

# VECTRA BANK COLORADO

## Chronology

Vectra Bank Colorado opened its first branch in Denver in 1988 thanks to two senior banking executives who, together with a small group of investors, provided \$9.8 million in capital to form the company. Their initial objective was to acquire several strategically located, but underperforming banks, and transform them into a banking system that would provide a broad package of products and services to customers and growth potential to shareholders.

By 1991, Vectra Bank had acquired nine locations and grew its assets to \$162 million. In early 1994, it completed a public offering with net proceeds totaling approximately \$11.6 million.

In November 1995, Vectra acquired First Denver Corporation, a bank holding company whose primary operation was First National Bank of Denver. This became the company's 11<sup>th</sup> banking location. The day after Christmas, Vectra agreed to acquire by merger Bank Land Co., a Colorado bank holding company that operated and owned approximately 92 percent of Southwest State Bank in Denver.

For the next three years, Vectra continued to pursue a growth strategy with the goal of maintaining and expanding a well capitalized, customer-focused financial institution.

Meanwhile, Zions Bancorporation (Zions) entered Colorado in May 1997, seeking to increase its holdings in the state. Zions originated as Keystone Insurance and Investment Co., a Utah Corporation, in April 1955.

After initially acquiring Aspen Bancshares, Zions began acquiring the 21 independent branches that formed Vectra Banks in January 1998 – knitting together some of the most successful banks statewide. Vectra became part of the Zions group of locally managed, regional banking networks that operated in 10 Western states.

Between 2000 and 2005, Zions merged Vectra's 21 independent branches into one statewide franchise, and worked to improve their credit administration and portfolio performance. It adopted a new strategic focus to serve small and middle-market businesses, their owners and employees.

As part of this effort, Zions launched a differentiated brand and worked to reinvent the bank. It sold 11 rural/agricultural branches, centralized many operational functions, recruited new staff, and developed new dynamic sales performance systems and culture.

Additionally, it shifted from serving the rural and retail markets to more metro and commercial markets. It also began investing in high-growth business units: corporate, commercial, private banking, real estate, and executive/business banking. In 2006, Zions ranked 11<sup>th</sup> in Colorado for deposits market share.

By 2007 – poised with solid infrastructure, credit quality, competitive product set, a clear business strategy and target market – Vectra had grown to 40 branches and offices located in 26 Colorado communities.

With 575 employees, it formed two business units: community banking (23 branches, \$756 million in deposits, \$702 million in loans and nearly 66,000 accounts), and Denver metro banking (17 branches, \$914 million in deposits, more than \$1 billion in loans and nearly 51,000 accounts).

Today, Vectra offers comprehensive financial services for individuals and businesses, including personal and executive banking, trust banking, online banking, investment services and business banking through more than 40 full-service branches throughout Colorado. It is Colorado's sixth largest bank with assets of \$2.6 billion.

