, the Federal Deposit Insurance Corporation, or any other regulatory body has approved or disapproved of these securities or determined that this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Price to Public	Underwriting Discounts and Commissions ⁽¹⁾	Proceeds to Us (Before Expenses)
Per depositary share	\$	\$	\$
Total	\$	\$	\$

(1) Reflects depositary shares sold to institutional investors, for which the underwriters received an underwriting discount of \$ per share, and depositary shares sold to retail investors, for which the underwriters received an underwriting discount of \$ per share. The underwriters are offering our depositary shares as set forth under Underwriting. Delivery of the depositary shares in book-entry form through The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System (Euroclear), and Clearstream Banking, société anonyme (Clearstream), is expected to be made on or about April , 2012.

We have granted the underwriters an option to purchase up to an additional depositary shares within 30 days after the date of this prospectus supplement at the public offering price, less underwriting discounts and commissions, to cover over-allotments, if any.

Because our affiliate, U.S. Bancorp Investments, Inc., may be participating in sales of the depositary shares, the offering is being conducted in compliance with Financial Industry Regulatory Authority (FINRA) Rule 5121, as administered by FINRA.

Joint Book-Runners

Morgan Stanley

Goldman, Sachs & Co.

U.S. Bancorp Investments, Inc.

Co-Managers

Mesirow Financial

Oppenheimer

Raymond James

RBC Capital Markets

Stifel Nicolaus Weisel

Prospectus Supplement dated April , 2012

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Prospectus

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Neither we nor the underwriters have authorized anyone to provide you with any information or to make any representation not contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or included in any free writing prospectus that we may file with the Securities and Exchange Commission, or the SEC, in connection with this offering. We do not, and the underwriters do not, take any responsibility for, and can provide no assurances as to, the reliability of any information that others may provide you. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus or included in any free writing prospectus is accurate as of any date after the dates on the front of this prospectus supplement, the accompanying prospectus or any free writing prospectus, as applicable, or for information incorporated by reference, as of the dates of that information. Our business, financial condition, results of operations and prospects may have changed since those dates. We are offering to sell these securities and seeking offers to buy these securities only in jurisdictions where offers and sales are permitted.

Unless otherwise indicated or unless the context requires otherwise, references in this prospectus supplement and the accompanying prospectus to USB, we, us and our refer to U.S. Bancorp.

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SUMMARY

The following information 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 entire prospectus supplement and the accompanying prospectus to understand fully the terms of the depositary shares, as well as the tax and other considerations that are important to you in making a decision about whether to invest in the depositary shares. To the extent the following information is inconsistent with the information in the accompanying prospectus, you should rely on the following information. You should pay special attention to the Risk Factors section of this prospectus supplement to determine whether an investment in the depositary shares is appropriate for you.

About U.S. Bancorp

We are a multi-state financial holding company, headquartered in Minneapolis, Minnesota. We were incorporated in Delaware in 1929 and operate as a financial holding company and a bank holding company under the Bank Holding Company Act of 1956. We provide a full range of financial services through our subsidiaries, including lending and depository services, cash management, foreign exchange and trust and investment management services. Our subsidiaries also engage in credit card services, merchant and automated teller machine processing, mortgage banking, insurance, brokerage and leasing services. We are the parent company of U.S. Bank National Association and U.S. Bank National Association ND.

Our common stock is traded on the New York Stock Exchange under the ticker symbol USB. Our principal executive offices are located at 800 Nicollet Mall, Minneapolis, Minnesota 55402, and the contact telephone number is (866) 775-9668.

We refer you to the documents incorporated by reference into this prospectus supplement, as described in the section Where You Can Find More Information in the accompanying prospectus, for more information about us and our businesses.

Recent Developments

On April 17, 2012, we issued a press release announcing results for the first quarter ended March 31, 2012. Further information relating to our financial results for the first quarter ended March 31, 2012 is contained in the filed portion of our Current Report on Form 8-K dated April 17, 2012, which is incorporated herein by reference.

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So long as any share of Series G Preferred Stock remains outstanding, (1) no dividend shall be declared or paid or set aside for payment and no distribution shall be declared or made or set aside for payment on any junior stock (other than a dividend payable solely in junior stock), (2) no shares of junior stock shall 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 shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by us and (3) no shares of parity stock shall 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, during a dividend period, unless, in each case, the full dividends for the then-current dividend period on all outstanding shares of Series G Preferred Stock have been declared and paid or declared and a sum sufficient for the payment thereof has been set aside.

When dividends are not paid in full upon the shares of Series G Preferred Stock and any parity stock, all dividends declared upon shares of Series G Preferred Stock and any parity stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the then-current dividend period per share on Series G Preferred Stock, and accrued dividends, including any accumulations, on any parity stock, bear to each other.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, stock or otherwise), as may be determined by the board of directors or a duly authorized committee of the board, may be declared and paid on our common stock and any other securities 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 the Series G Preferred Stock shall not be entitled to participate in any such dividend.

Dividends on the Series G Preferred Stock shall not be declared, paid or set aside for payment to the extent such act would cause us to fail to comply with laws and regulations applicable thereto, including applicable capital adequacy guidelines.

Dividend payment dates

The 15th day of January, April, July and October of each year, commencing on _____, 2012. 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.

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Redemption

On or after _____, 2017, the Series G Preferred Stock may be redeemed in whole, or in part, at a redemption price equal to \$25,000 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 in whole, but not in part, prior to _____, 2017 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 \$25,000 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.

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

Replacement Capital Covenant

At or prior to the initial issuance of the Series G Preferred Stock, we will enter into a replacement capital covenant (the Replacement Capital Covenant) which will limit our right to redeem or repurchase the Series G Preferred Stock. In the Replacement Capital Covenant, we will covenant to redeem or repurchase shares of the Series G Preferred Stock prior to the termination date of the Replacement Capital Covenant only if and to the extent that (1) we have obtained the prior approval of the Federal Reserve if such approval is then required and (2) we or our subsidiaries have received sufficient proceeds from the sale of certain equity or equity-like securities or other securities that qualify for treatment as Tier 1 capital under the risk-based capital guidelines applicable to bank holding companies at the time of such redemption or repurchase. See Certain Terms of the Replacement Capital Covenant below.

Liquidation rights

Upon any voluntary or involuntary liquidation, dissolution or winding up of U.S. Bancorp, holders of shares of Series G Preferred Stock are entitled to receive out of assets of U.S. Bancorp available for distribution to stockholders, 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 \$25,000 per share (equivalent to \$25 per depositary share) plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Distributions will be made only to the extent of U.S. Bancorp's 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).

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Voting rights	None, except with respect to authorizing or increasing the authorized amount of 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.
Ranking	Shares of the Series G Preferred Stock will rank senior to our common stock, equally with our Series A Non-Cumulative Perpetual Preferred Stock (Series A Preferred Stock), Series B Non-Cumulative Perpetual Preferred Stock (Series B Preferred Stock), Series C Non-Cumulative Perpetual Preferred Stock (Series C Preferred Stock) (if and when issued and outstanding), Series D Non-Cumulative Perpetual Preferred Stock (Series D Preferred Stock) and Series F Non-Cumulative Perpetual Preferred Stock (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 all other parity stock), with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. See Description of Capital Stock Preferred Stock for a discussion of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series F Preferred Stock. 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 any 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.
Preemptive and conversion rights	None.
Listing	We intend to apply for listing of the depositary shares on the New York Stock Exchange under the symbol USB PrN. If approved for listing, we expect trading of the depositary shares on the New York Stock Exchange to commence within a 30-day period after the initial delivery of the depositary shares.
Tax consequences	Distributions constituting dividend income received by