

Form of Cash Award Agreement for Canadian Participants

NOTE: Long-term cash awards made to employees (“Participants”) of U.S. Bancorp (the “Company”) after January 1, 2013, will have the award amounts set forth in each Participant’s Long Term Cash Awards summary (the “Award Summary”). The terms and conditions of this award are set forth in the Long-Term Cash Award Agreement below. As a condition of each cash award, Participant accepts the terms and conditions of the Long-Term Cash Award Agreement.

U.S. BANCORP LONG-TERM CASH AWARD AGREEMENT

THIS AGREEMENT together with the Award Summary which is incorporated herein by reference (collectively, the “Agreement”) sets forth the terms and conditions of this long-term cash award (“Award”) granted by and the Company pursuant to the U.S. Bank Incentive Cash Bonus and Retention Plan (the “Plan”).

In consideration of the mutual covenants contained in this Agreement, the parties agree as follows:

1. **Award**

The Company grants to Participant an Award in the amount set forth in Participant’s Award Summary, subject to the terms and conditions of this Agreement. The Award Summary also sets forth the date of grant of the Award (the “Grant Date”). The Award is issued pursuant to the Plan and is subject to its terms. Capitalized terms that are not defined in this Agreement shall have the meaning ascribed to them in the Plan.

2. **Vesting**

(a) *Time Based Vesting Conditions.* Subject to the terms and conditions of this Agreement, the Award shall vest on the following dates (each a “Scheduled Vesting Date”), provided that Participant remains continuously employed by the Company or an Affiliate until such Scheduled Vesting Date: 25% of the Award shall vest on the date that is the first anniversary of the Award Date, an additional 25% of the Award shall vest on the date that is the second anniversary of the Award Date and the final 50% of the Award shall vest on the date that is the third anniversary of the Award Date. Except as otherwise provided in the Agreement, if Participant ceases to be an employee of the Company or an Affiliate prior to any Scheduled Vesting Date, the unvested portion of the Award will be immediately and irrevocably forfeited.

(b) *Acceleration of Vesting Upon a Qualifying Termination.* Notwithstanding the vesting provisions contained in Section 2(a) above, but subject to the other terms and conditions of this Agreement, if Participant has been continuously employed by the Company or any Affiliate of the Company until the date of a “Qualifying Termination,” then immediately prior to such Qualifying Termination, the portion of the Award that previously had not become vested will become vested. For purposes of this Agreement, the following terms shall have the following definitions:

- (i) “Affiliate” shall be defined as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).
- (ii) “Announcement Date” shall mean the date of the public announcement of the transaction, event or course of action that results in a Change in Control (as defined in the Incentive Cash Bonus and Retention Plan).

(iii) “Cause” shall mean (A) the continued failure by Participant to substantially perform Participant’s duties with the Company or any Affiliate (other than any such failure resulting from Participant’s Disability as defined in Section 3(b)), after a demand for substantial performance is delivered to Participant that specifically identifies the manner in which the Company believes that Participant has not substantially performed Participant’s duties, and Participant has failed to resume substantial performance of Participant’s duties on a continuous basis, (B) gross and willful misconduct during the course of employment (regardless of whether the misconduct occurs on the Company’s premises), including, but not limited to, theft, assault, battery, malicious destruction of property, arson, sabotage, embezzlement, harassment, acts or omissions which violate the Company’s rules or policies (such as breaches of confidentiality), or other conduct which demonstrates a willful or reckless disregard of the interests of the Company or its Affiliates or (C) Participant’s conviction of a crime (including, without limitation, a misdemeanor offense) which impairs Participant’s ability substantially to perform Participant’s duties with the Company.

(iv) “Change in Control” shall have the meaning ascribed to it in the Incentive Cash Bonus and Retention Plan.

(v) “Person” shall be defined as defined in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

(vi) “Qualifying Termination” shall mean a termination of Participant’s employment with the Company or its Affiliates by the Company for any reason other than Cause within 12 months following a Change in Control; provided, however, that any such termination shall not be a Qualifying Termination if Participant has been notified in writing more than 30 days prior to the Announcement Date that Participant’s employment with the Company is not expected to continue for more than 12 months following the date of such notification; provided that such exclusion from Qualifying Termination shall only apply if Participant’s employment with the Company is terminated within such 12-month period; and provided, further, that any such termination shall not be a Qualifying Termination if Participant has announced in writing, prior to the date the Company provides Notice of Termination to Participant, the intention to terminate employment or retire, subject to the condition that any such termination by the Company prior to Participant’s stated termination or retirement date shall be deemed to be termination or retirement by Participant on such stated date unless termination by the Company is for Participant’s gross and willful misconduct.

(c) *Acceleration of Vesting Upon Termination of Employment Due to Retirement or Disability.* If a Participant terminates employment with the company or an Affiliate by reason of Disability (as defined below) or Retirement (as defined below), then immediately prior to such termination, the portion of the Award that previously had not become vested will become vested. “Disability” means leaving active employment and qualifying for and receiving disability benefits under the Company’s long term disability programs as in effect from time to time. “Retirement” means termination of employment (other than for gross or willful misconduct) by a person who is age 59 ½ or older and has had 10 or more years of employment with the Company or its Affiliates following such Participant’s most recent date of hire by the Company or its Affiliates.

(d) *Acceleration of Vesting Upon Death.* If a Participant ceases to be an employee by reason of death, then the Participant, or his or her estate, in addition to the portion of the Award previously vested under this Agreement, shall become immediately vested, as of the date of death, in the portion of the Award that had not previously vested.

(e) *Forfeiture Upon Termination of Employment for Cause.* If Participant’s employment is terminated by the Company for Cause, the Award shall be immediately and irrevocably forfeited.

3. Payment of Award

(a) *Scheduled Vesting Date Distributions.* With respect to the portion of the Award that vests on a Scheduled Vesting Date (and not as a result of the acceleration of vesting due to death, a Qualifying Termination, or cessation of employment due to Retirement or Disability), payment of the portion of the Award that is due to the Participant (less applicable tax withholdings) shall be paid to the Participant within 45 days following the Scheduled Vesting Date.

(b) *Distributions Upon Separation From Service Due to Retirement, Disability or Qualifying Termination.* With respect to the portion of an Award that vests as a result of a termination of employment due to Retirement, Disability or a Qualifying Termination, payment (less applicable tax withholdings) will be made to the Participant on the next Scheduled Vesting Date following the Participant's Separation From Service (as defined below) in connection with such Disability, Retirement or Qualifying Termination. For greater clarity, a termination of employment due to Retirement, Disability or Qualifying Termination will act as a payment "trigger" only if such termination of employment constitutes a Separation From Service. For purposes of the Agreement, "Separation From Service" shall mean a Participant's separation from service with the Company and its affiliates, as determined under Treasury Regulation 1.409A-1(h)(1), provided that the term "affiliate" shall mean a business entity which is affiliated in ownership with the Company and that is treated as a single employer under the rules of section 414(b) and (c) of the Code (applying the eighty percent common ownership standard). Notwithstanding the foregoing, or anything else to the contrary herein, if a Participant is a Specified Employee at the time of his or her Separation From Service, any payment that becomes payable to such Participant on account of such Separation From Service (whether in the context of Retirement, Disability or Qualifying Termination) will be delayed, if necessary, to the date that is six months and one day following such Separation From Service, so that in no event will any such payment be paid to such Specified Employee until the date that is six months and one day after the date of the Separation From Service. For purposes of the preceding sentence, "Specified Employee" shall mean any Participant who is a specified employee for purposes of section 1.409A-1(i) of the U.S. Treasury Regulations determined in accordance with the rules set forth in the separate document entitled "U.S. Bank Specified Employee Determination".

(c) *Distributions Following Death.* With respect to the portion of an Award that vests as a result of the death of a Participant, payment of the portion of the Award that is due to the Participant (less applicable tax withholdings) shall be paid to the Participant's beneficiary or his or her estate within 90 days following the death of the Participant.

4. Income Tax Withholding

In order to comply with all applicable federal, provincial or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal, provincial or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

5. Miscellaneous

(a) This Agreement is issued pursuant to the Plan and is subject to its terms. Participant acknowledges receipt of a copy of the Plan. The Plan is also available for inspection on the intranet and during business hours at the principal office of the Company.

(b) This Agreement shall not confer on Participant any right with respect to continuance of employment with the Company or any Affiliate, nor will it interfere in any way with the right of the Company or any Affiliate to terminate such employment at any time.

(c) It is intended that the Plan and Awards shall comply with Section 409A of the Code and other interpretive guidance issued thereunder, and the provisions of the Plan and the Agreements shall be construed accordingly.

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.