The Office of Thrift Supervision (OTS) has reviewed an application (Application) requesting an exemption under the Depository Institution Management Interlocks Act and 12 C.F.R. § 563.6(a) of OTS’s management interlocks regulations on behalf of Stephen D. Quinn (Individual), regarding the Individual’s proposed service as a member of the boards of directors of American Express Bank Corp. (AEBC), New York, New York, and its subsidiary, American Express Bank Ltd. (AEBL), New York, New York, while he serves as a director of a bank holding company, Zions Bancorporation (Zions), Salt Lake City, Utah. AEBC and AEBL are both subsidiaries of American Express Company (Holding Company), New York, New York, a savings and loan holding company that controls American Express Bank, F.S.B. (Savings Bank), Salt Lake City, Utah.

The Individual is currently a director of Zions, and proposes to serve as a director of both AEBC and AEBL. He will not be a management official of the Holding Company or any of its other subsidiaries, including the Savings Bank. The Act and 12 C.F.R. § 563.3(c) prohibit a management official of a depository organization (or any affiliate thereof) from simultaneously serving as a management official of an unaffiliated depository organization (or any affiliate thereof), regardless of where the depository organizations are located, if one of the depository organizations in question has total assets in excess of $2.5 billion and the other depository organization has total assets in excess of $1.5 billion. The proposed management interlock is subject to this prohibition.

Pursuant to section 563.6(a), OTS may grant an exemption for an otherwise prohibited interlock if it determines that the interlock would not result in a monopoly or substantial lessening of competition, or threaten safety and soundness. In analyzing the competitive effects of a proposed interlock, OTS must consider the product lines of the entities involved and the market areas in which they compete to determine whether the proposed interlock would create a monopoly or substantially lessen competition.

The Holding Company, through the Savings Bank and other subsidiaries provides a full range of domestic financial services, including residential lending, credit cards (including a small business credit card program), deposit and investment services to a nationwide clientele. AEBC’s sole activity is owning all of the stock of AEBL. AEBL engages in international banking activities through its offices in over forty countries. Zions’ subsidiaries, including its subsidiary banks, operate through branches in Arizona, California, Colorado, Idaho, Nevada, New Mexico, Utah and Washington. Zions' subsidiaries offer a full line of banking services,
which includes commercial, consumer and residential lending, as well as other products similar to those offered by the Holding Company.

Competition exists between the Holding Company and Zions (or their affiliates) in national or local markets for the product lines of deposits, commercial/small business lending, credit cards, mortgage lending, insurance and annuity services, trust services, investment advisory and brokerage services.

OTS has considered the market shares of the Holding Company and Zions in each of several product lines, including deposits, commercial/small business lending, credit cards, mortgage lending, insurance and annuity services, trust services, investment advisory and brokerage services in appropriate national and local markets. With respect to each product line in the relevant geographic market, OTS has determined, based on the market shares of the Holding Company and Zions, that the proposed interlock would not create a monopoly or substantially diminish competition.

OTS has evaluated the interlock as proposed from a supervisory perspective, and has concluded that the interlock will not present safety and soundness concerns.

Based on the Application and the foregoing analysis, OTS concludes that the Individual's proposed service as a director for AEBC and AEBL meets the applicable approval criteria. Accordingly, the Application is hereby approved.

By order of the Director of the Office of Thrift Supervision, or his designee, effective August 12, 2004.

[Signature]
Scott M. Albinson
Managing Director
Office of Examinations, Supervision and Consumer Protection