

ZIONS BANCORPORATION /UT/
Form 424B3
June 30, 2008
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-132868

The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated June 27, 2008

PROSPECTUS SUPPLEMENT

(To prospectus dated March 31, 2006)

ZIONS BANCORPORATION

Depository Shares Each Representing a 1/40th Interest

in a Share of 9.50% Series C Non-Cumulative Perpetual Preferred Stock

This supplement supplements the preliminary prospectus supplement dated June 25, 2008. Zions Bancorporation announced today that it will extend the duration of its ongoing auction for depository shares each representing a 1/40th ownership interest in a share of Series C Non-Cumulative Perpetual Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depository share) (the Series C Preferred Stock), until 4:00 pm ET, Wednesday, July 2, 2008, subject to the 2-Minute Rule described in the preliminary prospectus supplement. In addition, bidders may now purchase depository shares using the Buy Today feature until 2:00 pm ET on Wednesday, July 2, 2008, the day the auction ends.

Zions Bancorporation also increased the Auction Amount, the number of depository shares being sold pursuant to the auction, from \$625,000 in liquidation preference of Series C Preferred Stock (or 25,000 depository shares) to \$1,000,000 in liquidation preference of Series C Preferred Stock (or 40,000 depository shares). This does not include any additional amount of depository shares issuable under the Buy Today feature, Institutional Up-Sizing Option or pursuant to the distribution agreement each as described in the preliminary prospectus supplement.

It is expected that the delivery of the depository shares will be made against payment for the depository shares on July 8, 2008, which is the third business day after the allocation of the depository shares by our auction agent (this settlement cycle being referred to as T+3). You should note that if you purchase the depository shares using the Buy Today feature, or if you purchase the depository shares through the distribution agent, your settlement cycle may be longer than T+3. Trading in the depository shares from the date of a Buy Today purchase or a purchase through the distribution agent or until settlement may be affected by this longer settlement cycle.

Investing in the depository shares involves risks that are described in the Risk Factors section beginning on page S-10 of the preliminary prospectus supplement.

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

Our depositary shares are equity securities and 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.

We expect to deliver the depositary shares in book-entry form through the facilities of The Depository Trust Company against payment in New York, New York on July 8, 2008.

The date of this prospectus supplement is July , 2008

ZIONS DIRECT, INC.

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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated June 25, 2008

PROSPECTUS SUPPLEMENT

(To prospectus dated March 31, 2006)

ZIONS BANCORPORATION

Depository Shares Each Representing a 1/40th Interest

in a Share of 9.50% Series C Non-Cumulative Perpetual Preferred Stock

Zions Bancorporation is offering _____ depository shares each representing a 1/40th ownership interest in a share of Series C Non-Cumulative Perpetual Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depository share) (the "Series C Preferred Stock"). The depository shares are represented by depository receipts. As a holder of depository shares, you will be entitled to all proportional rights and preferences of the Series C Preferred Stock (including dividend, voting, redemption and liquidation rights). You must exercise such rights through the depository. The maximum number of depository shares we expect to sell in this offering through the auction or otherwise is 6,000,000.

Dividends on the Series C 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, out of funds legally available for the payment of dividends, at a fixed rate per annum equal to 9.50%. The dividend payment dates will be the 15th day of March, June, September and December, commencing on September 15, 2008, or the next succeeding business day if any such date is not a business day.

Dividends on the Series C 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 C 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 C Preferred Stock are declared for any future dividend period.

The Series C Preferred Stock is not redeemable prior to September 15, 2013. The Series C Preferred Stock will not have any voting rights, except as set forth under "Description of Series C 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 "ZB PrC". Trading of the depository shares on the New York Stock Exchange is expected to commence within 30 days after the initial delivery of the depository shares.

The price to the public and the allocation of the depository shares will be determined by an auction process through the www.auctions.zionsdirect.com electronic bid submission system (www.auctions.zionsdirect.com). The auction will open at 1:00 pm E.T., on June 25, 2008 and will close at 4:00 pm E.T., on June 30, 2008, unless extended as described in the section entitled "The Auction Process" beginning on page S-30 of this prospectus supplement. We will not issue fractional depository shares.

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The timing and method for submitting bids and a description of the auction process are described in the section entitled "The Auction Process" beginning on page S-30 of this prospectus supplement. In general, once a bidder has submitted and confirmed a bid, the bid will be binding and may not thereafter be rescinded or revoked.

As part of the auction process, we are attempting to assess the market demand for our depositary shares and to set the price to the public of this offering to meet that demand. Investors should not expect to be able to sell their depositary shares for a profit after the conclusion of this offering and the allocation of our depositary shares.

We will offer the depositary shares directly to investors. Zions Direct, Inc., the auction agent for this offering, is a wholly-owned subsidiary of Zions First National Bank, which is the issuing and paying agent with respect to the depositary shares. Zions First National Bank, in turn, is a wholly-owned subsidiary of Zions Bancorporation.

Investing in the depositary shares involves risks that are described in the Risk Factors section beginning on page S-10 of this prospectus supplement.

	Per Depositary Share	Total
Public offering price	\$	\$
Agents' Fees	\$	\$
Proceeds, before expenses, to Zions Bancorporation	\$	\$

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

Our depositary shares are equity securities and 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.

We expect to deliver the depositary shares in book-entry form through the facilities of The Depository Trust Company against payment in New York, New York on July 1, 2008.

The date of this prospectus supplement is June 10, 2008.

ZIONS DIRECT, INC.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell depositary shares, and seeking offers to buy depositary shares, only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement and the accompanying prospectus is accurate only as of the date on their respective cover pages, regardless of the time of delivery of this prospectus supplement or any sale of the depositary shares.

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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 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 iii 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 Series C Preferred Stock 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 [Plan of Distribution](#) section of this prospectus supplement beginning on page S-30. References herein to \$ and dollars are to the currency of the United States. In this prospectus supplement and the accompanying prospectus, the terms company, Zions, we, us, and our refer to Zions Bancorporation.

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

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INCORPORATION BY REFERENCE

The Securities and Exchange Commission, or 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 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. Information that Zions files with the SEC after the date of this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus 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, 2007, as amended;

our Quarterly Report on Form 10-Q for the quarter ended March 31, 2008;

Current Reports on Form 8-K filed on March 12, 2008, April 14, 2008, April 28, 2008 and May 14, 2008; and

any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, until we sell all of the securities offered by this prospectus supplement.

You may request a copy of any of these filings at no cost by writing to or telephoning us at the following address and telephone number:

Investor Relations

Zions Bancorporation

One South Main Street, Suite 1500

Salt Lake City, Utah 84111

(801) 524-4787

In addition, these filings are available on our web site at <http://www.zionsbancorporation.com>. For additional information concerning this offering, the depositary shares being offered hereby, the web site www.auctions.zionsdirect.com or the registration and auction process, you may contact Zions Direct:

by telephone at (800) 524-8875 or (800) 554-1688 (ask for preferred stock support); or

by e-mail at auctions@zionsdirect.com.

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

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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 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. 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.

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 and its subsidiaries own and operate eight commercial banks with a total of 506 domestic branches at March 31, 2008. 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, Washington and Oregon. Full-time equivalent employees totaled 10,946 at March 31, 2008.

We focus on providing community-minded banking services by continuously strengthening our core business lines of 1) small, 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 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 a subsidiary, Contango Capital Advisors, Inc., that was launched in 2004 and online brokerage services through Zions Direct.

In addition to these core businesses, we have built specialized lines of business in capital markets, public finance and certain financial technologies, and we are also a leader in U.S. Small Business Administration lending. Through our eight banking subsidiaries, we provide Small Business Administration 7(a) loans to small businesses throughout the United States and are also one of the largest providers of Small Business Administration 504 financing in the nation. We own an equity interest in the Federal Agricultural Mortgage Corporation and are the nation's top originator of secondary market agricultural real estate mortgage loans through Farmer Mac. We are a leader in municipal finance advisory and underwriting services. We also control four venture capital funds that provide early-stage capital primarily for start-up companies located in the Western United States. Finally, our NetDeposit, Inc. and P5, Inc. subsidiaries are leaders in the provision of check imaging and clearing software and of web-based medical claims tracking and cash management services, respectively.

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Recent Developments

On June 19, 2008, Moody's Investors Service lowered its credit rating on MBIA Inc. to A2. As previously disclosed, a downgrade of MBIA to below AA- triggers a provision of the Liquidity Agreement provided by Zions First National Bank (ZFNB) to Lockhart Funding (Lockhart). Pursuant to that Agreement, on June 23 ZFNB purchased \$787 million of securitized small business loans from Lockhart. These securities were originally created by ZFNB from SBA 504 and similar small business loans either originated by ZFNB or purchased from correspondent banks and underwritten by ZFNB to its standards. These assets have been rebooked as loans on the Company's balance sheet. The amount of commercial paper (CP) issued by Lockhart has been reduced by \$787 million, and the amount of that CP held on Zions' balance sheet has been reduced by a like amount. Thus, there is no change in the size of Zions' consolidated balance sheet or any negative income statement impact as a result of this event. As discussed in earlier disclosures, Zions' GAAP capital ratios are not impacted by this event.

Zions has completed a preliminary review of its Available for Sale (AFS) and Held to Maturity investment portfolios for Other Than Temporary Impairment (OTTI). Zions expects to deem an additional four or five securities to be OTTI. Zions expects to recognize in the second quarter total pretax charges to income on these securities and on other securities previously deemed to be OTTI of approximately \$40-50 million, or \$25 to \$31 million after tax. Approximately 60% of this impairment had already been recognized in capital through Other Comprehensive Income (OCI) as of March 31, 2008.

As previously disclosed, Zions expects credit costs to increase somewhat compared to the first quarter of 2008. We currently expect the loan loss provision for the second quarter to be approximately 110-115 basis points, annualized, of average loans, and for net loan losses to be approximately 70-75 basis points, annualized. As previously disclosed, these increases are being driven primarily by increased credit costs related to residential real estate acquisition, development and construction exposures in Southwestern states, and by some weakening in Utah residential construction and commercial and industrial portfolios. Non-performing assets, including Other Real Estate Owned, are expected to be approximately 165 basis points of total loans at quarter end. The Company has not seen meaningful deterioration in credit quality in other major loan types or geographies. The Company believes that credit quality for its portfolio in California has begun to stabilize.

Including the securitized loans purchased from Lockhart, as discussed above, loan growth for the quarter is expected to be approximately \$1.8 billion, while deposit growth remains challenging. Loan pricing continues to improve, and the Company expects that its net interest margin for the quarter will be relatively stable.

Zions expects that the cumulative impact of the above on regulatory capital ratios will be a decline of three to six basis points at June 30 compared to March 31, depending on the regulatory capital measure. GAAP tangible equity ratios are expected to decline approximately 25 basis points. The difference between GAAP and regulatory capital ratio impacts is due to changes to GAAP capital that go through OCI - primarily changes in the fair value of the interest rate swaps and AFS securities; these changes to OCI are excluded from regulatory capital measures. These changes in capital ratios are before the impact of the offering contemplated hereby. Zions does not anticipate raising dilutive capital or changing its common stock dividend.

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The Offering

Issuer Zions Bancorporation

Securities Offered depositary shares each representing a 1/40th ownership interest in a share of 9.50% Series C Non-Cumulative Perpetual Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) of Zions (the Series C Preferred Stock). Each holder of a depositary share will be entitled, through the depositary, in proportion to the applicable fraction of a share of Series C Preferred Stock represented by such depositary share, to all the rights and preferences of the Series C Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

We may from time to time elect to issue additional depositary shares representing shares of the Series C Preferred Stock, and all the additional shares would be deemed to form a single series with the Series C Preferred Stock offered hereby.

Auction Amount \$600,000 in liquidation preference of Series C Preferred Stock (or 25,000 depositary shares) (which does not include any additional amount of depositary shares issuable under the Buy Today feature or Institutional Up-Sizing Option or pursuant to the distribution agreement described below)

Auction Window *Auction Starts:* 1:00 pm ET, Wednesday, June 25, 2008
Auction Ends: 4:00 pm ET, Monday, June 30, 2008, subject to the 2-Minute Rule described below.

Minimum Bid Price \$22.50

Maximum Bid Price \$25.00

Maximum Number of Securities Offered \$150,000,000 in liquidation preference of Series C Preferred Stock (or 6,000,000 depositary shares)

Public Offering Price To be determined by auction.

Bid Limit In order to ensure a broad participation in this offering, we or our auction agent will assign each bidder a bid limit. The auction website allows a bidder to place up to five separate, active bids. A bidder will not be able to place aggregate in-the-money bids that exceed that bidder's bid limit (as described below).

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Prospective bidders registering to bid on the depositary shares for the first time on the website www.auctions.zionsdirect.com will automatically qualify to bid for up to a bid limit of \$100,000. Prospective bidders who want to bid for more than that amount may contact us by telephone at (800) 524-8875 or by e-mail at auctions@zionsdirect.com to request a greater bid limit. Any decision to increase a bidder's bid limit, upon such request, will be in our sole

and absolute discretion.

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A bidder will not be able to place a bid that exceeds that bidder's bid limit

Buy Today Feature

From the start of the auction until 2:00 pm ET on Monday, June 30, 2008, the day the auction ends, bidders may purchase depositary shares at a set price by using the Buy Today feature. On the bid page, a bidder may indicate a quantity of depositary shares in the Buy Today row that the bidder is willing to purchase at the set price. The bidder may not exceed their individual bid limit using the Buy Today feature. Although clicking Buy Today is binding on the bidder and may not be rescinded, the trade will become final at the close of the auction. Once a bidder clicks Buy Today, the bidder's individual bid limit will be adjusted to reflect a portion of the individual bid limit being allotted to the Buy Today purchase. The bidder may then continue bidding in the auction. Any additional bids will not affect any purchase made through the Buy Today feature. The depositary shares offered pursuant to the Buy Today feature will be in addition to the aggregate number of depositary shares offered pursuant to the auction. There can be no assurances as to how many additional depositary shares, if any, will be sold pursuant to the Buy Today feature. We expressly reserve the right to cancel all purchases made under the Buy Today feature, if we cancel the auction. We reserve the right, in our sole discretion, to extend the Buy Today feature until the end of the Auction Window. In addition, we reserve the right to discontinue the Buy Today feature, in our sole discretion, at any time during the auction. Our discontinuance of the Buy Today feature will be evidenced by the absence of the Buy Today feature and accompanying Buy Today offering price on the auction site.

Buy Today Offering Price

\$25.00 per depositary share

Institutional Up-Sizing Option

We reserve the right to sell, outside of the auction, additional depositary shares with terms identical to the depositary shares being auctioned, to any institutional or individual bidder who: (i) contacts a representative at our auction agent's trading desk before the end of the auction and indicates the desire to make such an additional purchase and the additional amount it would like to purchase; (ii) satisfies the credit requirements for such additional purchase; (iii) wins at least 20% of the Auction Amount of the depositary shares; and (iv) bids for the lesser of its individual bid limit or the entire Auction Amount of the depositary shares being offered. Any additional depositary shares so purchased will be purchased outside the auction and will not affect the auction or the final market-clearing price set by the auction, but will be sold at the market-clearing price set by the auction. There can be no assurances as to how many additional depositary shares, if any, will be sold pursuant to the Institutional Up-Sizing Option. We will pay the auction agent the auction agent fee in connection with any depositary shares sold pursuant to this option. If you are interested in qualifying for such an additional purchase, please call your sales representative at 888-357-3375 for dealers, 800-524-4819 for institutions, or 800-524-8875 for individuals.

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Auction Agent	Zions Direct, Inc.
Auction Agent Fee	2.25% (the Auction Agent Fee will be paid only on the gross proceeds received by us from the depositary shares that are sold through the Zions Direct auction platform.)
Distribution Pursuant to the Distribution Agreement	We reserve the right to sell, outside of the auction, additional depositary shares with terms identical to the depositary shares being auctioned, through Zions Direct, as distribution agent or principal. There can be no assurances as to how many additional depositary shares, if any, will be sold pursuant to the distribution agreement. We will pay the distribution agent the distribution agent fee in connection with any depositary shares sold pursuant to this agreement.
Distribution Agent	Zions Direct, Inc.
Distribution Agent Fee	2.25% (The Distribution Agent Fee will be paid only on the gross proceeds received by us from the depositary shares that are sold through Zions Direct under the distribution agreement and not on Zions Direct's auction platform.)
<i>Dealers Concession: 2.00% Reallowance: 1.50%</i>	
Dividends	<p>Dividends on the Series C 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, at a rate per annum equal to 9.50%. Any such dividends will be distributed to holders of depositary shares in the manner described under Description of Depositary Shares Dividends and Other Distributions below.</p> <p>Dividends on the Series C 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 C 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 C Preferred Stock are declared for any future dividend period.</p>
Dividend Payment Dates	The 15 th day of March, June, September and December of each year, commencing on September 15, 2008. 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.
Redemption	The Series C Preferred Stock is not redeemable prior to September 15, 2013. On and after that date, the Series C Preferred Stock will be redeemable at our option, in whole at any time or in part from time to time, at a redemption price equal to \$1,000 per share (equivalent to \$25 per depositary share), plus accrued dividends from the most recent dividend payment date (whether or not declared but without accumulation of any undeclared dividends for prior periods).

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Neither the holders of Series C Preferred Stock nor holders of depositary shares will have the right to require the redemption or repurchase of the Series C Preferred Stock. The Series C 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 C Preferred Stock is subject to prior approval of the Board of Governors of the Federal Reserve System.

Liquidation Rights

Upon any voluntary or involuntary liquidation, dissolution or winding up of Zions, holders of shares of Series C 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 C 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 of 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 C Preferred Stock (pro rata as to the Series C Preferred Stock and any other shares of our stock ranking equally as to such distribution).

Voting Rights

Holders of Series C Preferred Stock will have no voting rights, except with respect to authorizing or increasing senior stock, certain changes in the terms of the Series C Preferred Stock and in the case of certain dividend non-payments. See "Description of Series C 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 C Preferred Stock" below.

Ranking

Shares of the Series C Preferred Stock will rank senior to our common stock, equally with our Series A Floating-Rate Non-Cumulative Perpetual Preferred Stock (the "Series A 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 C 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 C Preferred Stock does not have any maturity date, and we are not required to redeem the Series C Preferred Stock. Accordingly, the Series C Preferred Stock will remain outstanding indefinitely, unless and until we decide to redeem it.

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Preemptive and Conversion Rights	Holders of Series C Preferred Stock will have no preemptive or conversion rights.
Listing	We intend to apply for listing of the depositary shares on the New York Stock Exchange under the symbol ZB PrC. If approved for listing, we expect trading of the depositary shares on the New York Stock Exchange, or the NYSE, to commence within 30 days after the initial delivery of the depositary shares. We may not successfully list the Series C Preferred Stock on the NYSE.
Tax Consequences	Dividends paid to non-corporate U.S. holders in taxable years beginning before January 1, 2011 generally will be taxable at a maximum rate of 15%, 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.
Use of Proceeds	We will use the net proceeds from the sale of the depositary shares for general corporate purposes. See Use of Proceeds below.
Expected Ratings	We expect that the depositary shares will be rated Baa2, BBB-, BBB and BBB+ by Moody's Investor Services, Standard & Poor's, DBRS and Fitch Ratings, respectively. None of these securities ratings is a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time, and should be evaluated independently of any other rating.
Settlement	It is expected that the delivery of the depositary shares will be made against payment for the depositary shares on July 3, 2008, which is the third business day after the allocation of the depositary shares by our auction agent (this settlement cycle being referred to as T+3). You should note that if you purchase the depositary shares using the Buy Today feature, or if you purchase the depositary shares through the distribution agent, your settlement cycle may be longer than T+3. Trading in the depositary shares from the date of a Buy Today purchase or a purchase through the distribution agent or until settlement may be affected by this longer settlement cycle.
Registrar	Zions First National Bank
Depositary	Zions First National Bank
Transfer Agent	Zions First National Bank
CUSIP	989701 50 3

Table of Contents**Selected Consolidated Financial Data**

The following selected consolidated financial data for the five-year period ended December 31, 2007 and the three-month periods ended March 31, 2007 and March 31, 2008 are derived from and qualified by reference to our consolidated financial statements. You should read this data in conjunction with the financial statements, related notes and other financial information incorporated by reference in the accompanying prospectus. See [Where You Can Find More Information](#) in the accompanying prospectus.

	Three Months Ended		Year Ended December 31,				2003
	March 31, 2008	2007	2007	2006	2005 (1)	2004	
Consolidated Statement of Income Data:							
Interest income	\$ 790.1	\$ 770.5	\$ 3,205.3	\$ 2,818.1	\$ 1,910.3	\$ 1,491.4	\$ 1,388.8
Interest expense	303.6	313.4	1,323.3	1,053.4	548.9	330.6	303.9
Net interest income	486.5	457.1	1,882.0	1,764.7	1,361.4	1,160.8	1,084.9
Provision for loan losses	92.3	9.1	152.2	72.6	43.0	44.1	69.9
Net interest income after provision for loan losses	394.2	448.0	1,729.8	1,692.1	1,318.4	1,116.7	1,015.0
Noninterest income	111.0	145.4	412.3	551.2	436.9	431.5	500.7
Noninterest expense	350.1	352.0	1,404.6	1,330.4	1,012.8	923.2	893.9
Impairment loss on goodwill					0.6	0.6	75.6
Income from continuing operations before income taxes and minority interest	155.1	241.4	737.5	912.9	741.9	624.4	546.2
Income taxes	49.9	88.8	235.8	318.0	263.4	220.1	213.8
Minority interest	(1.6)	(0.7)	8.0	11.8	(1.6)	(1.7)	(7.2)
Income from continuing operations	106.8	153.3	493.7	583.1	480.1	406.0	339.6
Loss on discontinued operations (2)							(1.8)
Net income	106.8	153.3	493.7	583.1	480.1	406.0	337.8
Preferred stock dividend	2.5	3.6	14.3	3.8			
Net earnings applicable to common shareholders	\$ 104.3	\$ 149.7	\$ 479.4	\$ 579.3			