UMB

UMB BRANCH CLOSING POLICY

The Federal Deposit Insurance Act ("FDI Act") requires an insured depository institution to give 90 days written notice of a branch closing to its Federal regulator and to branch customers, to post notice at the site of the branch to be closed at least 30 days prior to the actual closing, and to develop a policy with respect to branch closings. The notice to the regulator must include a detailed statement of the reasons for the decisions to close the branch and information to support those reasons.

UMB Financial Corporation ("UMBF") has adopted the following Branch Closing Policy.

I. Prior to closing a branch, the following steps must be taken:

A. The particular Bank concerned shall collect the following information during two separate 15-day periods. The periods should be recent, and if possible, it is recommended that the two periods are chosen during separate quarters.

1. Number of customers served by the branch scheduled to be closed.

2. Actual number of accounts at the branch to be closed by type. Identify the total number of accounts at the particular Bank concerned versus number of accounts at branch scheduled to be closed.

3. Number of transactions. Identify the total number of transactions at the particular Bank concerned versus the total number of transactions at the branch scheduled to be closed. If applicable, indicate total transactions by drive-up versus lobby and by ATM.

4. Identify the types of services offered at the branch scheduled to be closed.

B. Alternate banking possibilities in the immediate area.

After the above documentation has been completed, the specific needs of the customer base of the branch scheduled to be closed must be addressed and evaluated. These specific needs include:

1. Lack of transportation or accessibility of existing transportation to other Bank branches.

2. Age of customer base for neighborhood / community and any population trends for the area of the branch scheduled to be closed.

3. Hours and availability of financial institutions in the surrounding area of the branch scheduled to be closed. Also indicate business (stores, restaurants, etc.) accessibility / availability in the surrounding area of the branch scheduled to be closed

4. Cost of building maintenance of the branch to be closed versus customer need/activity.

5. Inundation of other financial institutions within the surrounding area.

Reviewing this information will allow the particular Bank concerned to determine if alternative banking features (ATM's, etc.) are needed, along with determining the overall customer base impact upon the closing of the branch.

II. Only after the "inconvenience" impact has been accessed and minimized, may the Bank close the branch. The steps in closing the facility shall be as follows:

A. Notify the appropriate Federal Regulator at least 90 days prior to the closure date. Notification shall include:

1. Identification of the branch to be closed.

2. The proposed date of closing.

3. A detailed statement of the reasons for the decision to close the branch.

4. Statistical or other information in support of such reasons consistent with the Bank's written policy for branch closing.

Note: While information furnished to the Federal Regulator must contain complete and accurate data supporting the Bank's position as to closing the particular branch concerned, care must be taken so that specific information that could reflect negatively on a particular person or group of persons is not included. Because this information could very likely be furnished to any interested parties (i.e. news media, community groups) under the Freedom of Information Act, all information included to the Federal Regulator must be reviewed by either the Legal and/or Compliance Departments of UMBF prior to its submission to the Federal Regulator.

B. Send a notice to all customers of the Bank at least 90 days prior to closing. (Notice may be included in statements, provided all customers receive the notice at least 90 days prior to closing.) In the event a Bank has categorized its accounts by branch, the notice need only be furnished to

those customers assigned to the branch scheduled to be closed. However, this is a Bank decision that needs to be carefully considered. It may be in the Bank's best interest to notify all customers. The notice to customers should:

1. State the location of the branch to be closed.

2. State the proposed date of closing.

3. Identify where customers may obtain service following the closing, OR provide a telephone number for customers to call to determine alternative sites.

C. Post a notice in the lobby of the branch to be closed at least 30 days prior to closing. The notice shall be posted in a conspicuous location and shall contain the following:

1. State the proposed date of closing.

2. Identify where customers may obtain service following that date, OR provide a telephone number for customers to call to determine such alternative sites.

D. Notify the Federal Regulator once the facility is actually closed.

Summary of Deposits

Go Back

UMB Bank, National Association

1010 Grand Boulevard
Kansas City, MO 64106

Data as of (last weekly update)

Holding Company: UMB FINANCIAL CORPORATION
FDIC Certificate Number: 8273
RSSDID: 936855
Bank Charter Class:
Current List of Offices

Selected Criteria

City Type: USPS
Data as of: June 30, 2013
Sorted by: State, County, Institution Name
Run Report

State / County / Office Address	City (USPS)	Zip	Service Type Codes	Office Number	Unique Number	Deposits ($000) for June 30, 2013
ARIZONA						
Maricopa County						
16210 N Scottsdale Rd	Scottsdale	85254	11	190	440782	61,118
Total for Maricopa County	**1 Office(s)**					**61,118**
Totals for Arizona	**1 Office(s)**					**61,118**
COLORADO						
Arapahoe County						
8190 South University Boulevard	Littleton	80122	11	200	247848	26,509
8046 West Bowles Avenue	Littleton	80123	11	201	247852	21,141
Total for Arapahoe County	**2 Office(s)**					**47,650**
Denver County						
1670 Broadway	Denver	80202	11	193	13111	417,508
1400 Wewatta St	Denver	80202	11	208	492757	25,423
703 Colorado Boulevard	Denver	80206	11	202	360256	20,029
3535 Quebec Street	Denver	80207	11	204	469273	21,903
1635 East Colfax Avenue	Denver	80218	11	203	10783	172,384
6900 East Hampden Avenue	Denver	80222	11	199	13832	84,545
Total for Denver County	**6 Office(s)**					**741,792**
El Paso County						
101 North Cascade Avenue	Colorado Springs	80903	11	205	473126	69,200
502 Security Boulevard	Colorado Springs	80911	11	198	247847	65,631
290 East Cheyenne Mountain Boulevard	Colorado Springs	80915	11	196	247845	38,512
730 Citadel Drive East	Colorado Springs	80932	11	206	14273	124,560
Total for El Paso County	**4 Office(s)**					**297,903**
Totals for Colorado	**12 Office(s)**					**1,087,345**
ILLINOIS						
Madison County						
201 East Main Street	Collinsville	62234	11	119	8630	89,333
2921 Maryville Road	Maryville	62062	11	112	2446	22,261
Total for Madison County	**2 Office(s)**					**111,594**
St. Clair County						
101 North High Street	Belleville	62220	11	116	40551	54,621
907 East Highway 50	O Fallon	62269	12	118	263062	8,384
Total for St. Clair County	**2 Office(s)**					**63,005**
Totals for Illinois	**4 Office(s)**					**174,599**
KANSAS						
Atchison County						
320 Commercial Street	Atchison	66002	11	46	203934	36,449

Total for Atchison County	**1 Office(s)**					**36,449**
Bourbon County						
324 South National	Fort Scott	66701	11	36	12383	50,218
Total for Bourbon County	**1 Office(s)**					**50,218**
Dickinson County						
400 North Broadway	Abilene	67410	11	214	3055	38,142
Total for Dickinson County	**1 Office(s)**					**38,142**
Douglas County						
1441 Wakarusa Drive	Lawrence	66049	11	48	217937	20,259
Total for Douglas County	**1 Office(s)**					**20,259**
Johnson County						
11050 Roe Avenue	Leawood	66211	11	34	217934	41,992
20652 West 151st Street	Olathe	66061	11	51	229723	23,550
18261 W 119th Street	Olathe	66061	11	186	495997	26,156
13600 Blackbob	Olathe	66062	12	142	218238	8,180
7109 West 80th Street	Overland Park	66204	11	49	217938	194,200
7128 West 119th Street	Overland Park	66213	11	44	258031	55,578
11101 W 87th Street	Overland Park	66214	11	33	217933	51,313
6960 W. 135th	Overland Park	66223	11	169	440715	44,439
6900 Mission Road	Prairie Village	66208	11	189	526497	12,607
22320 W 66th Street	Shawnee	66226	11	175	454699	28,532
Total for Johnson County	**10 Office(s)**					**486,547**
Riley County						
529 Humboldt Street	Manhattan	66502	11	212	11671	44,961
2700 Anderson Avenue	Manhattan	66502	23	213	242542	9,363
Total for Riley County	**2 Office(s)**					**54,324**
Russell County						
507 Main Street	Russell	67665	11	211	11684	55,324
Total for Russell County	**1 Office(s)**					**55,324**
Saline County						
100 South Santa Fe Avenue	Salina	67401	11	209	3182	148,976
2368 Century Plaza Drive	Salina	67401	23	210	204082	23,552
Total for Saline County	**2 Office(s)**					**172,528**
Sedgwick County						
130 North Market Street	Wichita	67202	11	54	229726	70,852
444 N. Rock Road	Wichita	67206	11	151	334409	12,102
2333 South West Street	Wichita	67213	11	170	446062	5,805
Total for Sedgwick County	**3 Office(s)**					**88,759**
Shawnee County						
2100 Southeast 29th Street	Topeka	66605	11	38	13156	94,112
2014 North Topeka Blvd	Topeka	66608	11	37	14216	17,685
5923 Southwest 29th Street	Topeka	66614	11	40	247994	15,989
Total for Shawnee County	**3 Office(s)**					**127,786**
Wyandotte County						
601 Minnesota Avenue	Kansas City	66101	11	41	3127	43,611
8300 Parallel Parkway	Kansas City	66112	11	42	204013	32,881
Total for Wyandotte County	**2 Office(s)**					**76,492**
Totals for Kansas	**27 Office(s)**					**1,206,828**
MISSOURI						
Barry County						
500 Broadway	Monett	65708	11	77	218231	81,709
Total for Barry County	**1 Office(s)**					**81,709**

	Benton County						
	707 Gunstock Drive	Warsaw	65355	11	179	230903	41,959
	Total for Benton County	**1 Office(s)**					**41,959**
	Boone County						
	1516 Chapel Hill	Columbia	65203	11	26	229715	46,298
	Total for Boone County	**1 Office(s)**					**46,298**
	Buchanan County						
	1211 N. Belt Highway	Saint Joseph	64506	11	181	476023	48,952
	3601 Mitchell	Saint Joseph	64507	11	58	227223	82,073
		2 Office(s)					
	Total for Buchanan County						**131,025**
	Cass County						
	200 State Rt C. Highway	Peculiar	64078	11	1	218219	45,925
	315 North Dean Avenue	Raymore	64083	11	177	469600	13,752
	Total for Cass County	**2 Office(s)**					**59,677**
	Clay County						
	1645 Kearney Road	Excelsior Springs	64024	12	29	229718	7,434
	4820 North Oak Trafficway	Kansas City	64118	12	162	364844	5,540
	6211 North Chestnut	Kansas City	64119	11	8	229713	88,620
	1 Victory Drive	Liberty	64068	11	22	32973	91,016
	Total for Clay County	**4 Office(s)**					**192,610**
	Cole County						
	300 Dix Road	Jefferson City	65109	11	106	14988	41,609
	Total for Cole County	**1 Office(s)**					**41,609**
	Cooper County						
	924 Main Street	Boonville	65233	11	105	227221	62,256
	Total for Cooper County	**1 Office(s)**					**62,256**
	Greene County						
	2300 North Glenstone Avenue	Springfield	65803	11	93	251731	18,362
	3828 South Freement	Springfield	65804	11	182	491164	17,987
	1150 East Battlefield Road	Springfield	65807	11	72	218226	60,797
	Total for Greene County	**3 Office(s)**					**97,146**
	Henry County						
	220 South Second Street	Clinton	64735	11	180	230905	24,793
	111 West Benton Street	Windsor	65360	11	110	8908	13,412
	Total for Henry County	**2 Office(s)**					**38,205**
	Jackson County						
	3500 South Outer Road	Blue Springs	64015	11	11	14891	61,758
	301 NW State Route 7	Blue Springs	64015	11	12	253007	40,311
	12210 S 71 Highway	Grandview	64030	11	16	1069	103,318
	13813 East 39th Street	Independence	64055	11	6	264377	39,683
	18909 East 48th Street	Independence	64055	11	50	229722	5,127
	16900 Gudgell Road	Independence	64057	11	55	229727	29,385
M	1010 Grand Boulevard	Kansas City	64106	11	0	5277	5,691,834
	1800 Grand Avenue	Kansas City	64108	11	10	238525	83,301
	3700 Woodland Avenue	Kansas City	64109	11	188	522085	3
	4001 Mill Street	Kansas City	64111	12	52	229724	4,612
	4900 Main	Kansas City	64112	11	5	229712	132,056
	1310 Carondelet Drive	Kansas City	64114	11	4	229711	144,636
	8442 Wornall	Kansas City	64114	11	171	272552	80,304
	6400 Independence Avenue	Kansas City	64125	11	13	5285	84,371
	6252 Raytown Road	Kansas City	64133	11	7	41761	95,082

	401 N.E. Rice Road	Lees Summit	64086	11	25	229714	66,307
	Total for Jackson County	**16 Office(s)**					**6,662,088**
	Jasper County						
	300 Grant Street	Carthage	64836	11	90	3033	42,573
	329 Range Line Road	Joplin	64801	11	75	218229	87,742
	2106 Maiden Lane	Joplin	64804	11	76	218230	8,371
	Total for Jasper County	**3 Office(s)**					**138,686**
	Jefferson County						
	827 Arnold Commons Drive	Arnold	63010	11	183	491165	86,119
	Total for Jefferson County	**1 Office(s)**					**86,119**
	Johnson County						
	101 North Holden Street	Warrensburg	64093	11	107	3030	91,757
	414 North Maguire Street	Warrensburg	64093	11	109	203877	8,044
	760 Arnold Avenue, Building 550	Whiteman AFB	65305	22	108	203876	8,759
	Total for Johnson County	**3 Office(s)**					**108,560**
	Linn County						
	117 West Brooks Street	Brookfield	64628	11	66	218220	62,719
	Total for Linn County	**1 Office(s)**					**62,719**
	Monroe County						
	201 North Main Street	Monroe City	63456	11	139	942	32,231
	301 North Main	Paris	65275	11	140	6802	23,775
	Total for Monroe County	**2 Office(s)**					**56,006**
	Platte County						
	8300 N.W. Prairie View Road	Kansas City	64151	11	23	9610	77,029
	Total for Platte County	**1 Office(s)**					**77,029**
	St. Charles County						
	9957 Winghaven Blvd	O Fallon	63368	11	163	430185	18,682
	1201 Regency Parkway	Saint Charles	63303	11	128	230284	24,455
C	3824 Monticello Plaza	Saint Charles	63304	23	164	430186	0
	6059 Mid Rivers Mall Drive	Saint Charles	63304	11	172	448804	14,608
	3740 Monticello Plaza	Saint Charles	63304	11	159	362023	6,752
	Total for St. Charles County	**5 Office(s)**					**64,497**
	St. Louis County						
	13969 Manchester Road	Ballwin	63011	11	173	453441	8,378
	15400 Clayton Road	Ballwin	63011	11	129	251641	18,552
	1041 South Woods Mill Road	Chesterfield	63017	11	123	230282	64,868
	12050 Dorsett Road	Maryland Heights	63043	11	121	230281	27,693
	426 North Kirkwood Road	Saint Louis	63122	11	127	230283	76,136
	1 Church Street	Saint Louis	63135	11	122	8848	86,362
	9 Brentwood Promenade Court	Saint Louis	63144	11	135	251648	31,173
	Total for St. Louis County	**7 Office(s)**					**313,162**
	St. Louis (City) County						
	2 South Broadway	Saint Louis	63102	11	111	14335	532,010
N	7700 Forsyth Suite 120	Saint Louis	63105	11	187	518286	0
	5780 South Lindbergh Boulevard	Saint Louis	63123	12	133	251646	8,673
	Total for St. Louis (City) County	**3 Office(s)**					**540,683**
	Sullivan County						
	101 South Market Street	Milan	63556	11	89	3013	21,733
	Total for Sullivan County	**1 Office(s)**					**21,733**
	Totals for Missouri	**61 Office(s)**					**8,923,776**

NEBRASKA

Douglas County

	16929 Burke Street	Omaha	68118	11	184	493351	37,897
	13790 Millard Plaza	Omaha	68137	11	174	453442	9,143
	11808 West Center Road	Omaha	68144	11	166	57661	11,927
	Total for Douglas County	**3 Office(s)**					**58,967**
	Totals for Nebraska	**3 Office(s)**					**58,967**
	OKLAHOMA						
	Oklahoma County						
C	520 North Broadway	Oklahoma City	73102	23	149	260478	0
	1217 South Agnew Street	Oklahoma City	73108	11	145	36305	74,957
	6500 North Broadway Extension	Oklahoma City	73108	11	146	32070	24,800
	204 North Robinson Avenue	Oklahoma City	73108	11	147	32719	62,333
	2079 Penn Sq	Oklahoma City	73118	11	150	16998	39,593
	Total for Oklahoma County	**5 Office(s)**					**201,683**
	Tulsa County						
	1437 South Boulder	Tulsa	74119	11	160	364201	65,438
	Total for Tulsa County	**1 Office(s)**					**65,438**
	Totals for Oklahoma	**6 Office(s)**					**267,121**

Grand Totals

Grand Totals	
Total Deposits	11,779,754
Total Offices	114
Number of States	7

LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

April 23, 2007

Community Reinvestment Act

Performance Evaluation

UMB Bank, National Association
Charter Number: 23920

1010 Grand Avenue
Kansas City, MO 64106

Office of the Comptroller of the Currency

Mid-size Banks - Blue
440 South Lasalle Street 2700
Chicago, IL 60605

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding.**

The following table indicates the performance level of **UMB Bank, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			
Low Satisfactory			X
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- The geographic distribution of loans in the Kansas City MA and the state of Kansas is excellent. In the St. Louis MA and the state of Missouri, performance is good. These four areas collectively account for 97 percent of UMB's deposits.

- The borrower distribution of loans in the Kansas City MA and St. Louis MA is good. In the state of Missouri and state of Kansas, performance is excellent.

- Excellent community development lending had a positive impact on the lending test rating.

- An excellent level of qualified investments was found in the Kansas City MA, the St. Louis MA, the state of Kansas, the state of Nebraska, and the state of Oklahoma. Investment performance in the state of Missouri is good. Current and prior period investments addressed primary community development needs in the communities in which UMB has offices.

- UMB's service delivery systems provide adequate access to low- and moderate-income geographies and individuals. The Kansas City MA, the St. Louis MA, and the state of Missouri were given the most weight in the Service Test as 83 percent of the bank's branches and 80 percent of bank deposits are located in these markets. Bank personnel provided their financial expertise though participation in community development services in each rated area.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an

employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units**.**

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

UMB Bank, National Association (UMB) is a $7.5 billion interstate financial institution headquartered in Kansas City, Missouri. UMB is a wholly owned subsidiary and serves as the lead bank of UMB Financial Corporation (UMBFC), Kansas City, Missouri, an $8.9 billion regional, multi-bank holding company. UMBFC owns and operates five other national banks, and one trust company, with 140 locations throughout Missouri, Kansas, Illinois, Oklahoma, Nebraska, Colorado, and Arizona. Additionally UMBFC owns the UMB Community Development Corporation (UMB CDC). The UMB CDC was designed to provide low-cost mortgages to developers for the purpose of rehabilitation of distressed properties and to low- and moderate-income persons for the purpose of home improvement of owner-occupied housing.

UMB is a full-service banking institution offering a wide range of products for individuals and businesses. Significant business lines include investment and cash management services, trust services for individuals and corporations, correspondent banking activity, and international banking services. The bank's primary lending focus is commercial loans followed by consumer loans.

The following financial information is reported as of December 31, 2006: The loan portfolio totaled $2.97 billion and was comprised of 60 percent commercial and commercial real estate loans, 29 percent loans to individuals, 8 percent residential real estate loans, 2 percent agriculture loans, and 1 percent other loans. Net loans represent 56 percent of total deposits and 39 percent of the bank's asset base. Tier 1 capital totaled $530 million.

UMB operates 115 banking offices throughout its 19 assessment areas (AAs) in five states – Missouri, Kansas, Illinois, Nebraska, and Oklahoma. The AAs consist of two multistate metropolitan areas in Kansas City and St. Louis; eleven other metropolitan areas in St. Joseph, Joplin, Columbia, Springfield, and Jefferson City, in Missouri; Topeka, Lawrence, and Wichita in Kansas; Oklahoma City and Tulsa in Oklahoma; Omaha in Nebraska, and six other non-metropolitan areas in Missouri and Kansas. Approximately 86 percent of the bank's deposits, 59 percent of loans (by number), and 65 percent of loans (by dollar volume) were attributed to locations in the metropolitan areas of Kansas City and St. Louis. UMB Bank Omaha, N.A. merged into UMB Bank, N.A. during this evaluation period.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its communities. The Office of the Comptroller last evaluated UMB's CRA performance on July 7, 2003. The bank received an overall rating of "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the lending test, excluding community development loans, is January 1, 2003 through December 31, 2006. Products reviewed in the lending test include home mortgage loans, small loans to businesses, and small loans to farms. We used 2005 peer lending data, the most recent data available, for home mortgages, small loans to businesses and small loans to farms to compare UMB's lending performance to other reporting lenders in the AAs.

Due to changes in metropolitan statistical area (MSA) boundaries, we separately evaluated loan data for 2003. Beginning January 1, 2004, collected HMDA and CRA data must use the newly revised MSA boundaries and definitions established by the U.S. Office of Management and Budget.

Our analysis does not include multifamily home mortgage loans. The number of reported loans for this product type is insufficient for meaningful analysis in all AAs.

We used deposit information, reported to the Federal Deposit Insurance Corporation annually, to determine the bank's deposit market share and market presences within its AAs. The most recent deposit information available is as of June 30, 2006.

The evaluation period for the investment and service tests and community development lending is July 7, 2003 through April 23, 2007. At the bank's request, we considered qualified investments made by its affiliates.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of AAs within that state was selected for full-scope reviews. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected. Every multistate metropolitan area in which the bank has branches in more than one state received a full-scope review.

Data Integrity

To assess the accuracy of the data, we conducted an independent test in October 2006 of data for home mortgage products, small loans to businesses, and small loans to farms. Our findings were that the data was accurate and could be relied upon for use in this evaluation.

We performed a review of community development loans, investments, and services. Only those activities that qualified are presented and considered in this evaluation.

Ratings

The bank's overall rating is a blend of the multistate metropolitan area ratings and state ratings. We placed more weight on the 2004-2006 evaluation periods.

We weighted the bank's CRA performance in the Kansas City multistate metropolitan area most heavily because it constitutes 63 percent of the bank's total deposit base, and 37 percent of loan originations (by number) during this evaluation period, and is the bank's headquarters. The St. Louis multistate metropolitan area followed by the state of Missouri, received the next highest weightings.

The St. Louis multistate metropolitan area represents 17 percent of total deposits and 23 percent of loan originations (by number). The state of Missouri represents 13 percent of total deposits and 24 percent of loan originations (by number). The St. Louis multistate metropolitan area received slightly more weight over the state of Missouri because it represents a larger concentration of loans, deposits, and branches in one AA, whereas activity within the state of Missouri is widespread over ten different AAs. Additionally, management considers the St. Louis AA a key market in terms of its operations.

The states of Kansas, Oklahoma, and Nebraska received the least weight in our analysis. Kansas represents 4 percent of deposits and 10 percent of loan originations (by number), Oklahoma represents 3 percent of deposits and 4 percent of loan originations (by number), and Nebraska represents less than 0.5 percent of deposits and 2 percent of loan originations (by number).

The multistate metropolitan area ratings and state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Multistate Metropolitan Area Rating

Kansas City Multistate Metropolitan Area

CRA rating for the Kansas City MO-KS MA[1]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending test performance in the Kansas City MA is excellent as evidenced by excellent overall geographic distribution and good overall borrower distribution of loans. The level of community development lending is high and positively impacted the bank's lending performance.

- The level of qualified investments is excellent. A majority of the investment dollars continues to support a complex redevelopment plan the bank initiated during a prior evaluation period. Current period investments largely support affordable housing initiatives.

- Branch distribution is adequate, providing reasonable access to banking services in low- and moderate-income geographies and to individuals of different income levels. Bank personnel provided a good level of community development services during this evaluation period.

Description of Institution's Operations in the Kansas City MA

UMB operates 39 branch offices and 161 ATMs in the Kansas City AA. The primary business focus is commercial lending. The Kansas City AA represents 63 percent of the bank's deposit base and 37 percent of loan originations (by number) and 50 percent by dollar volume. UMB ranks second in deposit market share among 119 other financial institutions in the AA. Bank deposits total $3.2 billion and represent 10 percent of the area deposits. Competition for banking services in this AA is strong. Primary competitors include Bank of America and Commerce Bank, which held deposit market shares of 11 percent and 10 percent respectively.

We conducted one community contact in the Kansas City AA with representative of a community service organization. Identified community needs are the ability to obtain banking services and financial assistance programs and services for young persons with low-and moderate income levels.

Refer to the market profile for the Kansas City Multistate MA AA in appendix C for detailed demographics and other performance context information.

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[1] This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

LENDING TEST

The bank's performance under the Lending Test is rated "Outstanding". Refer to Table 1 Lending Volume in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis gave equal weight to small loans to businesses and home mortgage loans, which account for 51 percent and 46 percent of the reported loans (by number) over the evaluation period, respectively. An analysis of UMB's small farm lending is not meaningful since this loan type represents less than 1 percent of the reported loans in the Kansas City AA. Small farm loans are not an identified credit need for this predominately metropolitan area.

Lending Activity

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of 10 percent, which ranks second in the Kansas City MSA. Of all HMDA data reported in the Kansas City MA for the year 2005, UMB ranked second in home improvement loans. And, of all CRA data reported in the Kansas City MA for the year 2005, UMB ranked 14th in loans to small businesses.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is excellent.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is good. Home improvement loans received the most weight in our analysis, followed by home refinance and home purchase loans. These loans respectively represent 58 percent, 27 percent, and 15 percent of the bank's total home mortgage lending (by number).

Penetration in moderate-income tracts is excellent in 2004-2006. The distribution of home improvement and refinance loans in moderate-income geographies, at 17 percent and 20 percent, respectively, exceed demographics which indicate that 16 percent of owner-occupied housing is located in moderate-income tracts. The distribution of home purchase loans, at 15 percent, is near to demographics. In 2003, penetration in moderate-income tracts is good. The distribution of home improvement and home purchase loans is near to demographics. The distribution of refinance loans is adequate. Market share in moderate-income tracts is consistent with the bank's overall market share.

In low-income tracts, lending opportunities are limited as less than 4 percent of all owner occupied housing units are located in low-income geographies. The bank's performance reasonably reflects area demographics. In 2004-2006, the distribution of home purchase, home improvement, and home refinance lending in low-income geographies is adequate. In 2003, the distribution of home purchase loans exceeds demographics; the distribution of home

improvement and refinance loans is adequate. Market share by product, reasonably compare to the bank's overall market share.

A geographical analysis of multifamily loans is not meaningful. During the evaluation period, UMB originated four loans.

Small Loans to Businesses

Refer to Table 6 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Penetration of small loans to businesses in low- and moderate-income geographies is excellent. In 2004-2006, area demographics show that 4 percent of small businesses are located in low-income geographies and 18 percent are located in moderate-income geographies. The bank's distribution to low- and moderate-income geographies is 6 percent and 24 percent, respectively. Distributions in both the low- and moderate-income tracts exceed demographics and market share in these tracts exceeds the bank's overall market share for small business loans. In 2003, the bank's performance is also excellent and exceeds demographics in low- and moderate-income geographies.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Kansas City AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. A substantial majority of the loans were originated within the bank's defined AAs. This positively impacts the bank's lending test performance.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of loans is good.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers of different income levels is excellent in 2004-2006.

Lending performance to moderate-income borrowers is excellent. Demographics show that 18 percent of families within the AA are moderate-income. The distribution of home purchase, home improvement, and home refinance loans to moderate-income families is above

demographics. Market shares in the moderate-income tracts exceed the bank's overall market shares for home improvement and home refinance loans and equal to the overall market share for home purchase loans. Performance in 2003 is also excellent. The distribution of home purchase, home improvement, and refinance loans exceed demographics.

Lending performance to low-income borrowers is good in 2004-2006. Demographics report that 18 percent of families are low-income. Six percent of families in the AA report income below the poverty level. Considering the percentage of families below poverty level, the distribution of home purchase and refinance loans is excellent, and the distribution of home improvement loans is good. Market shares for home purchase and refinancing loans are particularly strong to low-income borrowers and exceed the bank's overall market shares. For home improvement loans, market share to low-income borrowers substantially meets the bank's overall market share. Performance is also excellent in 2003 given the percentage of families below poverty.

Small Loans to Businesses

Refer to Table 11 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to businesses of different sizes is poor in 2004-2006. Demographics indicate 64 percent of area businesses report annual revenues of $1 million or less. Thirty-five percent of the bank's total reportable small loans to businesses were made to businesses with annual revenues of less than $1 million. The market share for loans to small businesses reasonably compares to UMB's overall market share. In 2003, performance is good. The distribution of loans to businesses with revenues of $1 million or less is adequate. However, the market share to these businesses exceeds the overall market share.

Community Development Lending

Refer to Table 1 Lending Volume in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans.

Our analysis gave positive consideration to community development lending activities. The bank's responsiveness is excellent given its size, lending capacity and area opportunities. UMB originated 155 community development loans totaling $434 million over the evaluation period, including:

- 112 loans totaling $344 million that promote economic development;
- 12 loans totaling $80 million that revitalize/stabilize low- and moderate-income areas;
- 15 loans totaling $5.5 million to organizations that provide social services targeted to low- and moderate-income individuals; and,
- 16 loans totaling $3 million for the acquisition, construction, or rehabilitation of affordable housing for low- and moderate-income families.

Community development lending performance had a positive impact on the lending test rating for the Kansas City Multistate Metropolitan Area.

Product Innovation and Flexibility

UMB offers several programs that use flexible or innovative underwriting to assist low- and moderate-income individuals or geographies. Most notable are its home improvement and home purchase lending programs, which generally offer below market rates and further subsidies of interest rates or closing costs through public and private partnerships. The success of these programs is evidenced in the bank's overall excellent borrower distribution of home mortgage lending.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding". Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UMB and its affiliates provided an excellent level of qualified investments in the Kansas City AA, which total $47 million and represented 58 percent of total CRA investments for the bank. A substantial majority of the investment dollars continues to support a complex redevelopment plan the bank initiated during a prior evaluation period. Current period investments total $15 million and primarily consisted of:

- $7 million invested in seven mortgage backed securities pools that were made to low- and moderate-income individuals in the Kansas City AA; and,
- $5 million invested in 12 bond issuances benefiting local school districts in low-and moderate-income areas in the Kansas City AA. Proceeds were used for constructing, equipping and furnishing additional classrooms as well as upgrading heating and cooling systems in designated schools that predominantly serve low- and moderate-income families.

Charitable contributions totaled $610,000 and represented donations to 37 organizations that primarily provide targeted services to low-and moderate-income individuals. More weight was given to current period investments in assigning an overall rating.

SERVICE TEST

The bank's performance under the Service Test is rated "Low Satisfactory." Refer to Table 15 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

Branch distribution is adequate, providing reasonable access to banking services in low- and moderate-income geographies and to individuals of different income levels. UMB also provides a good level of community development services in the Kansas City AA.

The percentage of branches in low-income tracts is lower than the percentage of population in those tracts. The percentage of branches in moderate-income tracts is significantly less than demographics. However, of the 34 branches in middle- or upper-income tracts, 16 are adjacent to low- and moderate-income tracts. In addition, there is one branch in a tract with no income level designation in the business district of Kansas City. These branches help provide reasonable access to residents in adjoining low- and moderate-income tracts.

During the evaluation period, UMB opened five and closed seven branches. Two branches were opened and two branches were closed in moderate-income tracts. Branch openings and closings did not adversely affect the accessibility of the bank's delivery systems.

The percentage of ATMs in low- and moderate-income tracts is slightly less than the percentage of population in those tracts. The percentage of ATMs in these geographies doubled during the evaluation period. This was due primarily to the re-drawing of census tract boundaries in 2004. Of UMB's 128 ATMs in middle- or upper-income tracts, 50 are adjacent to low- and moderate-income tracts, which help provide reasonable access to these areas.

There is no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and individuals. A majority of branches and several drive-up facilities offer extended hours on Friday and Saturday. A majority of ATMs offer 24-hour service.

Other alternative delivery systems offered by UMB include:

- Electronic banking: Customers can access deposit accounts to check balances, view transactions, transfer funds, view imaged checks, reorder checks, conduct transfers between accounts and complete a mortgage application 24 hours per day, seven days per week through the bank's Internet site. Bill payment is offered for a fee. UMB also offers a telephone banking service that allows 24-hour access to accounts.

- Bank by Mail: Allows customers to mail deposits, payments and messages to the bank.

The bank does not maintain information to demonstrate the effectiveness or impact of the alternative delivery systems in low- or moderate-income geographies or use of these systems by low- and moderate-income individuals. Therefore, these services did not impact the service test rating for the Kansas City MA.

Community Development Services

UMB provided a good level of community development services in the Kansas City MA.

UMB bank staff provided their financial expertise to 60 different organizations that promote community development initiatives in the AA. Over half of the organizations provide community services to low- and moderate-income individuals such as youth and senior citizen programs, food pantries, job training, and health care. Other community development services provided by bank staff were to organizations that helped revitalize and stabilize low- and moderate-income geographies and provide affordable housing.

UMB offers Electronic Transfer Accounts to individuals who receive periodic payments from the federal government. These accounts support the government's initiative to improve access to financial services and encourage low- and moderate-income individuals to establish accounts to receive their payments. UMB also participates in the Temporary Aid to Needy Families program in which electronic cards are used to distribute benefits to persons without direct deposit accounts. Recipients can access their benefits through UMB's ATMs.

UMB offers government check cashing services. Customers can cash government checks, regardless of amount. Non-customers may cash government checks up to $500 for a small fee, established to be more cost effective than similar services offered by area non-bank check cashers.

UMB provides public fund and cash management services to multiple organizations that primarily serve low- and moderate-income individuals and help revitalize and stabilize low- and moderate-income geographies. Cash management services include technical assistance. These services are provided at either reduced or waived fees.

Multistate Metropolitan Area Rating

St. Louis Multistate Metropolitan Area

CRA rating for the St. Louis MO-IL MA[2]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: High Satisfactory

The major factors that support this rating include:

- Lending test performance in the St. Louis AA is excellent as evidenced by an overall good geographic and borrower distribution of loans. The level of community development lending is high and positively impacted the bank's lending performance.

- UMB demonstrated responsiveness to community development needs with an excellent level of qualified investments. A substantial majority of the investment dollars supports affordable housing initiatives. Affordable housing was identified as a primary need within the AA.

- Branch distribution is accessible to geographies and individuals of different income levels. Bank personnel provided a relatively high level of community development services during this evaluation period.

Description of Institution's Operations in the St. Louis MA

UMB operates 28 branch offices and 67 ATMs in the AA. The primary business focus in the St. Louis AA is home mortgage lending followed by commercial and small business lending. St. Louis AA represents 17 percent of the bank's deposit base and 23 percent of loan originations (by number). UMB ranks 10th in deposit market share among 97 financial institutions with a presence in the St. Louis AA. Bank deposits total $860 million and represent 2 percent of AA deposits. Strong competition for banking services exists in this market. Primary competitors include U.S. Bank, Bank of America, and Commerce Bank, which held deposit market shares of 18 percent, 15 percent, and 8 percent respectively.

We conducted one community contact in the St. Louis MA with a representative of a city housing organization. Identified community credit needs within the AA include home repair for the city's aging housing stock and affordable housing.

Refer to the market profile for the St. Louis Multistate AA in appendix C for detailed demographics and other performance context information.

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[2] This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

LENDING TEST

The bank's performance under the Lending Test is rated "Outstanding." Refer to Table 1 Lending Volume in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis in this area gave the most weight to home mortgage loans, followed by small loans to businesses. Home mortgage and small loans to business respectively account for 71 percent and 26 percent of the reported loans (by number) over the evaluation period. An analysis of UMB's small farm lending was not performed since this loan type represents less than 1 percent of the reported loans in the St. Louis AA. Small farm loans are not an identified credit need for this predominately metropolitan area.

Lending Activity

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of 2 percent, which ranks 10th in the St. Louis AA. Of all HMDA data reported in the St. Louis AA for the year 2005, UMB ranked 10th in home improvement loans. And, of all CRA data reported in the St. Louis AA for the year 2005, UMB ranked 18th in small business loans.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is good. Home mortgage loans carry the most weight as they represent 71 percent of reported loans in the MA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is good. Home improvement loans received the most weight in our analysis as they represent 80 percent of the bank's home mortgage lending (by number) in this area. Home purchase and refinancing loans represent 6 percent and 14 percent respectively.

Penetration in the moderate-income tracts is excellent in 2004-2006. Area demographics indicate that 17 percent of owner occupied housing units are located in moderate-income geographies. The bank's distribution of home purchase, home improvement, and home refinance loans in moderate-income areas was 23 percent, 19 percent, and 20 percent, respectively. The market shares for all three home mortgage products in moderate-income tracts are consistent with the bank's overall market share. Performance is also excellent in 2003. The distribution of home improvement and home purchase loans exceeds demographics. The distribution of refinance loans is adequate.

Penetration in low-income tracts is adequate. Lending opportunities are limited with less than 4 percent of owner-occupied housing located in low-income geographies. The bank's distribution of home purchase, home improvement, and home refinance loans in low-income

geographies is adequate in 2004-2006. In 2003, the distribution of home purchase and home improvement loans is poor. The distribution of refinance loans is very poor.

A geographical analysis of multifamily loans is not meaningful. One loan was originated during our evaluation period.

Small Loans to Businesses

Refer to Table 6 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The distribution of small loans to businesses in moderate-income geographies is excellent in 2004-2006. The distribution in moderate-income areas exceeds demographics. Nineteen percent of area businesses are located in moderate-income geographies. Twenty percent of the bank's reportable loans were originated to businesses located within moderate-income tracts. In 2003, performance in moderate-income areas is also excellent and exceeds demographics.

The distribution of loans in low-income geographies is good. In 2004-2006, performance is near to demographics. Just over 5 percent of area businesses are located in low-income geographies. The bank originated just short of 5 percent of all reportable loans in low-income geographies. In 2003, the distribution of loans in low-income areas is adequate.

Market shares in both low- and moderate-income geographies meet or exceed the bank's overall market share of reported small loans to businesses.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the St. Louis AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. A substantial majority of the loans were inside the bank's stated AAs. This positively impacts the lending test performance.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of loans is good.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home purchase, home improvement, and home refinance loans to borrowers of different income levels is excellent.

Performance with moderate-income borrowers is excellent in 2004-2006. Demographics indicate that 18 percent of families report moderate-income levels. The distribution of home purchase, home improvement, and home refinance loans to moderate-income borrowers was 27 percent, 25 percent, and 30 percent, respectively. In 2003, the distribution of home purchase, home improvement, and refinance loans is excellent and exceeds demographics.

Performance with low-income borrowers is excellent in 2004-2006 considering the percentage of families below the poverty level. Low-income families comprise 19 percent of families within the assessment area with 8 percent reporting income below the poverty level. Distributions of home purchase, home improvement, and home refinance loans to low-income borrowers are 18 percent, 10 percent, and 17 percent, respectively. In 2003, performance is good considering the percentage of families below poverty.

Small Loans to Businesses

Refer to Table 11 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

In 2004-2006, the distribution of loans to businesses of different sizes is poor with 38 percent of reported loans made to small businesses, compared to 65 percent of all businesses for whom revenue information is available reporting income of less than $1 million. In 2003, the distribution of loans to businesses with revenues of $1 million or less is adequate.

Community Development Lending

Refer to Table 1 Lending Volume in the Multistate Metropolitan Areas section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Our analysis gave positive consideration to community development lending activities. The bank's responsiveness is excellent given its size, lending capacity and area opportunities. UMB originated 148 community development loans totaling $274 million over the evaluation period, including:

- 46 loans totaling $139 million that promote economic development;
- 38 loans totaling $80 million that revitalize/stabilize low- and moderate-income areas;
- 31 loans totaling $45 million to organizations that provide social services targeted to low- and moderate-income individuals; and,
- 33 loans totaling $10 million for the acquisition, construction or rehabilitation of affordable housing for low- and moderate-income families.

Community development lending performance had a positive impact on the lending test rating for the St. Louis Multistate Metropolitan Area.

Product Innovation and Flexibility

UMB offers several programs that use flexible or innovative underwriting to assist low- and moderate-income individuals or geographies. Most notable are its home improvement and home purchase lending programs, which generally offer below market rates and further subsidies of interest rates or closing costs through public and private partnerships. The success of these programs is evidenced in the bank's overall excellent home mortgage lending distributions.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding". Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UMB and its affiliates provided an excellent level of qualified investments in the St. Louis MA, which total $11 million and represented 13 percent of total CRA investments for the bank. Current period investments primarily consist of:

- $3.8 million invested in 23 projects within the St. Louis AA by UMB Community Development Corporation (CDC), a subsidiary of UMBFC. The purpose of the CDC is to provide financing for affordable housing initiatives. Specific focus is on providing low-cost financing to developers for either new construction or the rehab of properties in low- and moderate-income (LMI) areas to promote revitalization and/or stabilization efforts. The CDC also provides financing for home repairs to either LMI borrowers or in LMI areas targeted for revitalization;
- $2.3 million invested in two mortgage backed securities pools that were made to low- and moderate-income individuals in the St. Louis AA;
- $1.8 million invested in two Industrial Revenue Bonds (IRB) that provided permanent financing for a community development organization to purchase a new building. The IRB was made in conjunction with the St. Charles County Economic Development Corporation; and
- $1.3 million invested in St. Louis Equity Funds. The Funds finance the new construction or renovation of affordable rental housing using low-income housing tax credits.

Charitable contributions totaled $979,000 and represented donations to approximately 116 organizations that primarily provide affordable housing, assist with revitalization areas, and offer targeted services to low-and moderate-income individuals including area youths.

SERVICE TEST

The bank's performance under the Service Test is rated "High Satisfactory." Refer to Table 15 in the Multistate Metropolitan Areas section of appendix D for the facts and data used to

evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

UMB's branch delivery systems are accessible to geographies and individuals of different income levels. UMB also provided a high level of community development services in its AA.

The percentage of branches in moderate-income tracts is slightly higher than the percentage of population residing in those tracts. The percentage of branches in these geographies tripled during the examination period. This was due primarily to the re-drawing of census tract boundaries in 2004. UMB does not have any branches in low-income tracts. However, four of the 20 branches in middle- or upper-income tracts are adjacent to low- or moderate-income tracts, which help to provide reasonable access to residents in those areas.

During the evaluation period, UMB opened three and closed four branches. No branches were opened or closed in low- or moderate-income areas. Branch opening and closings did not adversely affect the accessibility of UMB's delivery systems to low- and moderate-income areas.

The percentage of ATMs in low- and moderate-income tracts is slightly higher than the percentage of population in those tracts. Of the 41 ATMs in middle- or upper-income tracts, five are adjacent to low- or moderate-income tracts, which help provide reasonable access to residents in those areas.

There is no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and individuals. A majority of branches and several drive-up facilities offer extended hours on Friday and Saturday. A majority of ATMs offer 24-hour service.

Refer to the Service Test comment for the Kansas City AA for details on other alternative delivery systems offered by UMB.

Community Development Services

UMB provided a relatively high level of community development services in the St. Louis MA.

UMB bank staff provided their financial expertise to 98 different organizations that promote community development initiatives in the AA. The majority of the organizations provide community services to low- and moderate-income individuals such as programs for youth, single parent families, senior citizens, and the disabled. Financial education training targeted to low- and moderate-income individuals is also provided. Other community development services provided by bank staff were to organizations that helped revitalize and stabilize low- and moderate-income geographies and provide affordable housing.

UMB provides public fund and cash management services to multiple organizations that primarily serve low- and moderate-income individuals and help revitalize and stabilize low- and moderate-income geographies. Cash management services include technical assistance. These services are provided at either reduced or waived fees.

Refer to the Service Test comment for the Kansas City AA for details on community development services offered by UMB via Electronic Transfer Accounts, and Temporary Aid to Needy Families.

State Rating

State of Missouri

CRA Rating for Missouri[3]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: High Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

- UMB demonstrated excellent performance in lending to low- and moderate-income individuals. Performance in low- and moderate-income geographies is good. The level of community development lending is high and positively impacted the bank's lending performance.

- UMB provided a good level of community development investments in the state of Missouri. Performance in the St. Joseph MA is adequate. Qualified investments addressed the need of affordable housing for low- and moderate-income families. Based on limited-scope reviews, the bank's performance in Joplin, Springfield, and Jefferson City MAs, and the non-MA combined AA is stronger than the bank's performance in the St. Joseph MA and had a positive impact on the bank's overall Investment Test rating for the state of Missouri.

- Branch distribution is accessible to geographies and individuals of different income levels. Performance in the St. Joseph MA is excellent. Based on limited-scope reviews, the bank's performance in Joplin, Jefferson City, and the non-MA combined AA is weaker than the bank's performance in the St. Joseph MA. This had a negative impact on the bank's overall Service Test rating for the state of Missouri. Bank personnel provided an adequate level of community development services during this evaluation period.

Description of Institution's Operations in Missouri

UMB operates 31 branches and 59 ATMs within its AAs in the state of Missouri. The Missouri AAs include five metropolitan areas: Columbia, Jefferson City, Joplin, Springfield, and St. Joseph; and four non-metropolitan areas Central Missouri, Northeast Missouri, North Central Missouri, and Monett. The state of Missouri AAs represents 13 percent of the bank's deposit base and 24 percent of loan originations (by number).

UMB ranks seventh in deposit market share among 127 financial institutions operating in its Missouri AAs. Bank deposits total $651 million and represent 3 percent of the State of

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[3] For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Missouri AAs deposits. Major competitors are Great Southern Bank, Commerce Bank and U.S. Bank, with 8 percent, 7 percent , and 6 percent of the market respectively.

Refer to the market profile for the St. Joseph AA in appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

Scope of Evaluation in Missouri

We evaluated the bank's performance in the State of Missouri by performing a full-scope review in the St. Joseph MA and limited-scope reviews in the Columbia, Jefferson City, Joplin, Springfield, and the combined non-metropolitan areas. The state rating is primarily based on performance in the St. Joseph MA.

The St. Joseph MA represents 16 percent of deposits and 11 percent of loan originations (by number) in the State of Missouri. UMB operates four branch offices and six ATMs in the AA. UMB ranks sixth in deposit share among 13 financial institutions with a presence in the St. Joseph AA. Bank deposits total $107 million and represent 7 percent of AA deposits.

We conducted one community contact in the St. Joseph MA with a department of the city government that oversees the HUD grant programs. Affordable housing, specifically home purchases, was identified as the primary credit need of this area.

Refer to the performance tables in appendix A for additional information.

LENDING TEST

The bank's performance under the Lending Test is rated "Outstanding." Refer to Table 1 Lending Volume in the state of Missouri section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis in the St. Joseph AA gave the most weight to home mortgages, followed by small loans to businesses and small loans to farms. All home mortgage loans, small loans to businesses, and small loans to farms respectively account for 59 percent, 32 percent, and 9 percent of the reported loans (by number) over the evaluation period.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, performance in the St. Joseph MA is rated "Outstanding".

Lending Activity

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of 7 percent, which ranks sixth in the St. Joseph MA. Of all HMDA data reported in the St. Joseph MA for the year 2005, UMB ranked eighth in home improvement loans. And, of all CRA data reported in the St. Joseph MA for the year 2005, UMB ranked 15th in small business loans.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans is good based on performance in moderate-income tracts. There are no low-income tracts in the St. Joseph MA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the State of Missouri section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of reported home mortgage loans is good. Home improvement and home refinance loans received the most weight in our analysis, followed by home purchase loans. These loans respectively represent 44 percent, 32 percent, and 24 percent, respectively, of the bank's total home mortgage lending (by number) in this area.

Penetration in moderate-income tracts is good in 2004-2006. Ten percent of all home improvement loans were originated in moderate-income geographies. This compares favorably to area demographics which indicate that 9 percent of owner-occupied housing is located in moderate-income geographies. Distribution of home purchase and refinance loans is good and adequate, respectively. Market share in moderate-income geographies exceeds the bank's overall market share for both home purchase and home improvement loans. In 2003, penetration in moderate-income tracts is excellent. The distribution of home purchase, home improvement, and refinance loans is above demographics.

A geographical analysis of multifamily loans is not meaningful. UMB made one loan during our evaluation period.

Small Loans to Businesses

Refer to Table 6 in the State of Missouri section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Performance in moderate-income areas is excellent in 2004-2006. Eighteen percent of all businesses are located in moderate-income geographies. Twenty percent of the bank's reported business loans were originated in moderate-income geographies. In 2003, performance is also excellent in moderate-income areas and the distribution of loans is above demographics. Market share in moderate-income geographies exceeds the bank's overall market share.

Small Loans to Farms

Refer to Table 7 in the State of Missouri section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

The distribution of small loans to farms in the moderate-income areas is adequate in 2003-2006 considering the limited lending opportunities. Of the 55 small farm loans originated

during the evaluation period, none were in the moderate-income tracts. However, only 12 farms are located in the five moderate-income tracts.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in moderate-income areas. We did not identify any conspicuous lending gaps in the St. Joseph AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. In the state of Missouri, over 90 percent of loans were within the AAs.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of loans is excellent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of Missouri section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers of different income levels is excellent on 2004-2006. Performance with moderate-income borrowers is excellent. Area demographics indicate that 18 percent of families report moderate-income levels. The bank's distribution of home purchase, home improvement, and home refinance loans to moderate-income borrowers was 33 percent, 26 percent, and 28 percent, respectively. In 2003, performance is good. The distribution of home improvement loans exceeds demographics. The distribution of home refinance loans is near to demographics. UMB originated six home purchase loans in 2003; however, none were to moderate-income borrowers.

Performance with low-income borrowers is excellent in 2004-2006 considering the percentage of families below the poverty level. Area demographics indicate that 18 percent of all families report low-income levels. The distribution of home purchase, home improvement, and home refinance loans were 13 percent, 10 percent, and 16 percent, respectively. Eight percent of families are below the poverty level. In 2003, the distribution of home improvement and refinance loans is good considering the percentage of families below poverty. No home purchase loans were made to low-income borrowers.

Small Loans to Businesses

Refer to Table 11 in the State of Missouri section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is good in 2004-2006. Sixty-one percent of all businesses for which information was available reported revenue of $1 million or

less. Fifty-two percent of the bank's reported loans were originated to small businesses. In 2003, the distribution of loans is excellent and above demographics. Market share for these loans exceeds the bank's overall market share.

Small Loans to Farms

Refer to Table 12 in the State of Missouri section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

The distribution of loans to farms of different sizes is excellent in 2004-2006. One hundred percent of reportable small farm loans were originated to farms with annual revenues of $1 million or less. This exceeds area demographics which indicate that 97 percent of all farms are small farms. The bank's market share for these loans also exceeds its overall market share. In 2003, performance is good and the distribution of loans is near to demographics.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Missouri section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Our analysis gave positive consideration to community development lending activities. UMB originated one community development loan to a small business totaling $4.5 million in the St. Joseph MA. The loan facilitated economic development by providing 29 jobs for low- or moderate-income individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in 2004-2006 under the lending test in the combined non-metropolitan areas is not inconsistent with the bank's overall "Outstanding" performance under the lending test in Missouri. In Joplin, Springfield, Columbia, and Jefferson City MAs, performance is weaker than the bank's overall performance in the state. The bank's performance in these MAs is good.

In 2003, performance in the Joplin, Springfield, Columbia, and Jefferson City MAs, and in the combined non-metropolitan areas is also weaker than the bank's overall performance in the state. In the Joplin and non-MAs, performance is good. In the Springfield, Columbia, and Jefferson City AAs, performance is adequate. This performance does not impact the overall conclusions.

Product Innovation and Flexibility

UMB offers several programs that use flexible or innovative underwriting to assist low- and moderate-income individuals or geographies. Most notable are its home improvement and home purchase lending programs, which generally offer below market rates and further

subsidies of interest rates or closing costs through public and private partnerships. The success of these programs is evidenced in the bank's overall excellent borrower distribution of home mortgage lending.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Missouri is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the St. Joseph MA is adequate. Based on limited-scope reviews, the bank's performance in Joplin, Springfield, and Jefferson City MAs, and the non-MA combined AA is stronger than the bank's performance in the St. Joseph MA and had a positive impact on the bank's overall Investment Test rating for the state of Missouri. Refer to Table 14 in the state Missouri section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period for the St. Joseph MA, charitable donations total $54,000 to four local organizations that offer services targeted to low- and moderate-income individuals and families.

We gave positive consideration in this AA for MHDC (Missouri Housing Development Commission) bonds totaling $9 million. This bond program provides low- and moderate-income individuals/families with the opportunity to purchase single family residences within the state of Missouri. This investment has the potential to benefit the St. Joseph MA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the combined Joplin, Springfield, and Jefferson City MAs, and in the non MA AA is stronger than the bank's overall "High Satisfactory" performance in the state of Missouri. Performance in these AAs had a positive impact on the bank's overall Investment Test rating for the state of Missouri.

The bank's investment performance for the Columbia MA is weaker than its overall performance for the state of Missouri due to the limited number and amount of qualified investments made. Performance in this AA is considered poor and did not adversely impact the overall rating for the state of Missouri.

We gave positive consideration for MHDC bonds totaling 9 million, which have the potential to benefit the limited-scope AAs in the state of Missouri. Refer to comments under "Conclusions for Areas Receiving Full-Scope Reviews" for additional detail.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Missouri is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the St. Joseph is excellent. Based on limited-scope reviews, the bank's performance in the Joplin and Jefferson City MAs, and the non-MA combined AA is weaker than the bank's performance in the St. Joseph MA and had a negative impact on the bank's overall Service Test rating for the state of Missouri. Refer to Table 15 in the state of Missouri section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

UMB's service delivery systems are readily accessible to geographies and individuals of different income levels in the St. Joseph AA. The level of community development services provided by bank staff is adequate.

The bank operates four branches and six ATMs within the St. Joseph MA. Two branches and one ATM are located in moderate-income geographies. The distribution exceeds the percentage of population residing in moderate-income geographies. In addition, one of the four branches and one of the four ATMs in middle- or upper-income tracts are adjacent to moderate-income tracts. The St. Joseph MA does not have any low-income geographies. UMB did not open any branches and closed one branch in an upper-income area during the evaluation period. The branch closing did not adversely affect the accessibility of the bank's delivery systems.

There is no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and individuals. Drive-up facilities offer extended hours on Friday and Saturday and ATMs offer 24-hour service.

Refer to the Service Test comment for the Kansas City AA for details on other alternative delivery systems offered by UMB.

Community Development Services

UMB provided an adequate level of community development services in the St. Joseph AA.

UMB bank staff provided their financial expertise to three different organizations that promote community development initiatives in the AA. One organization provides community services targeted to low- and moderate-income individuals. One organization provides affordable housing and one organization helps revitalize and stabilize low- and moderate-income geographies.

Refer to the Service Test comment for the Kansas City AA for details on community development services offered by UMB via Electronic Transfer Accounts and Temporary Aid to Needy Families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Columbia and Springfield MAs is not inconsistent with the bank's overall "High Satisfactory"

performance under the service test in Missouri. In the Joplin and Jefferson City MAs, and the combined non-metropolitan areas, the bank's performance is weaker than the bank's overall performance in the state. Performance is considered weaker because there are no branches in the low- and moderate-income tracts of these AAs. Weaker performance had a negative impact on the bank's overall Service Test rating for the state of Missouri since these AAs represent 64 percent of deposits in the state.

State Rating

State of Kansas

CRA Rating for Kansas[4]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: Outstanding

The major factors that support this rating include:

- UMB demonstrates excellent performance in lending to low- and moderate-income geographies, and to low- and moderate-income borrowers and small businesses.

- Performance under the investment test is excellent. UMB made qualified investments and charitable contributions totaling $512,000 to agencies that provide community services for low- and moderate-income individuals and affordable housing in the Topeka MA. These contributions positively impacted the identified AA needs.

- Branch distribution is readily accessible to geographies and individuals of different income levels.

Description of Institution's Operations in Kansas

UMB operates 11 branches and 12 ATMs within five AAs in the State of Kansas. The Kansas AAs include three metropolitan areas: Topeka, Lawrence, and Wichita; and two non-metropolitan areas: Atchison and Fort Scott. The State of Kansas AAs represents 4 percent of the bank's total deposits and 11 percent of loan originations (by number).

UMB ranks 15th in deposit market share among 73 financial institutions operating in the Kansas AAs. Bank deposits total $189 million and represent approximately 2 percent of the market. Major competitors are Capitol Federal Savings, Intrust Bank, and Bank of America with 16 percent, 15 percent, and 10 percent of the market respectively.

Refer to the market profile for the Topeka AA in Appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

Scope of Evaluation in Kansas

We evaluated the bank's performance in the State of Kansas by performing a full-scope review in the Topeka AA and limited-scope reviews in the Lawrence and Wichita MAs and the

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[4] For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

combined non-metropolitan areas. The state rating is primarily based on the performance in the Topeka AA, however, since the limited-scope AAs represented a substantial portion of the bank's lending and investment activities, the performance in these AAs impacted the final rating assigned to the State of Kansas.

The Topeka AA represents 45 percent of deposits and 19 percent of loan originations (by number) in the state. UMB operates four branch offices and five ATMs in the AA. The primary business focus in the Topeka AA is commercial lending. UMB ranks ninth in deposit market share among 20 financial institutions with a presence in the Topeka AA. Bank deposits total $84 million and represent 2 percent of area deposits.

We conducted one community contact in the Topeka AA with an Assistant Director of Housing and Neighbor Development for the City of Topeka. Our contact identified financial education for young people and home improvement lending as primary needs within the community.

Refer to the performance tables in appendix A for additional information.

LENDING TEST

The bank's performance under the Lending Test is rated "Outstanding". Refer to Table 1 Lending Volume in the State of Kansas section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis in the Topeka AA gave equal weight to home mortgages and small loans to businesses. Home mortgages and small loans to businesses respectively account for 50 percent and 49 percent of the reported loans (by number) over the evaluation period. An evaluation of UMB's small farm lending was not performed since this loan type represents less than 1 percent of the reported loans in the Topeka AA. Small farm loans are not an identified credit need for this predominately metropolitan area.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, performance in the Topeka AA is rated "Outstanding".

Lending Activity

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of 2 percent, which ranks ninth in the Topeka AA. Of all HMDA data reported in the Topeka AA for the year 2005, UMB ranked fifth in home improvement loans. Of all CRA data reported in the Topeka AA for the year 2005, UMB ranked 11th in loans to small businesses.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is excellent based primarily on performance in moderate-income tracts. The Topeka AA contains only one low-income tract.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the State of Kansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Overall, the geographic distribution of home mortgage loans is excellent in 2004-2006. Penetration in moderate-income tracts is excellent. The distribution of home improvement, home purchase, and home refinance loans to moderate-income geographies was 24, 29, and 26 percent, respectively. This exceeded area demographics which indicate that 22 percent of all owner-occupied housing is located in moderate-income tracts. In 2003, performance is good. The distribution of home purchase and refinance loans is above demographics. However, there were no home improvement loans made in moderate-income areas.

Distribution in the one low-income tract is poor. UMB did not originate any home mortgage loans in this tract over the evaluation period. This did not adversely impact the bank's rating as lending opportunities in low-income areas are very limited. Less than 1 percent of owner-occupied housing units are located in the low-income tract.

A geographical analysis of multifamily loans is not meaningful. UMB made two loans during the evaluation period.

Small Loans to Businesses

Refer to Table 6 in the State of Kansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Overall, the geographic distribution of small loans to businesses is excellent in 2004-2006. Performance in moderate-income tracts is excellent. Twenty percent of all businesses are located in moderate-income geographies. Twenty percent of all reportable loans were originated to businesses located in moderate-income geographies. In 2003, performance is adequate.

Performance in low-income areas is also excellent in 2004-2006. Fifteen percent of the bank's reportable loans were originated in low-income geographies. Demographics indicate that 14 percent of all businesses are located in the low-income geography. In 2003, performance is good and the percentage of bank loans is near to demographics. Market share in the low-income tract exceeds the bank's overall market share of loans to small businesses.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in moderate-income areas. We did not identify any conspicuous lending gaps in the Topeka AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. In the state of Kansas, over 80 percent of loans are within the AAs.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by borrower income level is excellent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of Kansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers of different income levels is excellent in 2004-2006. The bank's pattern of lending to moderate-income borrowers is excellent. Area demographics indicate that 15 percent of all families are moderate-income. The distribution of home improvement, home purchase, and home refinance loans to moderate-income borrowers was 29 percent, 26 percent, and 26 percent, respectively. The bank's performance significantly exceeds demographics. In 2003, performance is good. The distribution of home improvement and refinance loans exceeds demographics. However, the distribution of home purchase loans is poor.

Performance with low-income borrowers is also excellent in 2004-2006. Six percent of families have incomes below the poverty level. Area demographics indicate that 13 percent of all families are low-income. The low-income distributions for home purchase and refinancing loans exceed area demographics at 17 percent and 15 percent, respectively. Distribution of home improvement loans is reasonable when compared to demographics with 10 percent of reportable loans originated to low-income borrowers. In 2003, performance is adequate. The distribution of home purchase and home improvement loans exceeds demographics. The distribution of refinance loans, which make up 50 percent of home mortgage loans in 2003, is poor.

Small Loans to Businesses

Refer to Table 11 in the State of Kansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is excellent in 2004-2006. Sixty percent of all businesses for whom income information was available reported income of $1 million or less. Similarly, 60 percent of the bank's reportable loans were made to small businesses. In 2003, the distribution of loans is also excellent and exceeds demographics. The market share for loans to small businesses exceeds the bank's overall market share for loans to small businesses.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Kansas section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Our analysis gave neutral consideration to community development lending activities. UMB did not report any community development loans within the Topeka MA.

Product Innovation and Flexibility

UMB offers several programs that use flexible or innovative underwriting to assist low- and moderate-income individuals or geographies. Most notable are its home improvement and home purchase lending programs, which generally offer below market rates and further subsidies of interest rates or closing costs through public and private partnerships. The success of these programs is evidenced in the bank's overall excellent borrower distribution of home mortgage lending.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in 2004-2006 under the lending test in the Wichita and Lawrence AAs and in the combined non-metropolitan areas is not inconsistent with the bank's overall "Outstanding" performance under the lending test in Kansas. In 2003, the bank's performance in the Wichita AA is not inconsistent with the overall rating. However, in the Lawrence and combined non-metropolitan areas, performance is weaker than the bank's overall performance in the state. In the Lawrence AA, the overall geographic distribution of loans is adequate and the borrower distribution of loans is good. In the combined non-metropolitan areas, the geographic distribution of loans is good. This performance does not impact the overall conclusions.

INVESTMENT TEST

The bank's performance under the investment test in Kansas is rated "Outstanding." Based on a full-scope review, the bank's performance in the Topeka AA is good. Based on limited-scope reviews, the bank's performance in the Wichita and Lawrence MAs, and the non-MA combined AA is stronger than the bank's performance in the Topeka MA and had a positive impact on the bank's overall Investment Test rating for the state of Kansas. Refer to Table 14 in the state of Kansas section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UMB provided $512,000 in qualified investments and donations in the Topeka AA during the current assessment period. Investments address community development needs, including community services for low- and moderate-income individuals and affordable housing.

Significant qualified investments and donations occurring during the evaluation period are as follows:

- $490,000 invested in mortgage backed securities that were made to low- and moderate-income borrowers in the Topeka AA; and,
- $15,000 in donations to an organization that provides physical, occupational, and speech-language therapy to low- and moderate-income individuals.

Conclusion for Areas Receiving Limited Scope Review

Based on limited-scope reviews, the bank's performance under the investment test in the Lawrence and Wichita MAs, and the combined non-MA is not inconsistent with the bank's overall "Outstanding" performance. The bank provided a combined total of $3.3 million, including prior period investments of $2 million in qualified investments and donations in the limited scope AAs during this evaluation period. Combined limited-scope AAs represents 55 percent of deposits in the state of Kansas.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Kansas is rated "Outstanding." Based on a full-scope review, the bank's performance in the Topeka AA is excellent. Refer to Table 15 in the state of Kansas section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

UMB's service delivery systems are readily accessible to geographies and individuals of different income levels in the Topeka AA. The level of community development services provided by bank staff is adequate.

The distribution of branches and ATMs in moderate-income tracts exceeds the percentage of population residing in those tracts. There are no branches in low-income tracts. However, there is only one low-income geography in the AA and less than 2 percent of the population resides in this tract. Therefore, more weight is placed on performance in moderate-income geographies. There is one ATM in a low-income tract. UMB has not opened or closed any branches in the Topeka AA during the evaluation period.

There is no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences the AA, particularly low- and moderate-income geographies and individuals. Drive-up facilities offer extended hours Monday through Friday, and ATMs offer 24-hour service.

Refer to the Service Test comment for the Kansas City AA for details on other alternative delivery systems offered by UMB.

Community Development Services

UMB provided an adequate level of community development services in the Topeka AA.

UMB bank staff provided their financial expertise to four different organizations that promote community development initiatives in the AA. Three organizations provide community services targeted to low- and moderate-income individuals. The other organization helps revitalize and stabilize low- and moderate-income geographies.

Refer to the Service Test comment for the Kansas City AA for detail on community development services offered by UMB via Electronic Transfer Accounts and Temporary Aid to Needy Families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Wichita MA and the combined non-MA AAs is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Kansas. In the Lawrence MA, performance is weaker than the bank's overall performance in the state. Performance is weaker because there are no branches in low- or moderate-income tracts. However, the Lawrence MA represents less than 10 percent of deposits in the state with only one branch and does not have a negative impact on the overall Service Test rating.

State Rating

State of Oklahoma

CRA Rating for Oklahoma[5]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- UMB demonstrates excellent performance in lending to low- and moderate-income geographies and to low- and moderate-income individuals and small businesses. The level of community development lending is high and positively impacted the bank's lending performance.

- Performance under the investment test is excellent. UMB made qualified investments and charitable contributions totaling $1.1 million to agencies that provide community services to low- and moderate-income individuals. These contributions positively impacted the identified needs of the AA.

- Branch distribution is reasonably accessible to geographies and individuals of different income levels.

Description of Institution's Operations in Oklahoma

UMB operates five branches and seven ATMs within two AAs in the State of Oklahoma. The Oklahoma AAs include two metropolitan areas: Oklahoma City and Tulsa. Three percent of the bank's total deposits and 4 percent of loan originations (by number) are attributed to the AAs in the State of Oklahoma. Business loans are the primary credit products in the AAs.

UMB ranks 25th in deposit market share among 79 financial institutions operating in the Oklahoma AAs. Deposits in the Oklahoma AAs total $174 million and represent approximately a 1 percent market share. Market share leaders include Bank Of Oklahoma, MidFirst Bank, and Bank of America with 20 percent, 11 percent, and 9 percent of the market respectively.

Refer to the market profile for the Oklahoma City MA in Appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

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[5] For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Scope of Evaluation in Oklahoma

We evaluated the bank's performance in the State of Oklahoma by performing a full-scope review of the Oklahoma City AA and a limited review of the Tulsa AA. The state rating is based primarily on the performance in the Oklahoma City AA.

The Oklahoma City AA represents 79 percent of loan originations (by number) in the state. UMB operates four branch offices in the AA.

We conducted one community contact in the Oklahoma City AA with a representative of the Neighborhood Services Department for Oklahoma City. Primary credit needs identified by this contact include rehabilitation of older housing, improving inter-city schools, and affordable housing.

Refer to the performance tables in appendix A for additional information.

LENDING TEST

The bank's performance under the Lending Test is rated "Outstanding". Refer to Table 1 Lending Volume in the state of Oklahoma section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis in the Oklahoma City AA gave the most weight to small loans to businesses, followed by home mortgage products. Small loans to businesses and home mortgages respectively represent 80 percent and 19 percent of the bank's reported loans (by number) over the evaluation period. An evaluation of small loans to farms was not performed since this type of lending represents less that 1 percent of the reported loans in the Oklahoma City AA. Small farm loans are not an identified credit need for this predominately metropolitan area.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Oklahoma City AA is rated "Outstanding".

Lending Activity

Lending performance reflects good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of 1 percent, which ranks 17th in the Oklahoma City AA. Of all CRA data reported in the Oklahoma City AA for the year 2005, UMB ranked 17th in loans to small businesses.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is excellent.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the State of Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of reported home mortgage loans is excellent in 2004-2006. Area demographics indicate that 28 percent of owner-occupied housing units are located in moderate-income geographies. Of the total home purchase, home improvement, and home refinance loans originated by the bank, 43 percent, 60 percent, and 44 percent, respectively, was originated in moderate-income geographies. In 2003, performance is adequate in moderate-income geographies. The distribution of refinance loans, which represent 64 percent of originations, is adequate. The distribution of home improvement loans exceeds demographics and the distribution of home purchase loans is poor.

The geographic distribution of reported home mortgage loans in low-income geographies is also excellent in 2004-2006. Area demographics indicate that 3 percent of owner-occupied units are located in low-income geographies. Of the total home purchase, home improvement, and home refinance loans originated by the bank, 5 percent, 10 percent, and 5 percent, respectively, was originated in low-income geographies. In 2003, UMB did not make any loans in low-income geographies. Performance is considered adequate given the demographics.

A geographical analysis of multifamily loans is not meaningful. There were no multifamily loans originated during the evaluation period.

Small Loans to Businesses

Refer to Table 6 in the State of Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent in 2004-2006. Distribution in moderate-income geographies, at 26 percent, is similar to area demographics which indicate that 29 percent of all businesses are located in moderate-income geographies. Distribution in low-income tracts at 22 percent, significantly exceeds demographic information that indicates only 6 percent of all area businesses are located in low-income geographies. In 2003, the distribution of loans in low- and moderate-income tracts is adequate.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Oklahoma City AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. In the state of Oklahoma, over 75 percent of loans are within the AAs.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by borrower income level is excellent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers of different income levels is good in 2004-2006. The bank's pattern of lending to moderate-income borrowers is good. Area demographics indicate that 18 percent of families report moderate-income levels. Penetration of home purchase and home refinance loans to moderate-income families was 14 percent and 25 percent, respectively. The bank did not originate any home improvement loans to moderate-income borrowers. In 2003, performance is excellent. The distribution of home purchase, home improvement, and refinance loans exceeds demographics.

The bank's practice of lending to low-income borrowers is excellent in 2004-2006 considering the percentage of families below the poverty level. Area demographics indicate that 22 percent of families report low-income levels. Twelve percent of families have incomes below the poverty level. Penetration of home purchase and home refinance loans to low-income families was 16 percent and 19 percent, respectively. The bank's percentage of home improvement loans is excellent and exceeds demographics. In 2003, the bank's overall performance is adequate. The distribution of refinance loans is good considering the poverty level. UMB did not make any home purchase or home improvement loans to low-income borrowers.

Small Loans to Businesses

Refer to Table 11 in the State of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is excellent in 2004-2006. Sixty-two percent of all businesses for whom revenue information was available report revenues of $1 million or less. Sixty-eight percent of the bank's reported loans were to small businesses. In 2003, the distribution of loans is also excellent and exceeds demographics. The market share of loans to small businesses exceeds the bank's overall market share.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Oklahoma section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Our analysis gave positive consideration to community development lending activities. UMB originated one community development loan totaling $2.68 million in the Oklahoma City AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance in 2004-2006 under the lending test in the Tulsa AA is weaker than the bank's overall "Outstanding" performance under the lending test in Oklahoma. In 2003, performance in the Tulsa AA is also weaker than the bank's overall performance in the state. The distribution of small business loans to businesses with revenues of $1 million or less is adequate. Performance does not impact the overall conclusions.

Product Innovation and Flexibility

UMB offers several programs that use flexible or innovative underwriting to assist low- and moderate-income individuals or geographies. Most notable are its home improvement and home purchase lending programs, which generally offer below market rates and further subsidies of interest rates or closing costs through public and private partnerships. The success of these programs is evidenced in the bank's overall excellent borrower distribution of home mortgage lending.

INVESTMENT TEST

The bank's performance under the investment test in Oklahoma is rated "Outstanding." Based on a full-scope review, the bank's performance in the Oklahoma City AA is excellent. Refer to Table 14 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UMB provided $1.1 million in qualified investments and donations during the current evaluation period. Investments address community development needs, including affordable housing and educational and social services targeted to low- and moderate-income individuals.

Significant qualified investments occurring during this evaluation period are listed below.

- Purchase of $675,000 of bonds used to renovate local, public schools. Bonds were issued as a part of a city approved empowerment zone, where school renovations were seen as a key aspect of revitalizing the city's older neighborhoods;
- Purchase of a $220,000 bond issued to an agency that provides affordable housing tax credits; and,
- Donations of $7,000 to an organization that facilitates funding for local charities.

Conclusions for Areas Receiving Limited-Scope Review

Based on a limited scope review, the bank's performance under the investment test in the Tulsa AA is not inconsistent with the bank's overall "Outstanding" performance. The bank provided $399,000 in qualified investments and donations in the Tulsa AA during this evaluation period.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Oklahoma is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Oklahoma City AA is adequate. Refer to Table 15 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

UMB's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the Oklahoma City AA. Bank staff provides an adequate level of community development services.

The distribution of branches and ATMs in low-income tracts exceeds the percentage of population residing in those tracts. There are no branches or ATMs in the moderate-income tracts where 36 percent of the population resides. However, one of the five branches in middle- or upper-income tracts is adjacent to a moderate-income tract. In addition, there are two branches in tracts with no income level designation adjacent to low- and moderate-income tracts. These branches help provide reasonable access to residents in these geographies. UMB did not open any branches and closed one branch in an upper-income area during the evaluation period. The branch closing did not adversely affect the accessibility of the bank's delivery systems.

There is no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and individuals. Drive-up facilities offer extended hours on Monday - Saturday. ATMs offer 24-hour service.

Refer to the Service Test comment for the Kansas City AA for details on other alternative delivery systems offered by UMB.

Community Development Services

UMB provided an adequate level of community development services in the Oklahoma City AA.

UMB bank staff provided their financial expertise to four different organizations that promote community development initiatives in the AA. Two organizations provide community services targeted to low- and moderate-income individuals. The other two organizations promote economic development by funding small businesses.

Refer to the Service Test comment for the Kansas City AA for details on community development services offered by UMB via Electronic Transfer Accounts and Temporary Aid to Needy Families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the service test in the Tulsa AA is weaker than performance noted in areas receiving full-scope review. Performance is weaker because there are no branches in low- or moderate-income tracts. In the Tulsa AA, 27 percent of the population resides in low- and moderate-income geographies. However, this AA represents only 8 percent of deposits in the state with one branch location. This performance did not have a negative impact on the overall rating for the state.

State Rating

State of Nebraska

CRA Rating for Nebraska[6]: Satisfactory
The lending test is rated: Low Satisfactory
The investment test is rated: Outstanding
The service test is rated: Needs Improvement

The major factors that support this rating include:

- UMB originated an exceptionally high level of community development loans, which had a positive impact on the lending test rating. Excellent CD lending offsets the poor geographic and borrower distribution of loans.

- Performance under the investment test is excellent. UMB made qualified investments and charitable contributions totaling $1.1 million to agencies that provide community services to low- and moderate-income individuals. These contributions positively impacted the identified needs of the AA.

- Branch distribution is unreasonably inaccessible to portions of its assessment area, particularly to low- and moderate-income geographies or to low- and moderate-income individuals.

Description of Institution's Operations in Nebraska

UMB operates three branches and five ATMs in AA. The Omaha AA includes two counties of the Omaha multi-state MSA. Less than one-half of 1 percent of the bank's total deposits and 2 percent of loan originations (by number) are attributed to this AA. Small business loans are the primary credit product, representing 91 percent of all UMB loan originations (by number and dollar volume) in the state.

UMB ranks 22nd in deposit market share among 34 financial institutions operating in the Omaha AA. Deposits in the Omaha AA total $30 million or 0.5 percent of UMB's total deposits, and represent approximately 0.25 percent of the market. Market share leaders include First National Bank of Omaha, Wells Fargo Bank, and U.S. Bank with 38 percent, 12 percent, and 9 percent of the market respectively.

Refer to the market profile for the Omaha AA in appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

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[6] For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Scope of Evaluation in Nebraska

We evaluated the bank's performance in the State of Nebraska by performing a full-scope review of the Omaha AA. The state rating is based on the performance in this AA.

We conducted one community contact in the Omaha AA with the director of a community family service agency. Our contact identified affordable housing and consumer loans as the primary credit needs.

Refer to the performance tables in appendix A for additional information.

LENDING TEST

The bank's performance under the Lending Test is rated "Low Satisfactory". The rating for the State of Nebraska did not have a significant impact the overall Lending Test rating due to total assets in the Omaha AA representing less than 1 percent of UMB's total assets. Refer to Table 1 Lending Volume in the State of Nebraska section of appendix D for the facts and data used to evaluate the bank's lending activity.

Our analysis in the Omaha AA gave the most weight to small loans to businesses and community development lending. Loans to small businesses represent 89 percent of the number of reported loans over the evaluation period. We did not perform an analysis of home mortgage or small farm lending. Given the low volume of home mortgage lending activity, an analysis would not produce meaningful information. Loans to small farms represent only 2 percent of the reported loans in the Omaha AA. Small farm loans are not an identified credit need for this predominately metropolitan area.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Omaha AA is adequate.

Lending Activity

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. UMB has a deposit market share of less than 1 percent, which ranks 22nd in the Omaha AA. Of all CRA data reported in the Omaha AA for the year 2005, UMB ranked 18th in small business loans.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is poor.

Small Loans to Businesses

Refer to Table 6 in the State of Nebraska section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is poor. Businesses located in low- and moderate-income geographies represent 2.5 percent and 19 percent, respectively. Bank performance is significantly below demographics. Market share data is not meaningful.

Lending Gap Analysis

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Omaha AA.

Inside/Outside Ratio

We performed an analysis of the inside/outside ratio by state. A substantial majority of the loans were originated within the bank's defined AAs. Refer to the Scope of the Evaluation section for additional details.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by borrower income level is poor.

Small Loans to Businesses

Refer to Table 11 in the State of Nebraska section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is poor. Demographic data indicates that 63 percent of all businesses for whom revenue information is available report revenue of $1 million or less. The bank's practice of lending indicates that only 31 percent of all reported business loans were originated to small businesses. The market share of loans to small businesses is adequate compared to the bank's overall market share.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Nebraska section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

UMB originated an exceptionally high level of community development loans, which had a positive impact on the lending test rating. UMB originated eight community development loans to small businesses totaling $35 million. Each loan supported economic development by supporting businesses that employ low- and moderate-income individuals.

INVESTMENT TEST

The bank's performance under the investment test in Nebraska is rated "Outstanding." Based on a full-scope review, the bank's performance in the Omaha MA is excellent. Refer to Table 14 in the state of Nebraska section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UMB provided $1.1 million in qualified investments and donations during the current assessment period. Investments address community development needs, including community services targeted to low- and moderate-income individuals and affordable housing.

Significant qualified investments occurring during the evaluation period are listed below:

- $1 million invested in mortgage backed securities that were made to low- and moderate-income borrowers in the Omaha MA; and,
- $20,000 in donations to an organization that provides emergency shelters for abused and neglected children, sanctuary for women and children who are victims of domestic abuse, and emergency services for the homeless.

SERVICES TEST

The bank's performance under the service test in Nebraska is rated "Needs To Improve". Based on a full-scope review, the bank's performance in the Omaha AA is poor. Refer to Table 15 in the state of Nebraska section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Retail Banking Services

UMB's service delivery systems are unreasonably inaccessible to portions of its assessment area, particularly to low- and moderate-income geographies or to low- and moderate-income individuals in the Omaha AA. The level of community development services provided by bank staff is adequate.

UMB has no branches or ATMs in low- or moderate income tracts. Twenty-eight percent of the population resides in these tracts. UMB opened three branches and closed four branches in the Omaha AA during the evaluation period. Two branches were opened in middle-income tracts and one branch was opened in an upper-income tract. All branch closings were in upper-income tracts. Branch openings and closings did not adversely affect the accessibility of the bank's delivery systems.

There are no material differences in services offered at branch locations. Banking hours do not vary in a way that inconveniences the AA, particularly low- and moderate-income geographies and individuals. Drive-up facilities offer extended hours Monday through Friday, and ATMs offer 24-hour service.

Refer to the Service Test comment for the Kansas City AA for details on other alternative delivery systems offered by UMB.

Community Development Services

UMB provided an adequate level of community development services in the Omaha AA.

UMB bank staff provided their financial expertise to two different organizations that provide community services targeted to low- and moderate-income individuals.

Refer to the Service Test comment for the Kansas City AA for detail on community development services offered by UMB via Electronic Transfer Accounts and Temporary Aid to Needy Families.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

Time Period Reviewed	Lending Test (excludes CD loans): 01/01/04 to 12/31/06 Investment and Service Tests; CD loans: 07/08/03 to 04/23/07	
Financial Institution		**Products Reviewed**
UMB Bank, N.A. (UMB) Kansas City, Missouri		Home Mortgage, Small Business, Small Farm, and Community Development Loan Data; Qualified Investments; Retail and Community Development Services
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
UMB CDC UMB Capital Corporation	Subsidiary of UMBFC Subsidiary of UMB	Qualified Investments Qualified Investments
List of Assessment Areas and Type of Examination		
Assessment Area	**Type of Exam**	**Other Information**
Multistate MAs:		
Kansas City MA #28140	Full-scope	
St. Louis MA #41180	Full-scope	
State of Missouri:		
St. Joseph MA #41140	Full-scope	
Columbia MA #17860	Limited-scope	
Jefferson City MA#27620	Limited-scope	
Joplin MA #27900	Limited-scope	
Springfield MA #44180	Limited-scope	
Combined Non-MA AAs	Limited-scope	Central Missouri; Northeast Missouri; North Central Missouri; Monett
State of Kansas:		
Topeka MA #45820	Full-scope	
Lawrence MA #29940	Limited-scope	
Wichita MA #48620	Limited-scope	
Combined Non-MA AAs	Limited-scope	Atchison; Ft. Scott
State of Oklahoma:		
Oklahoma City MA #36420	Full-scope	
Tulsa MA #46140	Limited-scope	
State of Nebraska:		
Omaha MA #36540	Full-scope	

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS: UMB Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/ Multistate Rating
UMB Bank, N.A.	Outstanding	Outstanding	Low Satisfactory	Outstanding
Multistate Metropolitan Area or State:				
Kansas City MA	Outstanding	Outstanding	Low Satisfactory	Outstanding
St. Louis MA	Outstanding	Outstanding	High Satisfactory	Outstanding
State of Missouri	Outstanding	High Satisfactory	High Satisfactory	Outstanding
State of Kansas	Outstanding	Outstanding	Outstanding	Outstanding
State of Oklahoma	Outstanding	Outstanding	Low Satisfactory	Outstanding
State of Nebraska	Low Satisfactory	Outstanding	Needs Improvement	Satisfactory

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

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State of Oklahoma …… C-6
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Kansas City, MO-KS MA #28140

Demographic Information for Full Scope Area: Kansas City MA (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	466	9.66	25.32	37.34	25.11	2.58
Population by Geography	1,603,727	5.32	19.93	44.72	30.01	0.02
Owner-Occupied Housing by Geography	426,225	3.32	16.21	46.12	34.34	0.00
Business by Geography	108,738	4.07	17.86	43.86	33.05	1.16
Farms by Geography	2,633	1.41	11.77	52.68	33.95	0.19
Family Distribution by Income Level	423,120	18.08	18.42	23.44	40.06	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	154,419	9.82	30.80	45.49	13.89	0.00
Median Family Income = $55,031 HUD Adjusted Median Family Income for 2005 = $65,400 Households Below Poverty Level = 8%			Median Housing Value = $108,254 Unemployment Rate (2000 US Census) = 2.29%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The Kansas City AA consists of six contiguous counties in the Kansas City MA. These counties are Cass, Clay, Jackson, and Platte in Missouri; and Johnson and Wyandotte in Kansas. Low- and moderate-income tracts are predominately located in Jackson and Wyandotte Counties. The delineation of the AA complies with the regulation and does not arbitrarily exclude any low- and moderate-income areas. The Kansas City AA has 466 census tracts, which are designated 10 percent low-income, 25 percent moderate-income, 37 percent middle income, 25 percent upper-income, and 3 percent NA.

The economic conditions in the AA are stable. The February 2007 area unemployment rate is 5.5 percent compared to the state average of 5.7 percent and the national rate of 4.4 percent for the same time-period. Varied employment industries in Kansas City include telecommunications, manufacturing, health care, financial services, engineering, and agribusiness. Major employers include H&R Block, AT&T, DST Systems, Hallmark Cards, Inc., Sprint Corporation, and State and Federal governments.

We performed one community contact and reviewed other recent community contacts in this AA. The purpose of the community contacts was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contacts identified affordable housing, redevelopment of older areas, and access to general banking services for low- and moderate-income persons as primary community needs. Opportunities to participate in community development activities are readily available in this AA. Community contacts indicated local banks are receptive to community needs.

St. Louis, MO-IL MA #41180

Demographic Information for Full Scope Area: St Louis MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	489	11.25	24.34	40.49	23.11	0.82
Population by Geography	2,361,509	6.27	20.58	45.63	27.52	0.01
Owner-Occupied Housing by Geography	651,763	3.33	17.41	48.72	30.53	0.00
Business by Geography	144,402	5.31	18.73	42.89	32.72	0.35
Farms by Geography	3,571	1.43	10.36	61.27	26.88	0.06
Family Distribution by Income Level	620,572	19.34	17.97	22.17	40.51	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	231,558	11.45	31.07	44.65	12.83	0.00
Median Family Income = $53,435 HUD Adjusted Median Family Income for 2005 = $63,800 Households Below Poverty Level = 10%			Median Housing Value = $107,339 Unemployment Rate (2000 US Census) = 2.89%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The St. Louis AA consists of St. Louis City and five contiguous counties in the St. Louis MA. These counties are Jefferson, St. Charles, and St. Louis in Missouri; and Madison and St. Clair in Illinois. The delineation of the AA complies with the regulation and does not arbitrarily exclude any low- or moderate-income areas. The St. Louis AA has 489 census tracts, which are designated 11 percent low-income, 24 percent moderate-income, 41 percent middle income, 23 percent upper-income, and 1 percent NA.

Economic conditions in the AA are stable. The February 2007 area unemployment rate of 5.7 percent mirrors the state average. Varied employment industries in the St. Louis MA include aviation, biotechnology, food and beverage manufacturing, telecommunications, and transportation. St. Louis is the headquarters for 19 Fortune 1000 companies, and boasts three of the nation's 100 fastest growing companies. Major employers include Anheuser-Busch Company, Scott Air Force Base, Boeing International Defense Systems, SBC Communications, and State and Federal governments.

We preformed one community contact and reviewed other recent community contacts in this AA. The purpose of the community contacts was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contacts identified home purchase loans and home improvement loans as the primary credit needs of the community. Opportunities to participate in community development activities are readily available in this AA. Community contacts indicated local banks were actively seeking to meet the credit needs of the community.

State of Missouri

St. Joseph MA #41140

Demographic Information for Full Scope Area: St. Joseph MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	30	0.00	16.67	60.00	23.33	0.00
Population by Geography	102,490	0.00	12.94	54.09	32.97	0.00
Owner-Occupied Housing by Geography	27,673	0.00	9.14	58.32	32.55	0.00
Business by Geography	6,167	0.00	17.58	45.44	36.99	0.00
Farms by Geography	454	0.00	2.64	66.52	30.84	0.00
Family Distribution by Income Level	26,719	18.15	18.03	23.78	40.04	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	9,667	0.00	18.50	60.25	21.26	0.00
Median Family Income = $42,411 HUD Adjusted Median Family Income for 2005 = $51,300 Households Below Poverty Level = 12%			Median Housing Value = $76,767 Unemployment Rate (2000 US Census) = 2.66%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The St. Joseph AA consists of Buchanan and Andrews counties, which make up a significant portion of the St. Joseph MA. The St. Joseph AA is located along the Missouri River in Northwestern Missouri. The AA is contiguous with Buchanan County on the northern part of the AA and Andrews County to the south. The AA complies with all aspects of the regulation and does not arbitrarily exclude any low- or moderate-income areas. The St. Joseph AA has 30 census tracts, which are designated 17 percent moderate-income, 60 percent middle-income, and 23 percent upper-income. There are no low-income tracts in the St. Joseph AA.

Economic conditions in St. Joseph are stable. The February 2007 unemployment rate for the AA is 5.3 percent, slightly below the statewide average of 5.7 percent. The local economy is supported by a diverse collection of industries including education and health care services, animal pharmaceutical production, manufacturing, and riverboat gaming. Major employers in the St. Joseph AA include Heartland Health, St. Joseph School District, American Family Insurance, Sara Lee Foods, and Missouri Western State College.

We preformed one community contact and reviewed other recent community contacts in this AA. The purpose of these community contacts was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contacts identified affordable housing, specifically home purchases, as the primary credit need of this area. Area financial institutions actively seek to meet the credit needs of the communities.

State of Kansas

Topeka MA #45820

Demographic Information for Full Scope Area: Topeka MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	41	2.44	31.71	39.02	26.83	0.00
Population by Geography	169,871	1.72	26.54	40.50	31.24	0.00
Owner-Occupied Housing by Geography	46,522	0.65	21.77	41.36	36.23	0.00
Business by Geography	11,744	13.82	20.33	39.83	26.01	0.00
Farms by Geography	337	3.26	12.17	51.04	33.53	0.00
Family Distribution by Income Level	45,166	13.32	15.07	21.62	49.99	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,824	2.90	43.46	36.67	16.97	0.00
Median Family Income = $50,488 HUD Adjusted Median Family Income for 2005 = $57,800 Households Below Poverty Level = 10%			Median Housing Value = $76,473 Unemployment Rate (2000 US Census) = 2.09%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The Topeka AA consists of Shawnee County, part of the Topeka MSA. Topeka, the state capital of Kansas, is located approximately 70 miles west of Kansas City, MO. The delineation of the AA complies with the regulation and does not arbitrarily exclude any low- or moderate-income areas. The Topeka AA has 41 census tracts, which are designated 2 percent low-income, 32 percent moderate income, 39 percent middle-income, and 27 percent upper-income.

The Topeka economy is dependent on governmental jobs for its employment stability, with nearly 25 percent of the workforce employed by state, county, or city governments. Education and health care services, manufacturing, and shipping and distribution sector employment provide some diversity to the local economy. The February 2007 unemployment rate for the Topeka MSA was 5.5 percent, higher than the statewide average of 4.7 percent. Significant employers in the Topeka AA include the State of Kansas, Stormont-Vail Health Care, Payless Shoe Source, Burlington Northern Santa Fe Railway, and the local public school district.

We performed one community contact in this AA. The purpose of this community contact was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contact identified credit counseling and innovative home improvement lending to low- and moderate-income individuals as primary credit needs. Opportunities to participate in community development activities are available in this AA. He indicated local financial institutions were adequately meeting the credit needs of the community.

State of Oklahoma

Oklahoma City MA #36420

Demographic Information for Full Scope Area: Oklahoma City MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	227	8.81	36.56	30.40	22.47	1.76
Population by Geography	660,448	4.62	35.85	31.89	27.55	0.09
Owner-Occupied Housing by Geography	161,158	2.81	28.33	34.78	34.08	0.00
Business by Geography	50,490	6.13	29.01	32.06	29.37	3.43
Farms by Geography	789	3.93	20.03	33.33	41.44	1.27
Family Distribution by Income Level	171,849	22.30	18.43	20.85	38.42	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	69,988	7.43	48.26	30.68	13.64	0.00
Median Family Income = $44,898 HUD Adjusted Median Family Income for 2005 = $52,350 Households Below Poverty Level = 14%			Median Housing Value = $77,700 Unemployment Rate (2000 US Census) = 2.53%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The Oklahoma City AA is comprised of Oklahoma County. Oklahoma City, the state capital, is located in the central part of the state. The delineation of the AA complies with the regulation and does not arbitrarily exclude any low- or moderate income areas. The Oklahoma City AA has 227 census tracts, which are designated 9 percent low-income, 37 percent moderate-income, 30 percent middle income, 23 percent upper-income, and 2 percent NA.

Economic conditions in Oklahoma County are robust and the outlook continues to be good, with the energy sector providing significant employment and income growth. In addition to employment in the energy field, agriculture, aviation, health care, and governmental jobs contribute to a diversified economy. The February 2007 unemployment rate for the Oklahoma City MSA was 4.3 percent, slightly lower than the statewide and nationwide averages of 4.4 percent. Significant employers in the AA include the University of Oklahoma, Tinker Air Force Base, INTEGRIS Baptist Medical Center, General Motors Corp., and State and Federal governments.

We performed one community contact and reviewed other recent community contacts in this AA. The purpose of these community contacts was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contacts identified affordable housing, small business lending, and financial literacy and credit counseling programs as the primary credit needs of the community. Opportunities to participate in community development activities are available in this AA. Community contacts indicated financial institutions are meeting the credit needs of the community.

State of Nebraska

Omaha MA #36540

Demographic Information for Full Scope Area: Omaha MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	180	3.89	25.56	42.78	27.78	0.00
Population by Geography	586,180	2.57	25.11	43.94	28.37	0.00
Owner-Occupied Housing by Geography	145,257	1.31	18.58	46.71	33.39	0.00
Business by Geography	37,418	2.47	19.27	46.25	32.01	0.00
Farms by Geography	1,063	0.47	10.82	49.39	39.32	0.00
Family Distribution by Income Level	149,474	17.04	18.37	23.98	40.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	52,919	4.30	39.69	43.25	12.77	0.00
Median Family Income = $53,955 HUD Adjusted Median Family Income for 2005 = $64,550 Households Below Poverty Level = 8%			Median Housing Value = $106,847 Unemployment Rate (2000 US Census) = 1.98%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2005 HUD updated MFI

The Omaha AA is comprised of Douglas and Sarpy Counties. The delineation of the AA complies with the regulation and does not arbitrarily exclude any low- or moderate-income areas. The Omaha AA has 180 census tracts, which are designated 4 percent low-income, 26 percent moderate-income, 43 percent middle income, and 28 percent upper-income.

The local economy is stable. Omaha serves as a regional service and trade center. The local economy is diversified through industries that include communications, health care, data processing, transportation, education, and state and federal governments. The February 2007 unemployment for the Omaha MSA was 3.7 percent, exceeding the statewide average of 3.3 percent but still better than the nationwide average of 4.4 percent. Major employers in the area include Offutt Air Force Base, Alegent Health, Nebraska Medical Center, First National Bank of Omaha, First Data Corp., and Omaha Public Schools.

We performed one community contact and reviewed other recent community contacts in this AA. The purpose of these community contacts was to obtain a profile of the community, identify community development needs and opportunities, and to assess perceptions of the performance of local financial institutions. The community contacts identified affordable housing and consumer loans as the primary credit needs. Opportunities to participate in community development activities are available in this AA. Community contacts indicated financial institutions are meeting the credit needs of the community.

Appendix D: Tables of Performance Data

Content of Standardized Tables

One set of tables contains information for all states within the bank's assessment area. All multistate metropolitan areas are also presented in the tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are complied by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables included in each set:

Table 1. **Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank's assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Community Development Loans" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of Assessment Area" is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.

Table 1. **Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.

Table 2. **Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 3. **Geographic Distribution of Home Improvement Loans** - See Table 2.

Table 4. **Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

Table 5. **Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 6. **Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to $1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 7. **Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 8. **Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 9. **Borrower Distribution of Home Improvement Loans** - See Table 8.

Table 10. **Borrower Distribution of Refinance Loans** - See Table 8.

Table 11. **Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to the percentage distribution of businesses with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. **Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to $500,000) originated and purchased by the bank to farms with revenues of $1 million or less to the percentage distribution of farms with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. **Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) -** For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. **Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

Table 15. **Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME												Geography: MO/KS/OK/NE	**Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Multistate MAs:												
Kansas City MA (FS)	100.00	2,850	138,245	3,338	584,869	49	4,820	155	434,000	6,392	1,161,934	100.00
St Louis MA (FS)	100.00	2,655	60,485	1,046	157,338	10	855	148	274,000	3,859	492,678	100.00
Missouri:												
St Joseph (FS)	10.51	251	13,583	125	14,909	39	838	1	4,500	416	33,830	16.37
Joplin MA (LS)	14.18	200	12,080	209	16,241	151	4,162	0	0	560	32,483	10.56
Springfield MA (LS)	8.13	140	7,297	170	23,152	11	662	0	0	321	31,111	9.30
Columbia MA (LS)	8.26	113	8,002	178	14,600	35	2,647	0	0	326	25,249	10.31
Jefferson City MA (LS)	3.42	50	3,865	84	10,586	1	100	0	0	135	14,551	5.67
Combined NonMA AAs (LS)	55.51	551	33,379	491	35,249	1,150	44,983	0	0	2,192	113,611	47.79
Kansas:												
Topeka MA (FS)	20.56	203	12,530	169	16,604	3	84	0	0	375	29,218	44.71
Wichita MA (LS)	26.37	102	2,151	376	51,458	3	132	0	0	481	53,741	12.11
Lawrence MA (LS)	6.47	43	3,702	75	9,245	0	0	0	0	118	12,947	9.36
Combined NonMA AAs (LS)	46.60	256	12,221	254	9,351	340	14,908	0	0	850	36,480	33.82
Oklahoma:												
Oklahoma City MA (FS)	75.92	104	6,897	471	59,454	2	206	1	2,680	578	69,237	91.53
Tulsa MA (LS)	24.08	10	1,455	172	14,481	1	20	0	0	183	15,956	8.47
Nebraska:												
Omaha MA (FS)	100.00	34	2,271	316	36,670	6	548	8	35,000	364	74,489	100.00

FS – Full Scope; LS – Limited Scope

* Loan Data as of December 31, 2006. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from July 8, 2003 to April 23, 2007.
*** Deposit Data as of June 30, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: **UMB Bank, N.A. 23920**

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	458	100.00	3.32	1.97	16.21	14.85	46.12	53.93	34.34	29.26	0.18	0.12	0.17	0.23	0.13
St Louis MA (FS)	172	100.00	3.33	2.91	17.41	22.67	48.72	54.07	30.53	20.35	0.06	0.10	0.05	0.07	0.04
Missouri:															
St Joseph (FS)	76	18.40	0.00	0.00	9.14	7.89	58.32	56.58	32.55	35.53	0.79	0.00	1.79	0.61	0.84
Joplin MA (LS)	74	17.92	0.00	0.00	8.10	8.11	84.22	81.08	7.68	10.81	0.53	0.00	0.62	0.50	0.73
Springfield MA (LS)	36	8.72	0.04	0.00	13.17	11.11	56.03	47.22	30.76	41.67	0.05	0.00	0.09	0.06	0.02
Columbia MA (LS)	31	7.51	1.68	6.45	12.53	12.90	59.86	51.61	25.94	29.03	0.17	0.00	0.34	0.17	0.09
Jefferson City MA (LS)	17	4.12	0.71	5.88	8.52	5.88	72.97	82.35	17.80	5.88	0.10	0.00	0.49	0.09	0.00
Combined NonMA AAs (LS)	179	43.34	0.00	0.00	1.93	0.56	77.21	77.09	20.86	22.35	0.97	0.00	0.00	1.10	0.68
Kansas:															
Topeka MA (FS)	70	41.92	0.65	0.00	21.77	24.29	41.36	40.00	36.23	35.71	0.40	0.00	0.72	0.27	0.38
Wichita MA (LS)	12	7.19	1.40	8.33	22.67	8.33	46.10	58.33	29.83	25.00	0.01	0.00	0.00	0.01	0.02
Lawrence MA (LS)	13	7.78	0.11	0.00	19.97	38.46	49.84	38.46	30.08	23.08	0.09	0.00	0.30	0.06	0.00
Combined NonMA AAs (LS)	72	43.11	0.00	0.00	8.74	26.39	91.26	73.61	0.00	0.00	7.21	0.00	16.36	5.87	0.00
Oklahoma:															
Oklahoma City MA (FS)	37	92.50	2.81	5.41	28.33	43.24	34.78	32.43	34.08	18.92	0.06	0.40	0.12	0.07	0.01
Tulsa MA (LS)	3	7.50	1.49	33.33	19.28	0.00	39.59	0.00	39.63	66.67	0.01	0.58	0.00	0.00	0.00
Nebraska:															
Omaha MA (FS)	7	100.00	1.31	0.00	18.58	14.29	46.71	28.57	33.39	57.14	0.01	0.00	0.03	0.01	0.00

FS – Full Scope; LS – Limited Scope

* Based on 2005 Peer Mortgage Data (Western)
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **UMB Bank, N.A. 23920**

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total **	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	1,893	100.00	3.32	2.91	16.21	16.53	46.12	52.19	34.34	28.37	12.16	9.94	9.73	14.13	10.77
St Louis MA (FS)	2,270	100.00	3.33	2.03	17.41	18.99	48.72	49.43	30.53	29.56	8.45	5.14	7.53	8.40	9.59
Missouri:															
St Joseph (FS)	106	25.12	0.00	0.00	9.14	10.38	58.32	58.49	32.55	31.13	8.45	0.00	11.36	6.25	10.92
Joplin MA (LS)	53	12.56	0.00	0.00	8.10	13.21	84.22	81.13	7.68	5.66	3.65	0.00	6.58	3.42	1.85
Springfield MA (LS)	75	17.77	0.04	0.00	13.17	14.67	56.03	52.00	30.76	33.33	2.82	0.00	2.44	3.00	2.63
Columbia MA (LS)	52	12.32	1.68	3.85	12.53	11.54	59.86	69.23	25.94	15.38	9.79	22.22	11.11	9.72	7.58
Jefferson City MA (LS)	13	3.08	0.71	0.00	8.52	0.00	72.97	92.31	17.80	7.69	0.49	0.00	0.00	0.66	0.00
Combined NonMA AAs (LS)	123	29.15	0.00	0.00	1.93	0.00	77.21	83.74	20.86	16.26	6.95	0.00	0.00	7.04	7.14
Kansas:															
Topeka MA (FS)	77	35.32	0.65	0.00	21.77	28.57	41.36	36.36	36.23	35.06	4.22	0.00	5.22	3.61	4.53
Wichita MA (LS)	82	37.61	1.40	2.44	22.67	36.59	46.10	36.59	29.83	24.39	0.83	2.78	1.26	0.65	0.70
Lawrence MA (LS)	17	7.80	0.11	0.00	19.97	17.65	49.84	47.06	30.08	35.29	1.96	0.00	1.75	1.61	2.70
Combined NonMA AAs (LS)	42	19.27	0.00	0.00	8.74	23.81	91.26	76.19	0.00	0.00	24.66	0.00	40.00	22.22	0.00
Oklahoma:															
Oklahoma City MA(FS)	10	100.00	2.81	10.00	28.33	60.00	34.78	20.00	34.08	10.00	0.15	1.12	0.32	0.09	0.00
Tulsa MA (LS)	0	0.00	1.49	0.00	19.28	0.00	39.59	0.00	39.63	0.00	0.00	0.00	0.00	0.00	0.00
Nebraska:															

* Based on 2005 Peer Mortgage Data (Western)
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Omaha MA (FS)	17	100.00	1.31	0.00	18.58	0.00	46.71	52.94	33.39	47.06	0.10	0.00	0.00	0.00	0.29

FS – Full Scope; LS – Limited Scope

Institution ID: **UMB Bank, N.A. 23920**

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	495	100.00	3.32	2.63	16.21	20.00	46.12	52.12	34.34	25.25	0.17	0.17	0.29	0.17	0.12
St Louis MA (FS)	211	100.00	3.33	2.37	17.41	19.91	48.72	54.03	30.53	23.70	0.06	0.11	0.06	0.06	0.05
Missouri:															
St Joseph (FS)	68	14.56	0.00	0.00	9.14	5.88	58.32	64.71	32.55	29.41	0.63	0.00	0.34	0.60	0.74
Joplin MA (LS)	71	15.20	0.00	0.00	8.10	5.63	84.22	85.92	7.68	8.45	0.56	0.00	0.54	0.58	0.32
Springfield MA (LS)	29	6.21	0.04	0.00	13.17	24.14	56.03	48.28	30.76	27.59	0.07	0.00	0.30	0.05	0.03
Columbia MA (LS)	30	6.42	1.68	0.00	12.53	10.00	59.86	50.00	25.94	40.00	0.25	0.00	0.00	0.24	0.39
Jefferson City MA (LS)	20	4.28	0.71	10.00	8.52	0.00	72.97	80.00	17.80	10.00	0.09	0.00	0.00	0.12	0.00
Combined NonMA AAs (LS)	249	53.32	0.00	0.00	1.93	0.40	77.21	78.71	20.86	20.88	1.50	0.00	0.00	1.64	1.18
Kansas:															
Topeka MA (FS)	54	25.23	0.65	0.00	21.77	25.93	41.36	42.59	36.23	31.48	0.26	0.00	0.77	0.13	0.19
Wichita MA (LS)	8	3.74	1.40	0.00	22.67	75.00	46.10	0.00	29.83	25.00	0.02	0.00	0.11	0.00	0.00
Lawrence MA (LS)	13	6.07	0.11	0.00	19.97	23.08	49.84	46.15	30.08	30.77	0.10	0.00	0.31	0.00	0.10
Combined NonMA AAs (LS)	139	64.95	0.00	0.00	8.74	23.02	91.26	76.98	0.00	0.00	8.67	0.00	21.74	7.40	0.00
Oklahoma:															
Oklahoma CityMA (FS)	57	89.06	2.81	5.26	28.33	43.86	34.78	12.28	34.08	38.60	0.13	0.49	0.20	0.02	0.17
Tulsa MA (LS)	7	10.94	1.49	14.29	19.28	57.14	39.59	14.29	39.63	14.29	0.03	0.00	0.10	0.00	0.02
Nebraska:															
Omaha MA (FS)	10	100.00	1.31	0.00	18.58	10.00	46.71	70.00	33.39	20.00	0.03	0.00	0.03	0.05	0.00

* Based on 2005 Peer Mortgage Data (Western)
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

FS – Full Scope; LS – Limited Scope

Institution ID: **UMB Bank, N.A. 23920**

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	4	100.00	7.07	0.00	27.85	25.00	45.94	75.00	19.14	0.00	0.00	0.00	0.00	0.00	0.00
St Louis MA (FS)	1	100.00	10.91	0.00	20.43	100.00	47.22	0.00	21.44	0.00	0.00	0.00	0.00	0.00	0.00
Missouri:															
St Joseph (FS)	1	33.33	0.00	0.00	28.41	100.00	31.01	0.00	40.59	0.00	0.00	0.00	0.00	0.00	0.00
Joplin MA (LS)	2	66.67	0.00	0.00	33.32	100.00	59.26	0.00	7.41	0.00	3.92	0.00	25.00	0.00	0.00
Springfield MA (LS)	0	0.00	8.02	0.00	20.22	0.00	52.94	0.00	18.82	0.00	0.00	0.00	0.00	0.00	0.00
Columbia MA (LS)	0	0.00	26.53	0.00	30.29	0.00	16.53	0.00	26.64	0.00	0.00	0.00	0.00	0.00	0.00
Jefferson City MA (LS)	0	0.00	14.84	0.00	33.78	0.00	36.35	0.00	15.02	0.00	0.00	0.00	0.00	0.00	0.00
Combined NonMA AAs (LS)	0	0.00	0.00	0.00	2.14	0.00	76.04	0.00	21.82	0.00	0.00	0.00	0.00	0.00	0.00
Kansas:															
Topeka MA (FS)	2	40.00	5.50	0.00	22.25	100.00	52.47	0.00	19.77	0.00	0.00	0.00	0.00	0.00	0.00
Wichita MA (LS)	0	0.00	4.30	0.00	32.79	0.00	42.30	0.00	20.62	0.00	0.00	0.00	0.00	0.00	0.00
Lawrence MA (LS)	0	0.00	10.24	0.00	34.66	0.00	37.90	0.00	17.20	0.00	0.00	0.00	0.00	0.00	0.00
Combined NonMA AAs (LS)	3	60.00	0.00	0.00	20.47	0.00	79.53	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Oklahoma:															
Oklahoma CityMA (FS)	0	0.00	4.97	0.00	43.58	0.00	30.03	0.00	21.42	0.00	0.00	0.00	0.00	0.00	0.00
Tulsa MA (LS)	0	0.00	3.71	0.00	25.03	0.00	39.55	0.00	31.71	0.00	0.00	0.00	0.00	0.00	0.00
Nebraska:															
Omaha MA (FS)	0	0.00	2.05	0.00	29.29	0.00	52.84	0.00	15.82	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2005 Peer Mortgage Data (Western)
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

FS – Full Scope; LS – Limited Scope

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Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA(FS)	3,236	100.00	4.07	6.09	17.86	24.44	43.86	41.72	33.05	27.75	2.71	5.69	4.65	2.75	1.79
St Louis MA (FS)	1,041	100.00	5.31	4.71	18.73	19.69	42.89	45.92	32.72	29.68	0.59	1.03	0.81	0.62	0.46
Missouri:															
St Joseph (FS)	125	9.94	0.00	0.00	17.58	20.00	45.44	44.80	36.99	35.20	1.22	0.00	2.13	1.36	0.86
Joplin MA (LS)	209	16.63	0.00	0.00	15.47	19.14	76.32	75.60	8.21	5.26	1.79	0.00	1.39	2.17	0.30
Springfield MA (LS)	170	13.52	3.35	0.00	14.63	40.59	54.58	35.88	27.44	23.53	0.58	0.00	1.52	0.41	0.49
Columbia MA (LS)	178	14.16	18.16	16.85	16.20	7.87	46.47	38.76	19.17	36.52	1.84	2.46	0.59	1.55	2.74
Jefferson City MA (LS)	84	6.68	13.64	11.90	13.62	25.00	58.68	46.43	14.04	16.67	0.93	0.47	1.99	0.57	1.89
Combined NonMA AAs (LS)	491	39.06	0.00	0.00	4.12	0.61	78.36	82.28	17.52	17.11	3.29	0.00	0.38	3.99	2.32
Kansas:															
Topeka MA (FS)	169	19.34	13.82	14.79	20.33	19.53	39.83	38.46	26.01	27.22	1.26	2.80	1.00	1.31	0.94
Wichita MA (LS)	376	43.02	2.85	3.99	30.73	43.62	40.11	36.70	26.31	15.69	1.23	0.90	2.08	1.07	0.72
Lawrence MA (LS)	75	8.58	2.31	0.00	25.83	26.67	46.21	37.33	25.65	36.00	1.18	0.00	1.05	0.85	1.89
Combined NonMA AAs (LS)	254	29.06	0.00	0.00	18.22	27.95	81.78	72.05	0.00	0.00	17.23	0.00	36.62	15.14	0.00
Oklahoma:															
Oklahoma City MA (FS)	451	72.39	6.13	21.73	29.01	25.72	32.06	20.40	29.37	32.15	0.75	3.22	0.82	0.55	0.56
Tulsa MA (LS)	172	27.61	1.42	2.33	23.50	19.77	36.60	33.14	38.48	44.77	0.19	0.47	0.06	0.18	0.26
Nebraska:															
Omaha MA (FS)	316	100.00	2.47	0.95	19.27	8.86	46.25	37.03	32.01	53.16	0.79	0.00	0.32	0.51	1.44

FS – Full Scope; LS – Limited Scope

* Based on 2005 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2006).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms ***	% BANK Loans	% of Farms ***	% BANK Loans	% of Farms ***	% BANK Loans	% of Farms ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	49	100.00	1.41	0.00	11.77	0.00	52.68	59.18	33.95	40.82	6.38	0.00	0.00	8.04	5.92
St Louis MA (FS)	10	100.00	1.43	0.00	10.36	0.00	61.27	30.00	26.88	70.00	1.34	0.00	0.00	1.01	2.56
Missouri:															
St Joseph (FS)	39	2.81	0.00	0.00	2.64	0.00	66.52	82.05	30.84	17.95	2.51	0.00	0.00	2.94	1.59
Joplin MA (LS)	151	10.89	0.00	0.00	4.06	0.00	92.25	99.34	3.69	0.66	20.54	0.00	0.00	20.91	0.00
Springfield MA (LS)	11	0.79	0.47	0.00	6.90	0.00	69.59	27.27	23.04	72.73	0.55	0.00	0.00	0.21	3.17
Columbia MA (LS)	35	2.52	3.95	0.00	20.24	0.00	67.24	94.29	8.58	5.71	5.02	0.00	0.00	5.92	5.88
Jefferson City MA (LS)	1	0.07	2.12	0.00	7.78	0.00	75.47	0.00	14.62	100.00	0.70	0.00	0.00	0.00	7.69
Combined NonMA AAs (LS)	1,150	82.91	0.00	0.00	0.42	0.00	80.53	75.83	19.05	24.17	19.55	0.00	0.00	19.71	19.54
Kansas:															
Topeka MA (FS)	3	0.87	3.26	0.00	12.17	0.00	51.04	0.00	33.53	100.00	1.35	0.00	0.00	0.00	3.57
Wichita MA (LS)	3	0.87	1.05	0.00	13.76	33.33	52.82	66.67	32.37	0.00	0.00	0.00	0.00	0.00	0.00
Lawrence MA (LS)	0	0.00	0.00	0.00	11.83	0.00	54.84	0.00	33.33	0.00	0.00	0.00	0.00	0.00	0.00
Combined NonMA AAs (LS)	340	98.27	0.00	0.00	2.76	6.47	97.24	93.53	0.00	0.00	75.00	0.00	55.56	76.30	0.00
Oklahoma:															
Oklahoma City MA (FS)	2	66.67	3.93	0.00	20.03	0.00	33.33	0.00	41.44	100.00	0.72	0.00	0.00	0.00	1.85
Tulsa MA (LS)	1	33.33	0.83	0.00	18.67	100.00	40.66	0.00	39.83	0.00	1.19	0.00	11.11	0.00	0.00
Nebraska:															
Omaha MA (FS)	6	100.00	0.47	0.00	10.82	0.00	49.39	83.33	39.32	16.67	0.94	0.00	0.00	1.96	0.00

FS – Full Scope; LS – Limited Scope

* Based on 2005 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2006).

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Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	458	100.00	18.08	17.94	18.42	26.91	23.44	26.48	40.06	28.67	0.22	0.33	0.22	0.22	0.18
St Louis MA (FS)	172	100.00	19.34	17.54	17.97	26.90	22.17	22.22	40.51	33.33	0.07	0.10	0.07	0.05	0.08
Missouri:															
St Joseph (FS)	76	18.40	18.15	13.33	18.03	33.33	23.78	24.00	40.04	29.33	0.98	0.71	1.04	1.22	0.85
Joplin MA (LS)	74	17.92	17.53	20.27	19.46	14.86	24.59	25.68	38.41	39.19	0.65	0.54	0.28	0.43	1.18
Springfield MA (LS)	36	8.72	16.66	5.56	19.27	13.89	23.87	30.56	40.20	50.00	0.06	0.00	0.03	0.03	0.12
Columbia MA (LS)	31	7.51	19.80	6.90	18.22	34.48	23.18	10.34	38.80	48.28	0.19	0.20	0.18	0.10	0.27
Jefferson City MA (LS)	17	4.12	16.91	18.75	17.63	25.00	26.23	31.25	39.22	25.00	0.12	0.00	0.13	0.14	0.14
Combined NonMA AAs (LS)	179	43.34	16.81	10.80	17.27	21.02	24.12	22.73	41.80	45.45	1.21	1.34	1.55	0.98	1.15
Kansas:															
Topeka MA (FS)	70	41.92	13.32	17.14	15.07	28.57	21.62	20.00	49.99	34.29	0.48	0.18	0.52	0.43	0.60
Wichita MA (LS)	12	7.19	17.98	8.33	18.92	58.33	24.26	8.33	38.84	25.00	0.02	0.06	0.03	0.00	0.00
Lawrence MA (LS)	13	7.78	18.17	15.38	18.89	0.00	24.70	23.08	38.24	61.54	0.10	0.00	0.00	0.00	0.25
Combined NonMA AAs (LS)	72	43.11	18.83	18.06	21.30	31.94	26.95	29.17	32.93	20.83	9.01	10.64	12.50	9.30	5.22
Oklahoma:															
Oklahoma City MA (FS)	37	92.50	22.30	16.22	18.43	13.51	20.85	16.22	38.42	54.05	0.07	0.11	0.05	0.06	0.08
Tulsa MA (LS)	3	7.50	18.98	0.00	17.50	33.33	20.90	0.00	42.62	66.67	0.01	0.00	0.03	0.00	0.00
Nebraska:															
Omaha MA (FS)	7	100.00	17.04	0.00	18.37	28.57	23.98	28.57	40.62	42.86	0.01	0.00	0.04	0.00	0.00

FS – Full Scope; LS – Limited Scope

* Based on 2005 Peer Mortgage Data (Western)
** As a percentage of loans with borrower income information available. No information was available for 0.2% of loans originated and purchased by bank.
*** Percentage of Families is based on the 2000 Census information.
**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area. Data shown includes only One to Four-family and manufactured housing. (Property type 1 or 2)

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Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA(FS)	1,893	100.00	18.08	10.22	18.42	26.24	23.44	34.27	40.06	29.27	12.63	9.02	13.74	14.86	11.45
St Louis MA (FS)	2,270	100.00	19.34	10.05	17.97	24.86	22.17	30.85	40.51	34.24	9.15	6.93	9.30	10.30	8.95
Missouri:															
St Joseph (FS)	106	25.12	18.15	10.48	18.03	25.71	23.78	31.43	40.04	32.38	8.70	2.33	10.98	5.50	12.61
Joplin MA (LS)	53	12.56	17.53	15.09	19.46	28.30	24.59	35.85	38.41	20.75	3.82	5.95	4.88	2.99	2.93
Springfield MA (LS)	75	17.77	16.66	10.81	19.27	24.32	23.87	32.43	40.20	32.43	2.97	2.75	1.56	3.77	3.24
Columbia MA (LS)	52	12.32	19.80	9.62	18.22	28.85	23.18	21.15	38.80	40.38	10.16	10.00	10.67	7.61	12.04
Jefferson City (LS)	13	3.08	16.91	15.38	17.63	46.15	26.23	30.77	39.22	7.69	0.52	0.00	0.00	1.59	0.00
Combined NonMA AAs (LS)	123	29.15	16.81	6.67	17.27	19.17	24.12	28.33	41.80	45.83	7.29	6.25	6.11	9.62	6.76
Kansas:															
Topeka MA (FS)	77	35.32	13.32	10.39	15.07	25.97	21.62	33.77	49.99	29.87	4.40	3.80	5.04	6.21	2.90
Wichita MA (LS)	82	37.61	17.98	15.85	18.92	26.83	24.26	28.05	38.84	29.27	0.86	1.15	0.92	0.98	0.60
Lawrence MA (LS)	17	7.80	18.17	11.76	18.89	5.88	24.70	41.18	38.24	41.18	2.11	4.76	0.00	1.28	3.30
Combined NonMA AAs (LS)	42	19.27	18.83	11.90	21.30	26.19	26.95	26.19	32.93	35.71	25.00	30.77	26.67	18.18	27.27
Oklahoma:															
Oklahoma City (FS)	10	100.00	22.30	50.00	18.43	0.00	20.85	20.00	38.42	30.00	0.15	0.66	0.00	0.12	0.08
Tulsa MA (LS)	0	0.00	18.98	0.00	17.50	0.00	20.90	0.00	42.62	0.00	0.00	0.00	0.00	0.00	0.00
Nebraska:															
Omaha MA (FS)	17	100.00	17.04	0.00	18.37	23.53	23.98	11.76	40.62	64.71	0.10	0.00	0.00	0.00	0.27

FS – Full Scope; LS – Limited Scope

* Based on 2005 Peer Mortgage Data (Western)
** As a percentage of loans with borrower income information available. No information was available for 0.7% of loans originated and purchased by bank.
*** Percentage of Families is based on the 2000 Census information.
**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area. Data shown includes only One to Four-family and manufactured housing. (Property type 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Overall	Low	Mod	Mid	Upp
Multistate MAs:															
Kansas City MA (FS)	495	100.00	18.08	16.39	18.42	28.69	23.44	24.80	40.06	30.12	0.22	0.27	0.24	0.16	0.23
St Louis MA (FS)	211	100.00	19.34	17.14	17.97	30.00	22.17	31.90	40.51	20.95	0.07	0.05	0.08	0.09	0.06
Missouri:															
St Joseph (FS)	68	14.56	18.15	16.18	18.03	27.94	23.78	23.53	40.04	32.35	0.78	1.15	0.81	0.60	0.78
Joplin MA (LS)	71	15.20	17.53	11.43	19.46	21.43	24.59	22.86	38.41	44.29	0.74	0.90	0.39	0.77	0.88
Springfield MA (LS)	29	6.21	16.66	6.90	19.27	10.34	23.87	31.03	40.20	51.72	0.09	0.00	0.06	0.04	0.17
Columbia MA (LS)	30	6.42	19.80	16.67	18.22	13.33	23.18	26.67	38.80	43.33	0.30	0.00	0.19	0.50	0.28
Jefferson City (LS)	20	4.28	16.91	10.53	17.63	21.05	26.23	26.32	39.22	42.11	0.11	0.00	0.00	0.19	0.17
Combined NonMA AAs (LS)	249	53.32	16.81	6.88	17.27	19.84	24.12	27.94	41.80	45.34	1.97	1.91	2.03	1.59	2.16
Kansas:															
Topeka MA (FS)	54	25.23	13.32	13.21	15.07	26.42	21.62	18.87	49.99	41.51	0.32	0.34	0.61	0.11	0.26
Wichita MA (LS)	8	3.74	17.98	25.00	18.92	0.00	24.26	0.00	38.84	75.00	0.03	0.00	0.00	0.00	0.08
Lawrence MA (LS)	13	6.07	18.17	15.38	18.89	23.08	24.70	30.77	38.24	30.77	0.12	0.65	0.19	0.00	0.09
Combined NonMA AAs (LS)	139	64.95	18.83	18.12	21.30	23.19	26.95	26.81	32.93	31.88	10.05	15.00	13.92	7.30	9.34
Oklahoma:															
Oklahoma City (FS)	57	89.06	22.30	19.30	18.43	24.56	20.85	15.79	38.42	40.35	0.16	0.41	0.22	0.10	0.12
Tulsa MA (LS)	7	10.94	18.98	0.00	17.50	14.29	20.90	14.29	42.62	71.43	0.03	0.00	0.05	0.00	0.04
Nebraska:															
Omaha MA (FS)	10	100.00	17.04	0.00	18.37	20.00	23.98	30.00	40.62	50.00	0.04	0.00	0.03	0.05	0.04

* Based on 2005 Peer Mortgage Data (Western)
** As a percentage of loans with borrower income information available. No information was available for 1.4% of loans originated and purchased by bank.
*** Percentage of Families is based on the 2000 Census information.
**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area. Data shown includes only One to Four-family and manufactured housing. (Property type 1 or 2)

FS – Full Scope; LS – Limited Scope

Institution ID: **UMB Bank, N.A. 23920**

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
MA/Assessment Area:	#	% of Total**	% of Businesses ***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Multistate MAs:									
Kansas City MA (FS)	3,338	100.00	63.87	34.96	61.80	16.18	22.02	2.71	2.19
St Louis MA (FS)	1,046	100.00	65.10	38.15	65.49	15.01	19.50	0.59	0.53
Missouri:									
St Joseph (FS)	125	9.94	60.55	52.00	76.00	12.00	12.00	1.22	1.24
Joplin MA (LS)	209	16.63	61.00	71.77	83.73	9.09	7.18	1.79	2.83
Springfield MA (LS)	170	13.52	60.73	48.24	68.82	15.29	15.88	0.58	0.63
Columbia MA (LS)	178	14.16	62.45	70.79	79.78	12.92	7.30	1.84	2.67
Jefferson City MA (LS)	84	6.68	59.51	67.86	72.62	11.90	15.48	0.93	1.07
Combined NonMA AAs (LS)	491	39.06	53.59	75.56	85.54	8.35	6.11	3.29	4.50
Kansas:									
Topeka MA (FS)	169	19.34	60.07	60.36	81.07	10.06	8.88	1.26	1.53
Wichita MA (LS)	376	43.02	59.23	44.95	66.76	14.63	18.62	1.23	1.43
Lawrence MA (LS)	75	8.58	63.82	60.00	80.00	6.67	13.33	1.18	1.53
Combined NonMA AAs (LS)	254	29.06	53.82	84.65	93.70	3.54	2.76	17.23	26.90
Oklahoma:									
Oklahoma City MA(FS)	471	73.25	61.85	68.79	69.21	15.92	14.86	0.75	1.21
Tulsa MA (LS)	172	26.75	63.18	37.79	81.98	8.72	9.30	0.19	0.17
Nebraska:									

* Based on 2005 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2006).
**** Small loans to businesses with revenues of $1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 16.66% of small loans to businesses originated and purchased by the bank.

Omaha MA (FS)	316	100.00	63.08	31.01	78.80	8.86	12.34	0.79	0.42

FS – Full Scope; LS – Limited Scope

Institution ID: **UMB Bank, N.A. 23920**

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $1,000,000	All	Rev$ 1 Million or Less
Multistate MAs:									
Kansas City MA (FS)	49	100.00	91.00	89.80	65.31	24.49	10.20	6.38	6.83
St Louis MA (FS)	10	100.00	92.64	100.00	60.00	40.00	0.00	1.34	1.71
Missouri:									
St Joseph (FS)	39	2.81	96.70	100.00	94.87	5.13	0.00	2.51	2.64
Joplin MA (LS)	151	10.89	95.94	96.69	93.38	6.62	0.00	20.54	22.34
Springfield MA (LS)	11	0.79	95.32	100.00	90.91	0.00	9.09	0.55	0.58
Columbia MA (LS)	35	2.52	95.20	80.00	77.14	14.29	8.57	5.02	3.16
Jefferson City MA (LS)	1	0.07	96.46	100.00	100.00	0.00	0.00	0.70	0.75
Combined NonMA AAs (LS)	1,150	82.91	97.81	97.22	91.04	6.87	2.09	19.55	20.59
Kansas:									
Topeka MA (FS)	3	0.87	95.25	100.00	100.00	0.00	0.00	1.35	1.56
Wichita MA (LS)	3	0.87	92.92	66.67	66.67	33.33	0.00	0.00	0.00
Lawrence MA (LS)	0	0.00	94.27	0.00	0.00	0.00	0.00	0.00	0.00
Combined NonMA AAs (LS)	340	98.27	96.55	98.53	92.06	5.00	2.94	75.00	78.10
Oklahoma:									
Oklahoma City MA(FS)	2	66.67	88.97	100.00	50.00	50.00	0.00	0.72	0.92
Tulsa MA (LS)	1	33.33	91.15	100.00	100.00	0.00	0.00	1.19	1.54

* Based on 2005 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Farms with revenues of $1 million or less as a percentage of all farms (Source D&B - 2006).
**** Small loans to farms with revenues of $1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 8.16% of small loans to farms originated and purchased by the bank.

Nebraska:									
Omaha MA (FS)	6	100.00	92.10	100.00	66.67	33.33	0.00	0.94	1.20

FS – Full Scope; LS – Limited Scope

Table 14. Qualified Investments

QUALIFIED INVESTMENTS | Geography: MO/KS/OK/NE | **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Multistate MAs:									
Kansas City MA (FS)	5	32,090	38	15,029	43	47,119	58.14	0	0
St Louis MA (FS)	1	240	129	10,634	130	10,874	13.42	1	848
Missouri:									
St Joseph (FS)	1	6	4	54	5	60	0.07	0	0
Joplin MA (LS)	2	1,564	8	1,844	10	3,408	4.20	0	0
Springfield MA (LS)	0	0	4	1,413	4	1,413	1.74	0	0
Columbia MA (LS)	0	0	3	8	3	8	0.01	0	0
Jefferson City MA (LS)	1	357	3	12	4	369	0.46	0	0
Combined NonMA AAs (LS)	2	815	18	1,379	20	2,194	2.71	0	0
Statewide with Potential Benefit to AA	0	0	24	8,909	24	8,909	10.99	0	0
Kansas:									
Topeka MA (FS)	0	0	6	512	6	512	0.63	0	0
Wichita MA (LS)	0	0	2	843	2	843	1.04	0	0
Lawrence MA (LS)	0	0	3	413	3	413	0.51	0	0
Combined NonMA AAs (LS)	1	2,015	4	30	5	2,045	2.52	0	0
Oklahoma:									
Oklahoma City MA(FS)	1	215	5	1,148	6	1,363	1.68	0	0
Tulsa MA (LS)	0	0	4	399	4	399	0.49	0	0
Nebraska:									
Omaha MA (FS)	0	0	5	1,118	5	1,118	1.38	0	0

FS – Full Scope; LS – Limited Scope

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Institution ID: **UMB Bank, N.A. 23920**

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM and BRANCH OPENINGS/CLOSINGS Geography: MO/KS/OK/NE **Evaluation Period**: JANUARY 1, 2004 TO DECEMBER 31, 2006

MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Multistate MAs:																	
Kansas City MA (FS)	100.00	*38	100.00	2.63	7.89	73.68	15.80	5	**6	0	0	-2	+1	5.32	19.93	44.72	30.01
St Louis MA (FS)	100.00	26	100.00	0.00	23.08	30.77	46.15	3	4	0	0	-3	+2	6.27	20.58	45.63	27.52
Missouri:																	
St Joseph MA (FS)	16.37	4	12.90	0.00	50.00	50.00	0.00	0	1	0	0	0	-1	0.00	12.94	54.09	32.97
Joplin MA (LS)	10.56	5	16.13	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	11.30	81.76	6.94
Springfield MA (LS)	9.30	4	12.90	0.00	25.00	50.00	25.00	0	2	0	0	-1	-1	1.86	17.44	54.37	26.33
Columbia MA (LS)	10.31	3	9.68	66.67	0.00	0.00	33.33	0	0	0	0	0	0	6.96	18.82	51.91	22.31
Jefferson City MA (LS)	5.67	1	3.23	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.57	10.40	69.08	15.26
Combined NonMA AAs (LS)	47.79	14	45.16	0.00	0.00	92.86	7.14	0	5	0	0	-5	0	0.00	2.41	77.49	20.10
Kansas:																	
Topeka MA (FS)	44.71	4	36.36	0.00	50.00	25.00	25.00	0	0	0	0	0	0	1.72	26.54	40.50	31.24
Wichita MA (LS)	12.11	3	27.27	0.00	33.33	33.33	33.34	1	0	0	0	+1	0	2.65	29.09	42.15	26.11
Lawrence MA (LS)	9.36	1	9.10	0.00	0.00	0.00	100.00	0	0	0	0	0	0	5.95	25.54	46.20	22.31
Combined NonMA AAs (LS)	33.82	3	27.27	0.00	33.33	66.67	0.00	0	0	0	0	0	0	0.00	9.57	90.43	0.00
Oklahoma:																	
Oklahoma City MA(FS)	91.53	***2	66.67	50.00	0.00	50.00	0.00	0	1	0	0	0	-1	4.62	35.85	31.89	27.55
Tulsa MA (LS)	8.47	1	33.33	0.00	0.00	0.00	100.00	0	0	0	0	0	0	2.72	24.16	38.71	34.41
Nebraska:																	
Omaha MA (FS)	100.00	3	100	0.00	0.00	66.67	33.33	3	4	0	0	+2	-3	2.57	25.11	43.94	28.37

FS – Full Scope; LS – Limited Scope

*Total branches = 39. Kansas City MA Census Tract 28.02 does not have an income designation.

**Total closings = 7. Kansas City MA Census Tract 28.01 does not have an income designation.

***Total branches = 4. Oklahoma City MA Census Tract 1031.02 with 2 branches does not have an income designation.

Financial Education provided by

David Bauer, Vice President and Business Banking Region Manager.

We did provide two educational presentations on avoiding the Common Pitfalls of Financing a Dental Practice to groups of dentists. The events were held at EQ. Would these be included given that they're looking for activities with any one or group of individuals? The financial aspect took at look at the appropriate and inappropriate ways that you can finance your practice and what the differences are. We also spoke about the long term impact that these decisions have on retirement. The first group has 13 dentists and the second group had 11. Dates of training were June 22nd and July 20th 2013.

Mark Hollander, Assistant Vice President and Business Banking Officer

Teaching of Financial Literacy and Interviewing Skills to St. Patrick's center Homeless Employment Program (HEP) participants. Training was done 4 to 5 times. Training provided on June 12, October 1st and October 29th 2013.

Marni Sorrick, Vice President and Portfolio Specialist

I did presentations with three separate Grace Hill WIBO classes. WIBO stands for Women in Business Opportunities – it's a structured curriculum for new small business owners, and used across the country by non-profit business development organizations (01/23/2013, 05/22/2013, and 11/05/2013). Grace Hill Women's Business Center offers the course 3 or 4 times a year. All of this was in St. Louis City, with low-to-moderate income audiences. I also co-facilitated a seminar with the SBA, at a St. Louis Public Library location in St. Louis City (05/07/2013). In addition, I was on a Lender panel for an entrepreneur seminar at Wash U Skandalaris Center (02/15/2013).

6. Workforce Diversity

	Male					Female					
	White	**Black**	**Hispanic**	**Other***	**Total**	**White**	**Black**	**Hispanic**	**Other***	**Total**	**Grand Total**
All Employees	26	1	0	0	**27**	46	15	0	0	**61**	**88**
Executive or Sr. Level Mgmt	16	0	0	0	**16**	5	0	0	0	**5**	**21**
Board of Directors	22	0	0	0	**22**	1	0	0	0	**1**	**23**
Total	**64**	**1**	**0**	**0**	**65**	**52**	**15**	**0**	**0**	**67**	**132**

*Other includes Asian, Native American, Native Hawaiian, or other non-white

Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Other	
Number	Dollar Amount (in 000s)	Number	Dollar Amount (Actual)	Number	Dollar Amount (Actual)	Number	Dollar Amount (Actual)	Number	Dollar Amount (Actual)
		1	200						
		1	20,000						
		1	1,750						

3. Community Development Loans

	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Other	
Census Tract	Number	Dollar Amount (in 000s)	Number	Dollar Amount (in 000s)	Number	Dollar Amount (in 000s)	Number	Dollar Amount (in 000s)	Number	Dollar Amount (in 000s)
1011.00										
1012.00										
1013.00										
1014.00										
1015.00										
1018.00										
1021.00										
1022.00										
1023.00										
1024.00										
1025.00										
1031.00										
1034.00										
1036.00										
1037.00										
1038.00										
1042.00										
1045.00										
1051.98										
1052.00										
1053.00					1	500				
1054.00										
1055.00										
1061.00										
1062.00										
1063.00										
1064.00										
1065.00										
1066.00										
1067.00										
1072.00										
1073.00										
1074.00										
1075.00										
1076.00										
1081.00										
1082.00										
1083.00										
1096.00										
1097.00					2	7000				
1101.00										
1102.00										
1103.00										
1104.00										
1105.00										
1111.00										
1112.00										
1113.00										
1114.00										
1115.00										
1121.00										
1122.00										
1123.00										
1124.00										
1135.00					1	2500				
1141.01										
1141.02										
1142.00										
1143.00										
1151.00										
1152.00										
1153.00										
1154.00										
1155.00										
1156.00										
1157.00										
1161.00										
1162.00										
1163.01										
1163.02										
1164.00										
1165.00										
1171.00										
1172.00										
1174.00										
1181.00										
1184.00						7500				

1186.00							7200				
1191.01											
1191.02			1	1096							
1192.00											
1193.00											
1202.00											
1211.00											
1212.00											
1231.00											
1232.00					1	1250					
1233.00											
1241.00											
1242.00											
1243.00											
1246.00											
1255.00											
1256.00			1	3150							
1267.00											
1268.00					1	1300					
1269.00											
1270.00											
1271.00											
1272.00			1	500							
1273.00											
1274.00											
1275.00											
1276.00											
Total	**0**	**0**	**3**	**4746**	**6**	**27250**	**0**	**0**	**0**	**0**

	Number	**Dollar Amount (in 000s)**
Total for the City of St. Louis	**9**	**$31,996**

2b. Small Business Loans

	Number			Dollar Amount (in 000s)		
Census Tract	**Revenue Above $1 million**	**Revenue Under $1 million**	**Revenue Unknown**	**Revenue Above $1 million**	**Revenue Under $1 million**	**Revenue Unknown**
1011.00						
1012.00						
1013.00						
1014.00						
1015.00						
1018.00	3			1,200		
1021.00						
1022.00						
1023.00						
1024.00						
1025.00						
1031.00						
1034.00						
1036.00	1			400		
1037.00						
1038.00						
1042.00						
1045.00						
1051.98						
1052.00						
1053.00			1			2
1054.00			1			47
1055.00						
1061.00						
1062.00						
1063.00						
1064.00						
1065.00						
1066.00						
1067.00						
1072.00						
1073.00						
1074.00						
1075.00						
1076.00						
1081.00						
1082.00						
1083.00						
1096.00	1			236		
1097.00	5	3		248	415	
1101.00						
1102.00						
1103.00						
1104.00						
1105.00						
1111.00						
1112.00						
1113.00						
1114.00						
1115.00						
1121.00						
1122.00						
1123.00						
1124.00						
1135.00						
1141.01						
1141.02		1			50	
1142.00						
1143.00						
1151.00						
1152.00						
1153.00		3	1		500	4
1154.00						
1155.00						
1156.00						
1157.00						
1161.00						
1162.00						
1163.01						

1163.02						
1164.00						
1165.00						
1171.00						
1172.00						
1174.00						
1181.00	1	1		50	780	
1184.00	1			28		
1186.00	1		1	2		15
1191.01						
1191.02	2			900		
1192.00						
1193.00	2			1,660		
1202.00						
1211.00	1	1		100	44	
1212.00						
1231.00						
1232.00	1			2		
1233.00						
1241.00						
1242.00						
1243.00						
1246.00						
1255.00						
1256.00	4			2,050		
1266.00	1	1		200	160	
1267.00	1			47		
1268.00	3	1		755	5	
1269.00						
1270.00	8			905		
1271.00						
1272.00	1			300		
1273.00						
1274.00	1	1		438	150	
1275.00						
1276.00	4			1,409		
Total for the City of St. Louis	**42**	**12**	**4**	**$10,930**	**$2,104**	**$68**

1i. Defaults and Deliquencies on Home Loans

	Number		Dollar Amount	
	Defaults	**Delinquencies**	**Defaults**	**Delinquencies**
Total for City of St. Louis	4	4	$180,848.33	$23,097.65

AFFIDAVIT FOR DEPOSITORIES

We agree not to arbitrarily reject any loans for any properties or projects within the City of St. Louis, or within any specific geographic area in the City of St. Louis, that fit within our underwriting standards because of the location and/or age of the property, or in the case of prospective borrowers, to arbitrarily vary the terms of loans or the application procedures for loans because of race, color, religion, national origin, age, sex or marital status. In addition, we agree to make loans available on residential property in neighborhoods of all income levels in the City of St. Louis within the limits of legal restrictions and our prudent financial practices. All collateral security agreements governing depositories, institutional banking and investments must be in a form acceptable to the City Treasurer and to us.

J. Mariner Kemper
Chairman, UMB Bank, n.a.

3-4-14
Date

Michael D. Hagedorn
President and CEO, UMB Bank, n.a.

3-4-14
Date

We are building a company for the next 100 years.

UMB®

2012 ANNUAL REPORT

Industry

Data from SNL Financial as of 12/31/12

UMBF

UMB Financial Corporation
A diversified financial services company.
As of 12/31/12

-16.0%

Dividend Growth
July 2003 through 12/31/12

+115%

Dividend Growth
UMB increased its quarterly dividend 4.9 percent in 2012, the 12th time since July 2003, a total increase of 115 percent.

2.28%

Nonperforming Loans To Total Loans

.49%

Nonperforming Loans To Total Loans
UMB has maintained high asset quality through all kinds of economic conditions.

77.9%

Loans-To-Deposits Ratio

48.8%

Loans-To-Deposits Ratio
We are in the business of lending money and have plenty of liquidity to meet our customers' needs.

14.3%

Tier 1 Capital Ratio

11.1%

Tier 1 Capital Ratio
Unlike the industry, our Tier 1 capital ratio remains strong without government intervention or dilutive capital actions.

+15.5%

Noninterest Income Growth
During the past five years.

+46.5%

Noninterest Income Growth
Our noninterest income over the last five years again outpaced the industry, demonstrating that our diversified business model remains effective.

Our business isn't about money, it's about trust.

Trust can't be bought, or sold, or traded.

It can only be earned.

Day by day, year after year, generation upon generation.

That's why our anniversary is about much more than 100 years.

It's about our roots.
It's about our wings.
It's about our future.

A future every one of us will share.

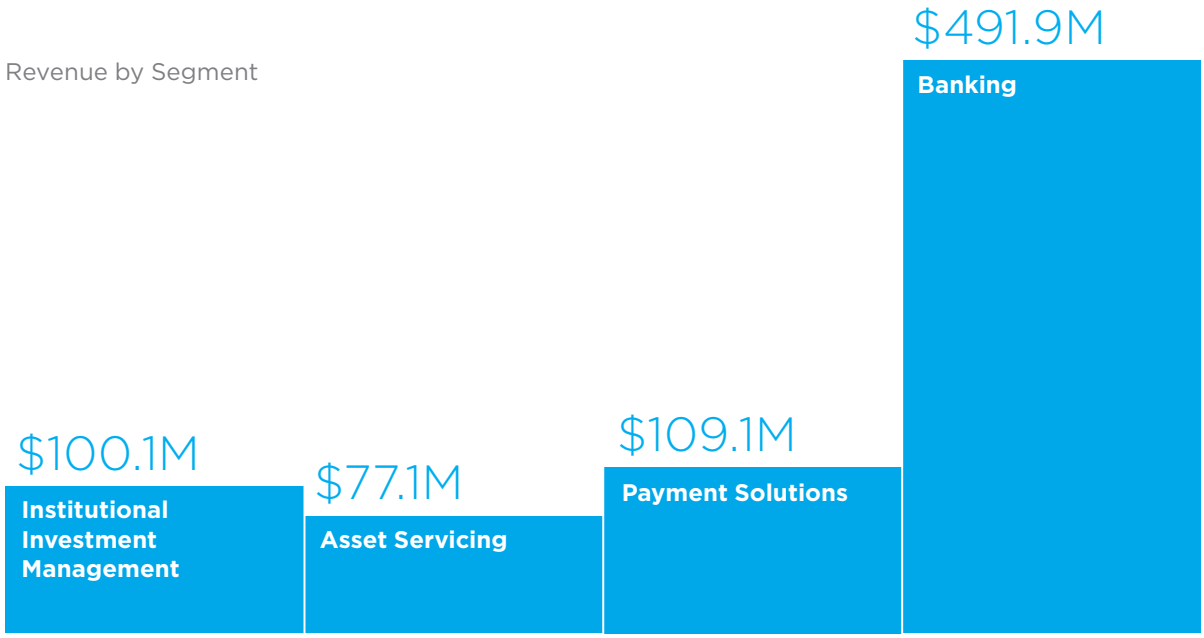
UMB, more than 100.

UMB.COM/100

UMB Financial Corporation

We are a diversified financial services holding company aligned into four strategic business segments to best serve our customers and achieve long-term growth opportunities.

Revenue by Segment

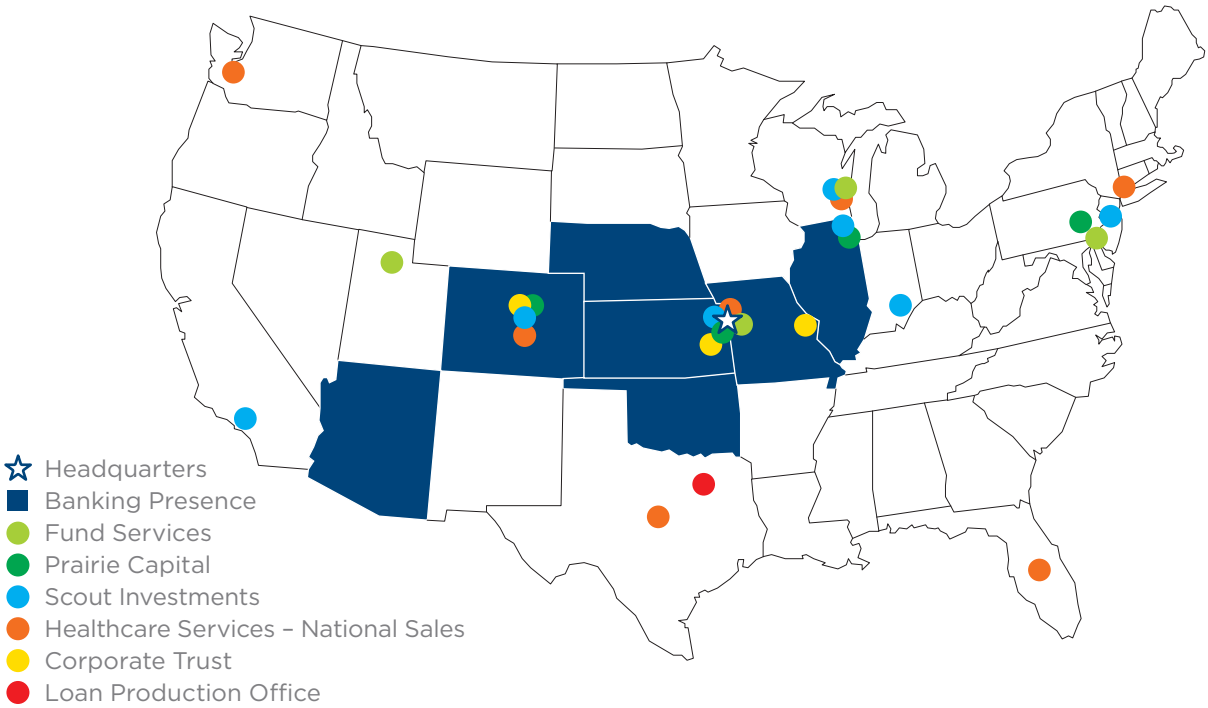


As of December 31, 2012

Total Revenue	$778.2M	Earnings Per Share (Diluted)	$3.04
Market Cap	$1.8B	5-Year Earnings Per Share Growth (CAGR) (Diluted)	11.42%
Total Assets	$14.9B	Dividends Per Share	$.83
Assets Under Management	$33.1B	Price to Earnings Ratio	14.27
Percentage Noninterest Bearing Deposits	42.2%	Percent Revenue From Fee Businesses	58.9%

Our Footprint

We serve customers across the entire country.



Headquarters	KC, MO
Years in Business	100
Banking Centers / ATMs	121/319
NASDAQ	UMBF
Shares Repurchased (2003-2012)	13.4%

Follow UMB Online	
Website	UMB.com
Associates	3,597
Acquisitions Last Ten Years	23
TARP Dollars Taken	$0

Integrity

1913

"Find out what a man's made of. A person's character means more than his financial statement."

William T. Kemper

1985

"We emphasize quality and concentrate on doing what we know how to do, and doing it well."

R. Crosby Kemper, Jr.

2012

"100 years from now, doing the right thing will still be the right thing to do."

Mariner Kemper

MARINER KEMPER
Chairman & Chief Executive Officer

2012 was proof that despite broad economic challenges, opportunities abound.

Dear Fellow Shareholders,

Doing right may not always be popular, but it will never steer you wrong. As UMB celebrates 100 years of serving our customers and communities, we take pride in adhering to our principles—and delivering great results—over time.

Too often, today's public companies are caught up in a short-term investment thesis of institutional shareholders who have short time horizons for jumping in and out of stocks. This is partly due to managers who pay more attention to making their quarterly numbers to please the institutional shareholder, rather than doing the right thing with their businesses.

Short-termism is at work when Apple, one of the most innovative companies in the world, reports record quarterly revenue and profit—and its stock falls 12 percent in one day. Trouble is, "expectations" can race ahead of even stellar performance, and many investors react to momentary blips more than to lasting success.

Helping to fuel knee-jerk actions are the always-on television and online news sources that make media stars of any critic who takes potshots at a company or industry, regardless of facts or fundamentals. Some critics are making money; some are just polishing their personal ratings in Washington or on Wall Street.

Unfortunately, short-sighted behavior is part of our current reality—in business and in government policy.

Maybe it's time for a return to long-termism, strategic actions and enduring values. This is what UMB stands for.

Living by your principles may not win today's popularity contest, but doing the right thing for the long haul is the way our customers build their businesses and personal assets. Customers appreciate the way UMB stands out in our industry with a proven track record for integrity, trust and stability.

Creating shareholder value that endures

Our shareholders, too, can take comfort in the fact that UMB delivers, and we deliver over the long term. Even as many institutions stumbled during the financial crisis and its aftermath, UMB has outperformed the industry by delivering superior performance and building long-term value for shareholders.

From 2007 to 2012, the five-year period spanning the financial crisis, UMB generated total shareholder return (dividends plus stock price appreciation) of 25.2 percent, according to SNL Financial, a leading provider of financial information. The Standard & Poor's 500 Index generated total return of 8.6 percent during that time, and the SNL Bank Index produced total return of negative 33.9 percent for the five years.

SNL Financial also recognized **UMB as one of only 22 publicly-listed banks** that raised dividends at least four percent a year in each of those five years.

While UMB raised annual dividends 45.6 percent from 2007 to 2012, the median dividend change was a decline of 42.1 percent for all publicly-listed U.S. banks and thrifts.

UMB's outperformance over the long haul is no accident. Through the recent financial crisis and its aftermath, we never lost money. We never had to suspend or reduce our dividends—in fact, we increased dividends seven times from 2007 to 2012. UMB's financial strength enabled us to grow commercial lending and to make acquisitions that strategically expanded our asset management and servicing business.

Our long-term orientation pays off—especially in challenging times. We will continue to adhere to our values for good business—quarter in and quarter out, year in and year out, decade in and decade out—to provide you with long-term shareholder value.

Delivering superior performance in 2012

In 2012, our performance set new highs for earnings, assets and other key metrics. Net income for 2012 reached a record $122.7 million, or $3.04 per diluted share—growth of 15.3 percent from earnings of $106.5 million, or $2.64 per diluted share, in 2011. In fact, we produced record earnings in three of the last five years. We also raised our dividend 4.9 percent in 2012, the 12th increase since 2003.

Because of our strong relationships, UMB again expanded our lending in 2012—including a brisk increase in commercial loans—with continued excellence in credit quality. We achieved 10.4 percent growth in average total loans to $5.25 billion, compared to year-end 2011, while nonperforming loans remained at a low 0.49 percent of average loans. Comparatively, the industry only posted loan growth of 1.95 percent during the same period.

I'm growing tired of hearing pundits complain that "banks are not lending money." It's time for them to recognize that troubled banks are the ones not lending money. Because great banks, like UMB, are lending money to institutions, small businesses and individuals—as our double-digit growth proves. Despite economic and regulatory uncertainties, UMB continues to help our customers with their borrowing needs, and we have achieved considerable success in attracting new credit customers.

One of UMB's great strengths is that we have also diversified our revenue streams: Nearly 59 percent of 2012 revenue came from noninterest income, three times the level at most banks. Our business model as a diversified financial services company is paying off richly. Our model helps to stabilize earnings through this low interest rate cycle and support opportunities for further growth.

Our strong emphasis on fee-based services, such as asset management, servicing and payments, generated 10.6 percent growth in noninterest income in 2012, to $458.1 million. Asset management businesses grew robustly in 2012. Total assets under management, including Scout Investments and our wealth management services, rose 18.4 percent to $33.1 billion at year-end 2012.

A strong balance sheet continues to fuel UMB earnings growth and initiatives for the future. Total assets grew 10.2 percent in 2012 to a record $14.9 billion. UMB maintained a strong Tier 1 capital ratio of 11.05 percent in 2012 and a high level of liquidity with a loan-to-deposit ratio of 48.8 percent.

While many institutions are still cleaning up problems from the financial crisis, UMB's financial strength has enabled us to take advantage of numerous growth opportunities. Peter deSilva, UMB chief operating officer, will provide more context and detail regarding our financial results.

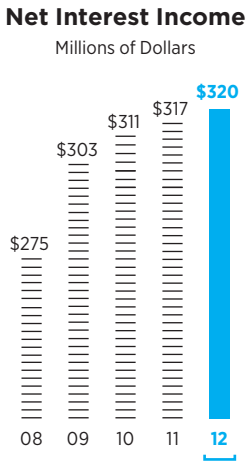
Building our business for the next century

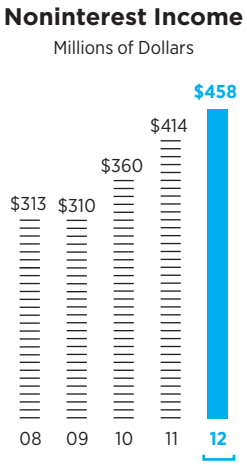
As we enter UMB's second century, our principles will stay the same. In free markets, the businesses that thrive are those with enduring cultures of integrity, trust and stability.

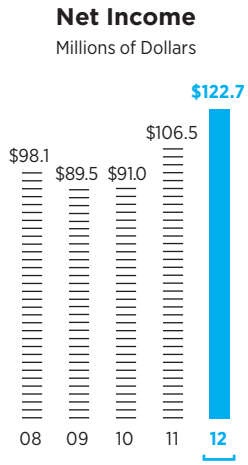
Because UMB adheres to our commitment to act responsibly on behalf of our customers and shareholders—regardless of the current fads, bubbles or business cycles—our customers know they can build long-term, mutually beneficial relationships with the people who make up UMB.

At the same time, we see the business environment of the foreseeable future as challenging. We have the financial strength to endure changes in government policy and economic swings—and remain nimble enough to take advantage of growth opportunities as they arise.

The current policy environment in Washington, we believe, is unfavorable to a sound financial system. Keeping interest rates close to zero pushes







individuals and businesses to borrow more and invest in riskier assets, in the name of stimulating the economy. Pushing lenders to put money at risk, even when they shouldn't because of the quality of the credit, invites a future day of reckoning. Later in this report, Mike Hagedorn, vice chairman, chief financial officer and chief administrative officer, addresses particular policy issues that we see as worrisome.

The Federal Government itself, of course, is the prime offender when it comes to unsound fiscal behavior. We hope that our national leadership does not continue to kick the can down the road in addressing the spending and debt issues that represent a serious weakness for America.

Regardless of changes in the environment, however, you can be assured that UMB will continue to do the right things to deliver long-term shareholder value. For example, by taking these steps we are consciously:

- Positioning our company to operate without the need for a government bailout, as we did in refusing TARP money during the financial crisis that hit in 2008;

- Diversifying our revenue base, both to avoid relying too much on net interest income in a time of historically low rates and to provide growth without feeling pressure to lower our credit standards;

- And, structuring our balance sheet according to our principles of what's right, rather than giving in to a political environment that begs for bad behavior (and may have negative consequences).

We are more convinced than ever that UMB can be a high-quality company and still perform well over the long haul. The results of 2012—and the past five, 10 or 100 years—prove that UMB delivers value for our customers and our shareholders.

I am very proud of UMB's ongoing performance. UMB has maintained high asset quality, strong liquidity and healthy capital levels through all kinds of conditions. Looking forward, we are well positioned to deliver the results you have come to expect.

Most importantly, the engaged and energetic associates of UMB continue to build strong relationships with customers who trust us to help build their financial futures. I can't thank the 3,597 associates enough for all they do, every day.

Thank you for your interest, support and loyalty.

Sincerely,

Mariner Kemper
Chairman & Chief Executive Officer

March 1, 2013

Trust

1879

"Our steady purpose is to do all the various and legitimate kinds of business of a first-class bank."

Rufus Crosby

1959

"One of the first things I heard from my father is that it doesn't do any good to say, 'the other banks are doing it too,' if you're just as broke as they are."

R. Crosby Kemper, Jr.

2012

"It's invigorating to consider how the original values set in preceding generations continue to guide our company."

Peter J. deSilva

PETER J. DESILVA
President & Chief Operating Officer

Banks are at the heart of America's economy and key to a stronger recovery.

Dear Fellow Shareholders,

Our business is all about delivering high performance to our customers. Without them, we wouldn't be in business and their loyalty means everything to us. As such, they have come to expect our brand promise, *Count on more,* in action at every level. Our objective is to deliver more than what our customer is expecting from every interaction, every experience. As UMB has evolved through the decades into a diversified financial services company, we have demonstrated the ability and a steadfast commitment to serving all of our customers' financial needs.

UMB's 2012 results, including double-digit growth in loans and momentum in fee-based services, prove that we are more than a regional bank. Our diversified business model positions UMB uniquely to enhance shareholder value by expanding customer relationships and providing the best opportunities in banking, asset management, payments and investment products and services.

We continue to execute on four core strategies:

- Growing our fee-based businesses
- Enhancing the bank's net interest income
- Improving operating efficiencies
- Maintaining a strong capital position

Outperforming despite headwinds

Effective execution of our strategies enabled UMB to once again deliver strong financial results in 2012, outperforming our peers in a number of key metrics. UMB's net income was a record $122.7 million, up 15.3 percent from 2011. It was our third consecutive year of earnings growth.

During 2012, average balance sheet assets grew 7.8 percent to a new high of $13.4 billion. Book value per share reached $31.71, also a record level. UMB achieved double-digit growth in loans, with average balances increasing 10.4 percent over 2011. UMB maintained a strong Tier 1 capital ratio of 11.05 percent in 2012 and a high level of liquidity with a loan-to-deposit ratio of 48.8 percent.

To achieve this performance, we overcame three major headwinds facing the financial services industry:

- Persistently low interest rates
- Expansion of regulatory burdens
- Ongoing economic sluggishness

Amid this challenging business environment, UMB continued to make progress in each of our strategic areas of focus—creating value for our customers and shareholders.

Growing fee-based businesses

With nearly 59 percent of UMB's 2012 revenue coming from noninterest income—three times the median level for U.S. banks—we view the growth of our fee-based businesses as a strategic differentiator enabling UMB to perform strongly in a variety of economic climates. A 10.6 percent increase in noninterest income, to $458.1 million in 2012 compared with $414.3 million in 2011, contributed the majority of UMB's total revenue growth for the year.

Our businesses in investment management, asset servicing, payments and other fee-based services provide attractive returns on their own—and the

earnings have more than offset the impact of thinner net interest margins during this period of persistently low interest rates and highly accommodative monetary policies.

Institutional Investment Management

Scout Investments performed well in 2012. Scout's total assets under management in mutual funds and separately managed accounts stood at $23.5 billion at year-end 2012, an increase of 19.6 percent from a year earlier. During 2012, the Scout Funds (mutual funds, excluding separately managed accounts) experienced net fund inflows of $868.8 million, representing a fund flow rate of 10 percent for the year.

The strong performance record of Scout equity and fixed-income products—including **four mutual funds with 4-star and 5-star Morningstar ratings**—helped attract and retain clients. In 2012, the Scout Mid Cap Fund earned two Lipper Fund Awards, ranking first among more than 200 Mid-Cap Core Funds for three-year and five-year periods. The Scout Core Plus Bond Fund Institutional Class also won a Lipper award, ranking first out of 493 intermediate investment-grade debt funds for the most recent three-year period. In addition, Morningstar recognized our Reams Asset Management Fixed Income team by nominating them for fixed income manager of the year. We couldn't be more pleased with these accolades.

Scout Investments offered clients two targeted new funds in 2012, launching the Scout Low Duration Bond Fund and the Scout Emerging Markets Fund.

Asset Servicing

UMB Fund Services provides turnkey outsourced back-office services and technologies to more than 200 mutual funds and other asset managers, with total assets under administration of $156 billion at year-end 2012. The division continues to add new clients and expand relationships with existing clients. A vehicle to help small or start-up mutual funds manage their business, the Investment Managers Series Trust (IMST), has grown rapidly and surpassed the $3.3 billion mark in net assets in 2012.

In 2012 UMB Fund Services introduced an advanced technology platform, the Alternative Investment Communication Engine, to help a growing number of registered hedge funds clients to better manage their businesses and communicate with their investors.

Payment Solutions

Our bankcard portfolio held relatively steady in 2012. Bankcard fees were $44.5 million for the year, up 20.3 percent from 2011. Purchase volumes, which are a primary driver of revenue, grew a robust 12.9 percent in 2012 to just over $4.4 billion.

UMB is known for strong credit quality, and our bankcard portfolio is no exception. Card credit quality remains superior to industry averages and continued to improve in 2012, with delinquency rates dropping to 1.5 percent from 1.8 percent a year earlier.

Our card product offerings are unique to the market place. In 2012, we launched the ePlate card, which rewards consumers with experiences, as well as point rewards. The consumer decides at the point of purchase where to apply the rewards simply by pushing one of two buttons on the card. This, coupled with our CardPartner product, which provides private label cards to Hello Kitty, The Boy Scouts of America and the Kiss Fan Club, among thousands of others, positions us well in the card space nationally.

UMB Healthcare Services is expanding relationships with employers and individuals as they confront the uncertainties of implementation of the 2010 Affordable Care Act, mostly due to take effect in 2014.

UMB Healthcare Services is one of America's leading providers of Health Savings Accounts (HSAs) and Flexible Spending Arrangements (FSAs), using consumer-driven solutions to manage rising healthcare costs. Our total number of HSAs and FSAs grew to 3.1 million in 2012, up 27.3 percent. Deposits in healthcare services custody accounts were $430.5 million at year-end, an increase of 33.2 percent.

UMB is partnering with employers to enhance the value and delivery of HSA benefits. In 2012, we launched an online business portal for brokers to help employers manage HSAs, providing sophisticated data analysis and a convenient dashboard view.

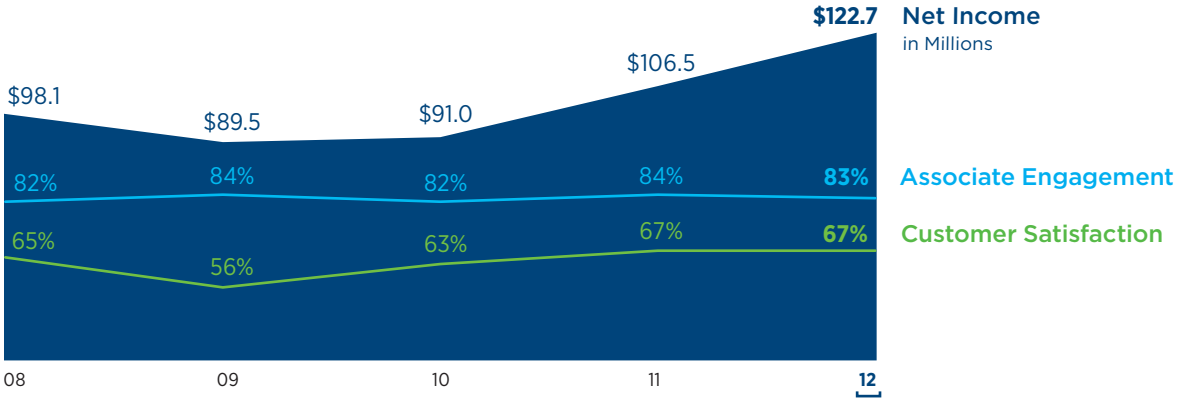
Bank

In Consumer Banking, we reported an increase of 7.7 percent in home equity lines of credit outstanding balances, which now stand at $574 million. Since 2008, home equity line commitments have increased

"Our core approach will continue to be guided by UMB's century-long focus on customers."

Peter J. deSilva

Engaged associates have a direct impact on our financial results.

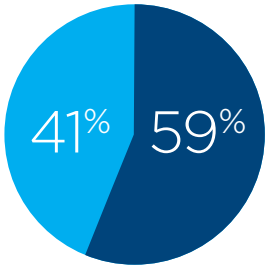


+7.6%
Book Value Increase

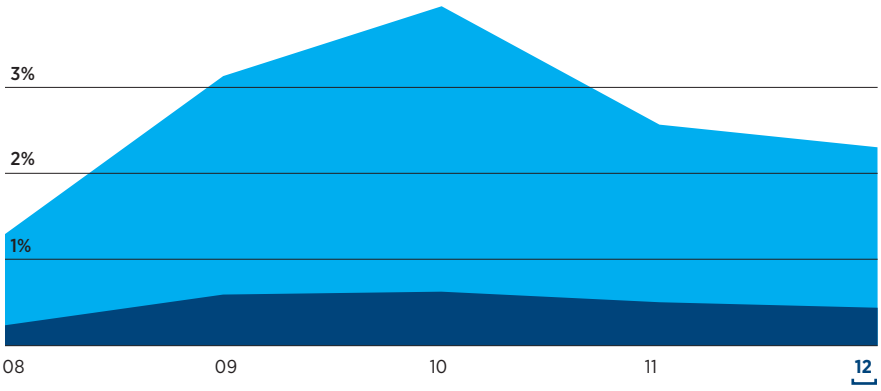
+15.3%
Net Income Growth

+6.4%
Overall revenue increased to $778.2 million.

+10.6%
Noninterest income grew to $458.1 million.



59% Noninterest Income
41% Net Interest Income



Nonperforming Loans
Our credit quality metrics continue to outpace the industry.

2.28% Industry Average

0.49% UMBF

nearly 60 percent, and outstanding balances have risen by 52 percent. In small business banking, average deposits increased nearly 20 percent to $504.5 million, and average loan balances increased by 25.7 percent to $130.4 million, when compared to year-end 2011. Also, in 2012 the Small Business Administration ranked UMB as No. 1 in SBA loans in the Kansas City metropolitan area.

Our bank asset management business consists of private wealth management, private banking, corporate trust and banking services. In our private wealth management business, total assets under management were $9.6 billion at year-end, an increase of 15.5 percent from a year earlier. Our focus on individual clients includes UMB Bank's trust and private wealth management groups and Prairie Capital Management.

UMB's corporate trust business held steady in 2012, with year-end assets under administration at $11.1 billion. As one of the nation's top four municipal bond and agency trustees, we continue to diversify and strengthen our client relationships, although low yields and a limited volume of new municipal offerings pose a challenge in the current market environment.

Enhancing net interest income

UMB delivered a 1.0 percent increase in net interest income to $320.1 million in 2012, sustaining the growth in our traditional banking business.

Average earning assets increased 8.4 percent to $12.4 billion in 2012. UMB deployed increasing deposits into loans and investment securities. Net interest margin decreased 19 basis points to 2.75 percent for 2012, a compression that was more than offset by balance sheet growth.

UMB continued to deliver solid loan growth in 2012, including a substantial increase in commercial loans, with continued excellent credit quality. Average net loans increased 10.4 percent to $5.3 billion, while nonperforming loans were held to a low 0.49 percent.

Commercial banking has been a core competency for nearly 100 years, and UMB has achieved growth despite economic uncertainties and weakness in loan growth across the industry. Our focus on long-term relationships positions UMB well to provide financing when companies are looking to expand.

UMB's credit quality also continues to shine. Overall nonperforming loans as a percentage of total loans were 0.49 percent at year-end, and net charge offs were 0.35 percent in 2012. We are very proud of our sound underwriting practices, which further differentiate UMB from our banking peers.

UMB also strategically analyzes our mix of products. For example, noninterest-bearing deposits comprise more than 42 percent of total deposits, ranking UMB in the top 4.0 percent of the industry according to SNL Financial. This high percentage of free funds is a competitive advantage and is reflected in our low overall cost of funds. We expect this advantage to be even more important once rates begin to rise.

The Federal Reserve's current policy of prolonged low interest rates poses challenges for margins across the banking industry. The growth in UMB's loan and securities portfolios during this period will benefit net interest income further once the economic cycle turns favorable enough for interest rates to rise.

Delivering operating efficiencies

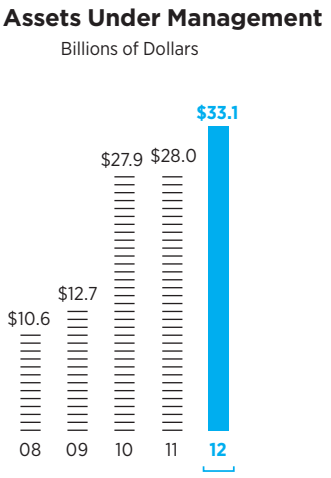
We are always on the lookout for ways to control expenses and use new technologies to be more productive. During 2012, UMB's efficiency ratio (an industry measure of the expenses required to generate revenue) decreased to 74.01 percent, an improvement from 75.04 percent in 2011.

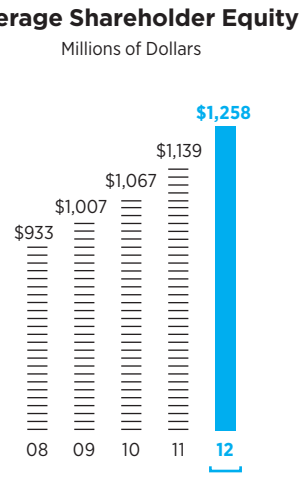
But our strategy also includes building scale in our businesses to gain operating leverage across the enterprise. Our investment management business is a prime example: The Scout Investments acquisition of Reams Asset Management in late 2010 expanded assets under management, added a strong base of institutional clients and brought in a complementary product portfolio based on Reams' fixed-income expertise. In 2011 and 2012, we have offered the Scout equity products to clients of Reams and the world-class bond funds from Reams to Scout clients —and launched new equity and fixed-income funds based on the expertise of the combined organization.

Maintaining a strong capital position

Keeping a rock solid balance sheet for UMB, through good times and bad in the broader economy, is a core strategy for preserving and growing shareholders' wealth. UMB has always built our business to withstand the stresses that come with economic cycles, and we will continue to do so.

UMB maintained a strong Tier 1 capital ratio of 11.05 percent in 2012 and a high level of liquidity





with a loan-to-deposit ratio of 48.8 percent. Total assets grew 10.2 percent to a record $14.9 billion at year-end 2012. While many institutions have still been cleaning up problem loans from the financial crisis, UMB's financial strength has enabled us to take advantage of numerous growth opportunities.

Shareholders benefit from our financial strength because the balance sheet drives UMB earnings growth and gives us flexibility for future initiatives. In recent years, strong capital levels enabled UMB to continue to grow capital organically, without resorting to the capital markets in a time of stress on the banking industry.

UMB strives to deploy capital in a mix that benefits shareholders: reinvesting in organic growth, investing in acquisitions, increasing dividends as in 2012 and repurchasing shares when appropriate.

A strong capital position also benefits customers. The lower risk of a well-capitalized position gives UMB access to low-cost funding, which then can be used in lending. UMB's strength through the recent crisis also opened up opportunities for expanding our portfolio of products through strategic acquisitions.

Looking to our next 100 years

A century ago, the nature of banking called for a physical connection with people coming into our building, visiting a teller or personal banker, signing papers, and giving or receiving currency. In 2013, banking can just as easily take place virtually, with customers tapping on their smartphone apps or Web browsers. Customers can do their business with us from home or office or halfway around the world.

But building relationships is still at the heart of UMB's business. We serve businesses in all kinds of industries, large and small, and we try to understand each one and meet the specific needs for financial services and expertise to support business growth. We relate person-to-person with individuals and families, and they know that we are committed to their hopes and dreams for the future.

Our core approach will continue to be guided by UMB's century-long focus on customers. We will invest continually in serving our customers by hiring the best people and by adding the services and technologies that together enable customers to accomplish their goals in life.

Sincerely,

Peter J. deSilva
President & Chief Operating Officer

March 1, 2013

Stability

1933

"If we were to liquidate this bank today, we could pay our depositors one hundred cents on the dollar and collect our entire Surplus and Capital Account..."

R. Crosby Kemper, Sr.

1975

"Although the economy and banking industry were not good in 1975, we flourished."

R. Crosby Kemper, Jr.

2008

"Our company posted record net earnings during what was arguably one of the worst economies since the Great Depression."

Michael Hagedorn

MICHAEL D. HAGEDORN
Vice Chairman, Chief Financial Officer & Chief Administrative Officer

Our continued success is built upon sound financial principles and integrity.

Dear Fellow Shareholders,

2012 was a challenging, yet rewarding year for UMB Financial Corporation. We posted record net income of $122.7 million and total revenue of $778.2 million, or $3.04 per diluted share—an increase of 15.2 percent compared to 2011.

For the full year, noninterest income was $458.1 million, an increase of 10.6 percent, and represented nearly 59 percent of total revenue. With rates likely to remain low for the foreseeable future, our net interest margin will remain under pressure, and we will continue to place more emphasis on growing our fee businesses. We believe this strategy positions us well for this economic climate, when coupled with our tradition of sound risk management, a strong balance sheet and consistently high credit quality.

I'd like to make a bit of a departure from my traditional letter, and share my thoughts on two important pieces of legislation that currently plague our industry and that I believe will have broad reaching repercussions for the financial services world.

First, Basel III is proposed legislation that would redefine the Tier 1 Capital Ratio of U.S. banks to include the unrealized gains/losses on available-for-sale securities reported in accumulated other comprehensive income (AOCI).

We believe this regulatory change would have a harmful, long-term effect on the stability of U.S. banks, as well as on bank shareholders and on issuers of high quality, long-term securities such as U.S. agency and municipal bonds. The AOCI proposal epitomizes a regulatory expansion that is likely to produce unintended negative consequences.

As shareholders, you know UMB is a well-capitalized, consistently profitable, growing bank. Maintaining a strong balance sheet, through good times and bad, is a core value for us. Before, during and after the recent financial crisis, UMB's capital position has exceeded requirements by a comfortable margin. Tier 1 Capital was 11.05 percent at December 31, 2012. You know we have built our business to withstand the stresses of economic cycles. That managed position has enabled UMB to continue to increase capital organically throughout the recent economic stresses, without seeking help from capital markets or the government.

If the proposal to add unrealized gains/losses from AOCI into banks' regulatory capital were adopted as it stands, we believe it would:

- **Increase volatility in bank capital levels.** Inclusion of unrealized gains/losses would tend to overstate capital levels in low-rate environments (such as now) and understate capital when rates are higher. If interest rates moved up quickly, as experienced in 1994 and again in 2005-2006, Tier 1 bank capital would erode for many U.S. institutions, triggering distress in the market. We believe, for example, that an immediate and sustained 300 basis point rise in rates could cause many currently well-capitalized banks to become undercapitalized.

- **Damage public perceptions of bank safety.** Adoption of the AOCI proposal would undermine

confidence and create a perception of greater risk for banks that hold securities such as U.S. Treasury and agency bonds, mortgage-backed securities (MBS) and municipal bonds. This regulation would not address the actual quality of securities held by banks, but rather would reduce capital levels strictly as a result of fair value changes without any consideration of the institution's ability to hold the security until stated maturity. By allowing fluctuations in interest rates to erode bank capital directly through AOCI inclusion—without any change in the actual quality of assets held by banks—it would create additional uncertainty for the capital markets and increase banks' cost of capital.

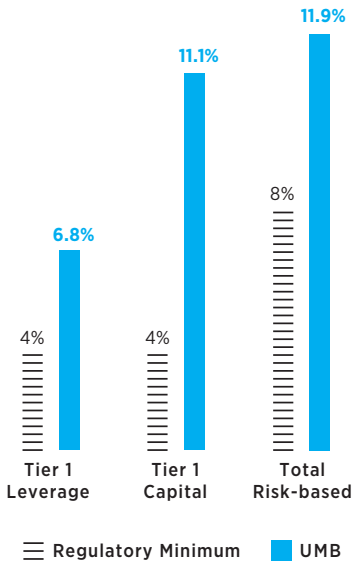
- **Cause unintended changes in the mix of bank assets.** An immediate result would be an incentive to shift holdings toward shorter-duration securities to limit unrealized gains/losses due to interest-rate fluctuations. Shorter durations typically would reduce yields, leading to reduced earnings and consequently less capital in the banking industry at a time when capital is most needed. The change also would make high-quality, long-term securities, such as municipal and agency-backed bonds, less attractive. Banks are significant buyers of these securities, so issuers could face higher costs of capital or difficulty in raising capital. Finally, the AOCI rule would create an incentive, at the margin, to shift bank assets from low-risk, highly liquid securities into riskier loans that currently might not meet prudent underwriting standards.

UMB supports raising capital requirements for banks that embrace riskier activities and assets, such as the creation of credit derivatives, investment banking and proprietary trading. However, the reasoning that supports a greater capital cushion for institutions that engage in "Wall Street" banking activities does not apply to "Main Street" banks whose focus is traditional banking—gathering deposits and lending in their communities.

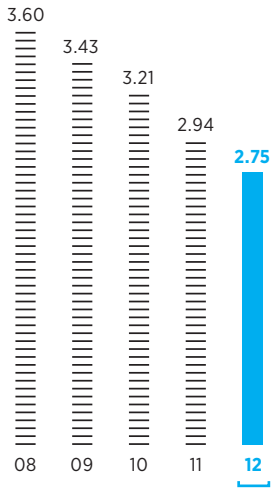
Several layers of regulation already have been added for U.S. banks since the 2008 financial crisis. Ultimately, a strong banking system and public confidence must grow out of sound banking practices: profitable operations, strong balance sheets and good credit quality. What led to the financial crisis was not a failure in AOCI accounting, but a lack of attention to sound underwriting, plus involvement in riskier capital-market activities. We believe credit quality and trading activities would be better targets for supervision.

Under the current system, U.S. investors, depositors and regulators all have transparency into the fair value of securities portfolios through reporting of AOCI in the financial statements of banks. We do not believe any of the more than 400 banks that have failed since 2008 would have been saved by including unrealized gains/losses in capital ratios. On the contrary, linking regulatory capital levels to values that fluctuate with interest rates would result in excessive volatility in the "headline" capital numbers of U.S. banks.

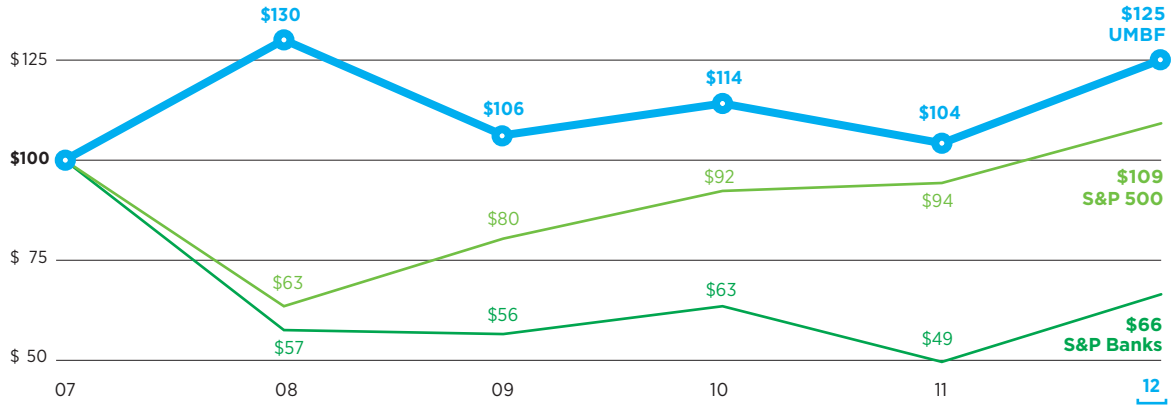
Risk-Based Capital Ratios



Net Interest Margin



Total Return
UMBF vs. S&P 500 and S&P Banks Index



This summarizes the cumulative return experienced by UMBF shareholders for the years 2007 through 2012, compared to the S&P 500 Stock Index and the S&P Banks Index. In all cases, the return assumes a reinvestment of dividends.
Source: SNL Financial

My second issue is a core belief that banks are at the heart of America's economy, and to achieve a stronger recovery, our financial system needs to be free to accomplish what quality banks do best: help depositors safeguard and grow their money, and invest in our communities with quality loans for businesses and consumers.

This traditional banking model is, in fact, the core focus of most banks. U.S. commercial banks currently provide depositors with safekeeping and liquidity for about $9 trillion and fund about $7 trillion in loans outstanding. Loans dropped modestly in the economic pullback of 2009 and 2010, but U.S. banks resumed the growth in lending in 2011 and 2012.

Banks also keep money flowing in the economy. As bankers, we take our role as intermediaries seriously, processing more than 40 billion checks a year with an estimated value of $40 trillion, plus about twice as many electronic payments (debit cards and the like).

The banking industry employs more than 2 million people. And if you think you don't have a personal stake, check your 401(k) or pension fund: common stocks of financial institutions are part of nearly everyone's retirement, representing 17 percent of the total stock market.

I cite these statistics simply to make the point that tearing down "the banks" benefits no one. Finger pointing solves nothing. As I've mentioned, we already have new layers of regulation, with vast scale and complexity. Consider that the Dodd-Frank Act occupies 2,319 pages, while landmark bank reforms of the past were simpler: the Federal Reserve Act at 31 pages and Glass-Steagall at 37. Since the mid-1800s, the country has experienced more than 30 recessions—each one followed by cries for "never again" legislation. But each time, a crisis has recurred within a few years.

The cycle of crisis continues because what we really need is a change in thinking—the will to do business differently rather than creating another law to punish someone else's misbehavior. Today, rather than endlessly replaying 2008 with its bailouts and blame casting, we will make more progress if we start trusting each other again and focus on doing business the right way. That is the way UMB has operated for 100 years, and will continue to operate.

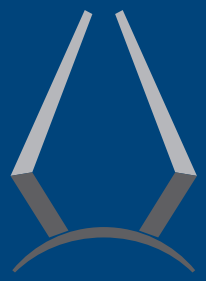
I am proud to be the CFO of a financial institution that provides transparency, soundness and shareholder returns in the midst of an ongoing economic slump.

Sincerely,

Michael D. Hagedorn
Vice Chairman, Chief Financial Officer
& Chief Administrative Officer

March 1, 2013

Institutional Investment Management



LIPPER
FUND AWARDS 2012
UNITED STATES

Scout Mid Cap Fund and Scout Core Plus Bond Fund* Named Best in Class

The Scout Mid Cap Fund earned two awards for best in class, ranking first over three and five years among 265 and 225 mid-cap core funds respectively. The Scout Core Plus Bond Fund – Institutional Class was selected first among 493 intermediate investment-grade debt funds for the three-year period.

The awards were based on consistent return, evaluated on risk-adjusted returns as of December 31, 2011.

Past performance is no guarantee of future results. Consider the Funds' investment objectives, risks, charges and expenses carefully before investing. For a Prospectus or Summary Prospectus, which contain this and other information about the Funds, call 800.996.2862 or visit www.scoutfunds.com. Please read the Prospectus carefully before investing.

*Institutional Class. The Fund offers another share class and the ranking may be lower than that of the class shown.

The Lipper Fund Awards were calculated for periods over 36, 60, and 120 months. The highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determined the fund classification winner over three, five and ten years. Lipper ratings for Consistent Return identify funds that have provided relatively superior consistency and risk-adjusted returns when compared to a group of similar funds. Past performance is no guarantee of future results.

Investments in mutual funds carry risks and investors may lose principal value. The principal risks of the Scout Mid Cap Fund and the Scout Core Plus Bond Fund include investing in mid-cap stocks, foreign investments, fixed income securities including lower rated bonds, REITs, emerging markets, and mortgage and asset backed securities. Scout Core Plus Bond Fund may use derivatives for hedging purposes or as part of an investment strategy. The use of leverage may increase market exposure, magnify investment risks, and cause losses to be realized more quickly.

The Morningstar Fund Manager of the Year award recognizes portfolio managers who have demonstrated excellent investment skill and the courage to differ from the consensus to benefit investors. To qualify for the award, managers' funds must have not only posted impressive returns for the year, but the managers also must have a record of delivering outstanding long-term risk-adjusted performance and of aligning their interests with shareholders'. Morningstar fund analysts specializing in the fixed income field narrow the universe for the award to five nominees. The Fund Manager of the Year award winners are chosen based on Morningstar's proprietary research and in-depth qualitative evaluation by its fund analysts.

Morningstar Awards Nominee 2012 © Morningstar, Inc. All Rights Reserved. The nomination is for the team's (Mark Egan, Tom Fink, Todd Thompson and Steve Vincent) management of the Scout Core Plus Bond Fund.

The Scout Funds are distributed by UMB Distribution Services, LLC, 803 W. Michigan St., Milwaukee, Wis., an affiliate of UMB Financial Corporation. Scout Investments, Inc., a subsidiary of UMB Financial Corp., serves as investment adviser to the Scout Funds.

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

Scout Investments

Scout Investments provides leading equity and fixed income strategies to institutional and individual investors, managed by strong investment teams and supported by national distribution.

$11.3 Billion
Equity

$12.2 Billion
Fixed Income

$23.5 Billion

Assets Under Management continued to grow despite a very uncertain market environment, ending the year $3.8 billion higher at $23.5 billion.

As of December 31, 2012

Nominated for 2012 Morningstar US Fixed-Income Fund Manager of the Year

Congratulations to our fixed income team: Mark Egan, Tom Fink, Todd Thompson and Steve Vincent.

Scout fixed income funds are managed by Reams Asset Management, a division of Scout Investments.

Top 10%

Total Net Fund Flows

Scout ranked 66th out of 753 fund companies in Net Fund Flows during 2012.

Source: Strategic Insight Simfund

$1.2B

Scout Investments realized total net flows in excess of $1.2 billion in 2012.

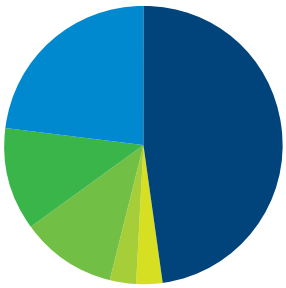
Top Contributors to Net Fund Flows

+$285M
Scout International Fund

+$431M
Scout Mid Cap Fund

+$282M
Scout Fixed Income Funds

Client Assets by Type



- **48%** Mutual Funds
- **23%** Public
- **12%** Corporate
- **11%** Non-Profit / Other
- **3%** Endowment & Foundations
- **3%** Taft-Hartley

Scout Equity Strategies
- International Large Cap
- International Small/Mid Cap
- Emerging Markets
- Global Equity
- Domestic Large Cap
- Domestic Mid Cap
- Domestic Small Cap

Reams Fixed Income Strategies
- Low Duration
- Intermediate
- Core
- Core Plus
- Long Duration
- Unconstrained

Investment Vehicles
- Separately Managed Accounts
- Mutual Funds

Scout Low Duration Bond Fund

Scout Emerging Markets Fund

Two new mutual funds launched in 2012.

Asset Servicing

Executing on fundamentals is the key to consistent growth. We deliver on our core strengths to benefit our clients.

UMB Fund Services (UMBFS) offers a broad suite of administrative services for mutual funds and alternative investments such as hedge funds, as well as turnkey solutions such as series trust and collective trust services.

96%

Client Satisfaction

We are incredibly proud to have achieved a 96 percent satisfaction rating among our mutual fund clients.

$3.36B

Investment Managers Series Trust Assets

Assets in the Investment Managers Series Trust grew 104 percent, from $1.65 billion to $3.36 billion as of December 31, 2012.

+24%

Fund Accounting/Administration Assets Serviced

Our Fund Accounting/Administration team serviced assets of $44.4 billion in 2012 compared to $35.8 billion in 2011.

UMB | Fund Services

Despite the challenging economy, the past four years have been the biggest ever for UMB Fund Services' revenue and client growth, resulting in approximately 120 jobs created since January 2010.

$156.0 Billion

Total Assets Under Administration

Includes UMBFS, JD Clark & Company, and UMB Bank, n.a.

Mutual Fund Services
- Fund Accounting/Administration
- Transfer Agency
- Distribution Services[1]
- Custody[2]
- Cash Management[2]

Alternative Investment Services
- Financial Statements
- Performance Reporting
- Tax Preparation & Compliance
- Audit Coordination
- Offshore Fund Services
- Regulatory Administration
- Custody[2]

[1] Services provided by UMB Distribution Services, LLC

[2] Services provided by UMB Bank, n.a.

+17%

JD Clark & Company, the alternative investment division of UMBFS, had a 17 percent increase in revenue in 2012.

+24%

Transfer Agency revenue increased 24 percent in 2012.

MORNINGSTAR®

UMBFS worked with Morningstar to automate the highly manual reporting process for collective investment fund price and performance data.

207

At the end of 2012, UMB Fund Services served 207 clients. We added 16 new clients in 2012.

Includes fund clients receiving custody services from UMB Bank, n.a.

Top Ten

UMBFS was named a "Top Ten Workplace" for the third straight year by the *Milwaukee Journal Sentinel,* and was also honored to earn their Ethics Award.

Payment Solutions

We are committed to moving the world of payments forward and adding value through innovation.

UMB is pioneering solutions to improve the way our customers do business. We ensure Commercial, Small Business, Institutional, Healthcare and Correspondent Bank customers have the tools to succeed.

+23.6%

5-Year Compound Annual Growth Rate

Our total spend volume has grown steadily to $4.4 billion.

$4.4B

Total Purchase Volume

UMB experienced continued growth in purchase volume as the amount of total purchase spend on UMB cards increased again in 2012 driven by Healthcare debit activity.

+15.2%

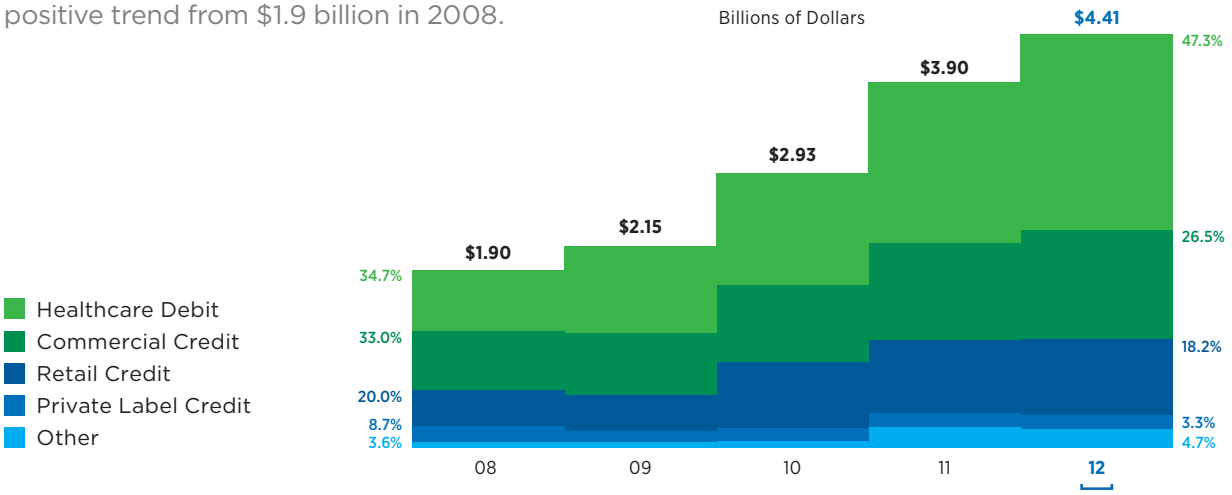
12-Month Rolling Growth

Our September 2012 growth rate (12-month rolling average) was 15.2 percent, which was 1.7 percent higher than the Visa® network and 2.4 percent higher than our peer group.

Source: Visa® Quarterly Report

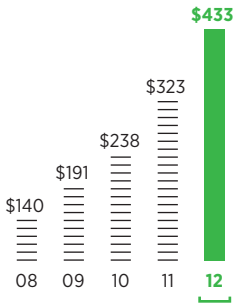
Total Purchase Volume

Total purchase volume increased to $4.4 billion in 2012, continuing the positive trend from $1.9 billion in 2008.



Health Savings Account Assets

Millions of Dollars



$2.1B

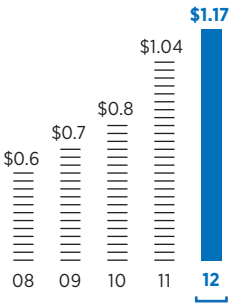
Total card spending for all Health Savings Accounts and Flexible Spending Arrangements.

3.1M

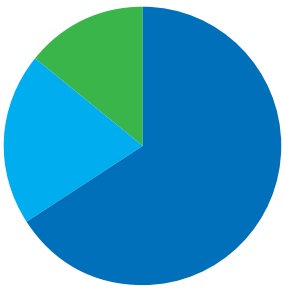
Carded Benefit Accounts (HSAs & FSAs)

Commercial Cardholder Purchase Volume

Billions of Dollars



Partnership Programs



66% Agent Bank
20% Co-brand
14% Affinity

6 of 10

Institutional Banking and Investor Services (IBIS) processing transactions for 6 of the top 10 US Broker-Dealers.

#14

14th largest issuer of Purchasing Cards.

Nilson, July 2012

Introduced the Dynamics ePlate™ Visa®, the first battery-powered credit card. Cardholders can choose from two buttons at the point of sale and receive real-time rewards.

Banking

We're leveraging our brand strength to grow assets.

UMB offers a comprehensive suite of commercial, small business and consumer banking services, as well as full-service investment and private wealth management capabilities.

$11.7B

Liquidity

Year-end deposits increased 14.6 percent to $11.7 billion. UMB has more than enough capacity to meet loan demands.

.35%

Quality Assets

Our net charge off ratio was nearly 50 basis points lower than the industry average of .84 percent.

Source: SNL Financial, as of December 31, 2012

11.1%

Strong Capital Position

Our Tier 1 Capital Ratio is strong at 11.1 percent. It is no accident that UMB's capital position has exceeded regulatory requirements by a comfortable margin—before, during and after the financial crisis.

Funds deposited into UMB Bank are FDIC insured.

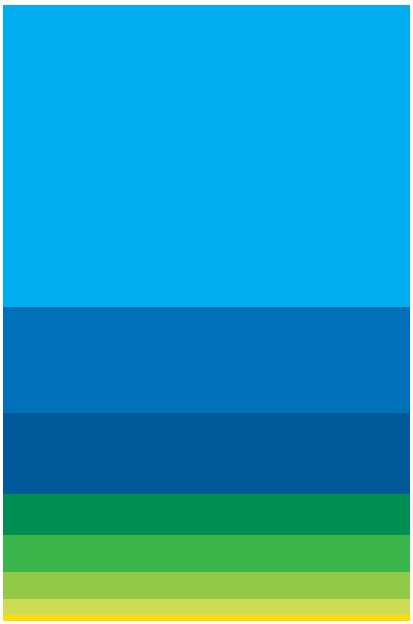
Investments are not deposits in UMB Bank, n.a. or any other financial institution and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Diverse Revenue Streams

Our business strategies begin by focusing on the diverse and growing needs of our customers.

Percent of Noninterest Income

- **49.1%** Trust & Securities Processing
- **17.2%** Deposit Service Charges
- **13.2%** Bankcard Fees
- **6.6%** Trading & Investment Banking
- **6.1%** Other
- **4.5%** Gains on Securities Sales
- **2.4%** Brokerage Fees
- **0.9%** Insurance Fees



$10.5B

Average Total Deposits

We experienced 9.7 percent core deposit growth.

$5.3B

Average Loans

Average loans grew 10.4 percent while the industry grew less than 2 percent.

Forbes 2013 BEST BANKS IN AMERICA

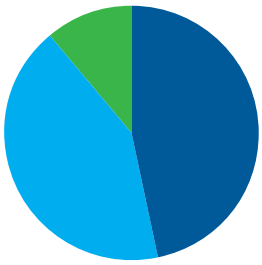
UMB was named one of America's Best Banks by *Forbes* for the **fourth straight year.**

Data is based on regulatory filings of public banks and thrifts through the third quarter of 2012.

+11.6%

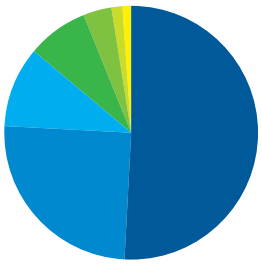
Total debit and credit card purchase volume grew year-over-year to $6.0 billion.

Deposit Composition



- **46.8%** Noninterest-Bearing Demand Deposits
- **42.2%** Interest-Bearing Demand and Savings Deposits
- **11.0%** Time Deposits

Loan Composition



- **50.8%** Commercial & Industrial
- **25.2%** Commercial Real Estate
- **10.1%** HELOC
- **7.7%** Credit Cards
- **3.8%** Consumer Real Estate
- **1.4%** Real Estate Construction
- **1.0%** Consumer

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Commercial Banking

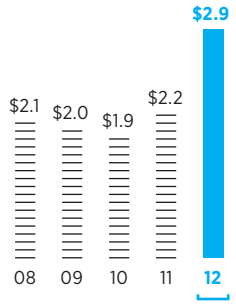
Our commercial model is the hallmark of our business, providing both sophisticated banking solutions and personal attention.

$4.3 Billion

Total Commercial and Commercial Real Estate loans in 2012.

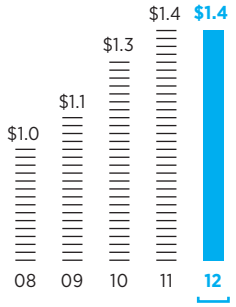
Commercial & Industrial Loans

Billions of Dollars



Commercial Real Estate Loans

Billions of Dollars



.49%

Nonperforming loan ratio versus the industry average of 2.28 percent.

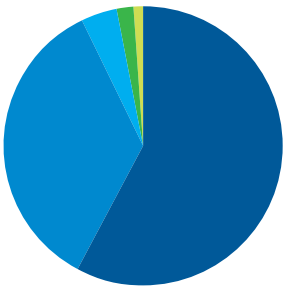
Data from SNL Financial as of 12/31/12

"From both technical and cash flow perspectives, UMB helps us evaluate the decisions we make for our company—instilling the confidence necessary to make the right decisions and move our company in the right direction."

Reuel Foote
President of Stafford County Flour Mills Company

Stafford County Flour Mills (SCFM) leadership has met with UMB since 1981 to develop a cash management strategy based on cash flow projections, wheat futures and anticipated future growth. In addition to a line of credit to manage finances, UMB helps SCFM map a plan to ensure they can cover margin calls, manage day-to-day operations and prepare for expansions.

Commercial Lender-Originated Loans



- **59%** Commercial
- **32%** Real Estate - Commercial
- **4%** Real Estate - Residential
- **2%** Real Estate - Construction
- **3%** Consumer - Other

$711M

In new line of credit commitments.

+11.7%

Increase in average commercial earning assets.

6.2 Million

Total Commercial credit card transactions.

+9.4%

Commercial card balances grew to $104 million.

$11.1B

Corporate Trust Assets Under Administration

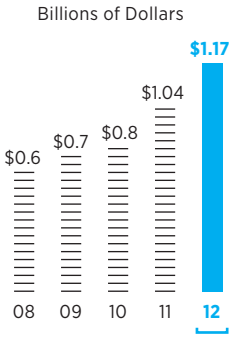
14th Largest

Issuer of purchasing cards in the United States.

Source: 2012 Nilson Report

$1.17B

Total commercial cardholder purchase volume.



+12.8%

Commercial card purchase volume experienced a strong increase over last year.

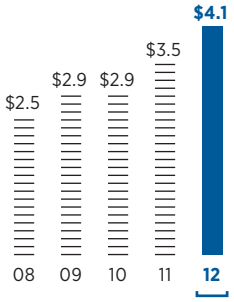
Top 30

U.S. banks for Automated Clearing House originations.

Source: NACHA

$4.1 Billion

Total commercial deposits grew 16.0 percent in 2012.



"It was very clear to us that UMB understood our business, and they recommended a sound financial strategy to directly address specific needs at a pivotal time for our company."

Bill Phillips
CEO of Vornado

As a consumer products company doing business in multiple countries, Vornado has fairly complex transactions and accounting. In 2007, UMB partnered with their leadership to create new solutions to meet these needs and make Vornado's transactions more efficient. UMB also provided Vornado with a line of credit to allow the company to invest in research and new products.

Consumer & Small Business Banking

Our wide variety of products and services are customizable for any consumer or small business need, and we have the scale to continue to help as you grow.

84

UMB retail banking American Customer Satisfaction Index score compared to 77 for the banking industry.

"UMB Bank helped us realize our dreams of owning our own optometric practice. With their help, we are now building the practice of our dreams."

Dr. Kim Folwarski and Dr. Christy Hayes
Co-Founders of Wildwood Vision Specialists

Drs. Kim Folwarski and Christy Hayes have a mission to provide comprehensive ocular health care to the entire community with a focus on building personal relationships with each of their patients. UMB partnered with the practice to provide deposit, loan and credit card services to help them manage their growing business.

#2

Ranked second for Retail Banking Customer Satisfaction in the Midwest.

Source: J.D. Power & Associates

$130M

Small business loans on average grew 26 percent to a new record high.

$574M

Home Equity Line of Credit balances grew 8 percent.

#1

Kansas City market share leader in deposits for the second year in a row.

UMB Mobile Banking continued to grow in 2012 with the introduction of our Android mobile banking web launcher in addition to our iPhone app.

+60%

Since 2008, home equity line commitments have increased nearly 60 percent and outstanding balances have risen by 52 percent.

EQUAL HOUSING LENDER

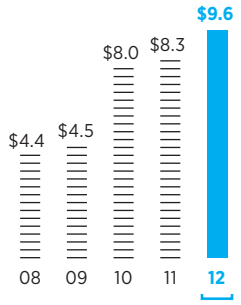
Private Wealth Management

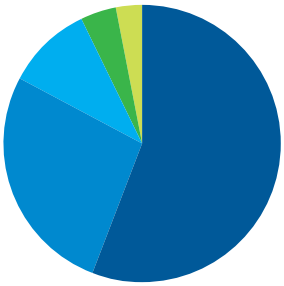
Private Wealth Management offers a fully integrated team of dedicated professionals with expertise in financial and estate planning, investment management, private banking, fiduciary administration and risk management.

$9.6B

Private Wealth Management Assets Under Management

Excluding Scout Investments
Billions of Dollars





- **52.9%** Investment Advisory
- **30.7%** Trust
- **9.5%** Charitable
- **4.1%** IRAs
- **2.8%** Other

"We have renewed confidence in our partnership with UMB. We used to view UMB as our father's bank, but now it is 'our' bank."

Ed King
CEO and Founder of King Estate

Founded in 1991, King Estate is committed to producing Oregon wines of exceptional quality using organic and sustainable farming methods, meticulous fruit selection, impeccable winemaking practices and judicious blending. UMB has successfully partnered with the King family since 1985 and currently manages the trust business assets for three generations of the family.

47.9%

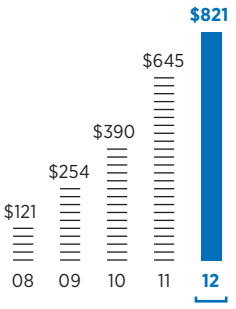
Private Banking Loan 5-year compound annual growth rate.

33.3%

Private Banking Revenue 5-year compound annual growth rate.

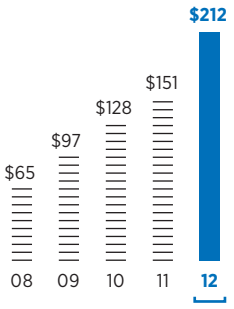
Average Private Banking Deposits

Millions of Dollars



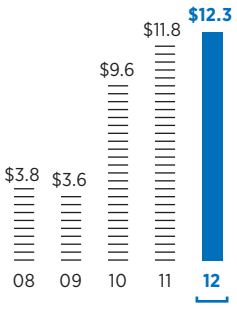
Average Private Banking Loans

Millions of Dollars

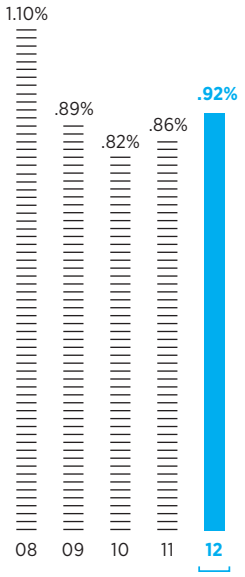


Private Banking Revenue

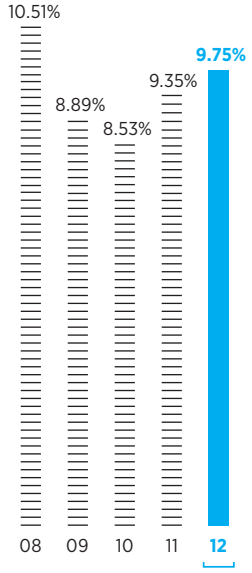
Millions of Dollars



Return On Average Assets

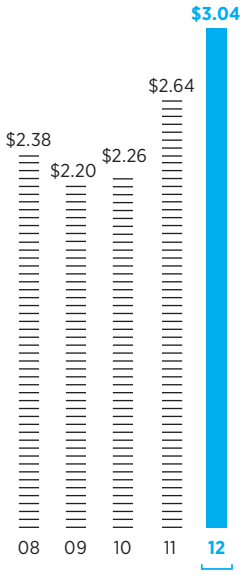


Return On Average Equity



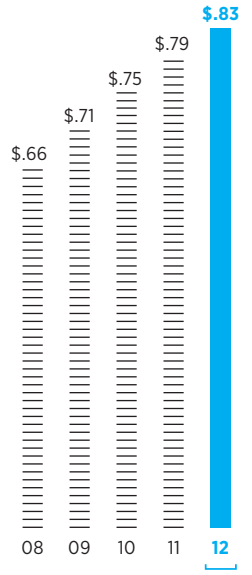
Diluted Earnings Per Share

Dollars



Dividends Declared Per Share

Dollars



FIVE-YEAR FINANCIAL SUMMARY

Dollars In Thousands Except Per Share Data

Earnings	2012	2011	2010	2009	2008
Interest income	$ 339,685	$ 343,653	$ 346,507	$ 356,217	$ 387,973
Interest expense	19,629	26,680	35,894	53,232	112,922
Net interest income	320,056	316,973	310,613	302,985	275,051
Provision for loan losses	17,500	22,200	31,510	32,100	17,850
Noninterest income	458,122	414,332	360,370	310,176	312,783
Noninterest expense	590,454	562,746	512,622	460,585	430,153
Net income	122,717	106,472	91,002	89,484	98,075
Average Balances					
Assets	13,389,192	12,417,274	11,108,233	10,110,655	8,897,886
Loans, net of unearned interest	5,251,278	4,756,165	4,490,587	4,383,551	4,193,871
Securities	6,528,523	5,774,217	5,073,839	4,382,179	3,421,213
Interest-bearing due from banks	547,817	837,807	593,518	492,915	66,814
Deposits	10,521,658	9,593,638	8,451,966	7,584,025	6,532,270
Long-term debt	5,879	11,284	19,141	32,067	36,404
Shareholders' equity	1,258,284	1,138,625	1,066,872	1,006,591	933,055
Year-End Balances					
Assets	14,927,196	13,541,398	12,404,932	11,663,355	10,976,596
Loans, net of unearned interest	5,690,626	4,970,558	4,598,097	4,332,228	4,410,034
Securities	7,134,316	6,277,482	5,742,104	5,003,720	4,924,407
Interest-bearing due from banks	720,500	1,164,007	848,598	1,057,195	575,309
Deposits	11,653,365	10,169,911	9,028,741	8,534,488	7,725,326
Long-term debt	5,879	6,529	8,884	25,458	35,925
Shareholders' equity	1,279,345	1,191,132	1,060,860	1,015,551	974,811
Nonperforming loans	28,103	25,581	25,142	23,263	8,816
Allowance for loan losses	71,426	72,017	73,952	64,139	52,297
Per Share Data					
Earnings - basic	$ 3.07	$ 2.66	$ 2.27	$ 2.22	$ 2.41
Earnings - diluted	3.04	2.64	2.26	2.20	2.38
Cash dividends	0.83	0.79	0.75	0.71	0.66
Dividend payout ratio	27.04 %	29.70 %	33.04 %	31.98 %	27.18 %
Book value	$ 31.71	$ 29.46	$ 26.24	$ 25.11	$ 23.81
Market price					
High	52.61	45.20	44.51	49.75	69.60
Low	37.68	30.49	31.88	33.65	35.76
Close	43.82	37.25	41.44	39.35	49.14
Ratios					
Return on average assets	0.92 %	0.86 %	0.82 %	0.89 %	1.10 %
Return on average equity	9.75	9.35	8.53	8.89	10.51
As a % of loans:					
Allowance for loan losses	1.26	1.45	1.61	1.49	1.19
Nonperforming loans	0.49	0.52	0.55	0.54	0.20
Risk-based capital ratio:					
Tier 1	11.05	11.20	11.30	13.11	13.23
Total	11.92	12.20	12.45	14.18	14.09
Average equity to average assets	9.40	9.17	9.60	9.96	10.49

Please refer to 10-K filing for additional information.

CONSOLIDATED BALANCE SHEETS

Dollars in Thousands Except Per Share Data	*December 31,*	*December 31,*
Assets	**2012**	**2011**
Loans	**$ 5,686,749**	$ 4,960,343
Allowance for loan losses	**(71,426)**	(72,017)
Net loans	**5,615,323**	4,888,326
Loans held for sale	**3,877**	10,215
Investment securities:		
Available for sale	**6,937,463**	6,107,882
Held to maturity (market value of $129,495 and $102,287 respectively)	**114,756**	89,246
Trading securities	**55,764**	58,142
Federal Reserve Bank stock and other	**26,333**	22,212
Total investment securities	**7,134,316**	6,277,482
Federal funds sold and securities purchased under agreements to resell	**89,868**	66,078
Interest-bearing due from banks	**720,500**	1,164,007
Cash and due from banks	**667,774**	446,580
Bank premises and equipment, net	**244,600**	227,936
Accrued income	**69,749**	75,997
Goodwill	**209,758**	211,114
Other intangibles	**68,803**	84,331
Other assets	**102,628**	89,332
Total assets	**$ 14,927,196**	$ 13,541,398
Liabilities		
Deposits:		
Noninterest-bearing demand	**$ 4,920,581**	$ 3,941,372
Interest-bearing demand and savings	**5,450,450**	4,680,125
Time deposits under $100,000	**540,269**	615,475
Time deposits of $100,000 or more	**742,065**	932,939
Total deposits	**11,653,365**	10,169,911
Federal funds purchased and repurchase agreements	**1,787,270**	1,950,827
Short-term debt	**-**	12,000
Long-term debt	**5,879**	6,529
Accrued expenses and taxes	**182,468**	186,380
Other liabilities	**18,869**	24,619
Total liabilities	**13,647,851**	12,350,266
Shareholders' Equity		
Common stock, $1.00 par value; 80,000,000 shares authorized, 55,056,730 shares issued and 40,340,878 and 40,426,342 shares outstanding, respectively.	**55,057**	55,057
Capital surplus	**732,069**	723,299
Retained earnings	**787,015**	697,923
Accumulated other comprehensive income	**85,588**	81,099
Treasury stock, 14,715,852 and 14,630,388 shares, at cost, respectively	**(380,384)**	(366,246)
Total shareholders' equity	**1,279,345**	1,191,132
Total liabilities and shareholders' equity	**$ 14,927,196**	$ 13,541,398

Please refer to 10-K filing for additional information.

CONSOLIDATED STATEMENT OF INCOME

Dollars in Thousands Except Per Share and Share Data	*Years Ended December 31,*		
Interest Income	**2012**	**2011**	**2010**
Loans	**$ 217,391**	$ 219,076	$ 221,797
Securities:			
Available for sale - taxable interest	**81,013**	85,120	90,409
Available for sale - tax-exempt interest	**35,960**	33,079	27,998
Held to maturity - tax-exempt interest	**2,264**	1,687	1,499
Total securities income	**119,237**	119,886	119,906
Federal funds and resell agreements	**121**	102	159
Interest-bearing due from banks	**1,789**	3,284	3,914
Trading securities	**1,147**	1,305	731
Total interest income	**339,685**	343,653	346,507
Interest Expense			
Deposits	**17,416**	24,628	33,447
Federal funds and repurchase agreements	**1,884**	1,712	2,017
Other	**329**	340	430
Total interest expense	**19,629**	26,680	35,894
Net interest income	**320,056**	316,973	310,613
Provision for loan losses	**17,500**	22,200	31,510
Net interest income after provision for loan losses	**302,556**	294,773	279,103
Noninterest Income			
Trust and securities processing	**225,094**	208,392	160,356
Trading and investment banking	**30,359**	27,720	29,211
Service charges on deposit accounts	**78,694**	74,659	77,617
Insurance fees and commissions	**4,095**	4,375	5,565
Brokerage fees	**11,105**	9,950	6,345
Bankcard fees	**60,567**	59,767	54,804
Gains on sales of securities available for sale	**20,232**	16,125	8,315
Other	**27,976**	13,344	18,157
Total noninterest income	**458,122**	414,332	360,370
Noninterest Expense			
Salaries and employee benefits	**319,852**	294,756	267,213
Occupancy, net	**37,927**	38,406	36,251
Equipment	**43,465**	42,728	44,934
Supplies and services	**21,045**	22,166	18,841
Marketing and business development	**24,604**	20,150	18,348
Processing fees	**51,191**	49,985	45,502
Legal and consulting	**17,980**	15,601	14,046
Bankcard	**18,154**	15,600	16,714
Amortization of other intangible assets	**14,775**	16,100	11,142
Regulatory fees	**9,447**	10,395	13,448
Class action litigation settlement	**-**	7,800	-
Other	**32,014**	29,059	26,183
Total noninterest expense	**590,454**	562,746	512,622
Income before income taxes	**170,224**	146,359	126,851
Income tax expense	**47,507**	39,887	35,849
Net Income	**$ 122,717**	**$** 106,472	**$ 91,002**
Per Share Data			
Net income - Basic	**$ 3.07**	$ 2.66	$ 2.27
Net income - Diluted	**3.04**	2.64	2.26
Dividends	**0.83**	0.79	0.75
Weighted average shares outstanding	**40,034,428**	40,034,435	40,071,751

Please refer to 10-K filing for additional information.

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MMC Corporation

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UMB Bank, n.a.

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President
News-Press and Gazette Company

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Midwest Regions

Greater Missouri Region

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Huth Farms, LLC

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Missouri Region
UMB Bank, n.a.

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Gill Jewett Tax Service

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Certified Public Accountant

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Attorney
City of Boonville

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Retired

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Past Owner Schnetzler
IGA Grocery

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Snapp Hardware, Inc.

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Greater Missouri Region
UMB Bank, n.a.

Carthage, Missouri

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Missouri Region
UMB Bank, n.a.

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Agent
State Farm Insurance Company

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Chief Financial Officer
ICS Logistics LLC

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Retired Veterinarian

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Potter Family Limited Partnership

Peter Richardson
Dr. Peter Richardson & Associates

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Retired Grain Dealer

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UMB Bank, n.a.

Gil Trout
Chairman and CEO
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Columbia, Missouri

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Broker/Owner Susan Horak Group
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Member Southern Properties, LLC

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Geosyntec Consultants

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Community Bank President
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UMB National Bank of America

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UMB National Bank of America

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Morris Transportation & MBC, LLC

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RSI Kitchen and Bath

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Executive Chef
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dba RAI Insurance Group

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Peter J. Genovese
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Larry McCulley
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Renner Stock Farms

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St. Charles, Missouri

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Private Banking Client Manager
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Chairman and CEO
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Vice President
Business Development
UMB Bank, n.a.

Kim Scheidegger York
President - Commercial Leasing
Corporate Group, Inc.

Robert Topping
Owner
RT Management Services

CORPORATE INFORMATION

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1010 Grand Boulevard
Post Office Box 419226
Kansas City, MO 64141-6226
UMB.com

Transfer Agent:
Computershare Trust
Company, n.a.
P.O. Box 43078
Providence, RI 02940-3078
800.884.4225

10-K Request:
We will furnish, without charge, a copy of our 2012 Report to the SEC (Form 10-K) to any shareholder upon written request. Please specify Form 10-K when requesting.

The report and 10-K filing will also be available online at UMB.com.

To contact us, please call:
816.860.7000 or 800.821.2171

Financial information:
Michael D. Hagedorn
Vice Chairman,
Chief Financial Officer &
Chief Administrative Officer

Investor Relations:
Kay McMillan
Vice President,
Investor Relations

For other inquiries, contact Marketing Communication:
Marketing@UMB.com

Stock Quotation Symbol:
UMBF
NASDAQ OMX

Notice of Annual Meeting:
Tuesday, April 23, 2013
UMB Financial Corporation
1010 Grand Boulevard
Kansas City, MO 64106

UMB Financial Corporation (NASDAQ: UMBF) Credit Ratings as of 12/31/12

Credit Ratings	S&P	Fitch
Long-term Issuer	**A- / Outlook Stable**	**A+ / Outlook Stable**
Short-term/Commercial Paper	**A-2**	**F1+**
Bank Individual	**-**	**a+**
Bank Support	**-**	**5**
Credit Ratings (Subsidiaries)	**S&P**	**Fitch**
UMB Bank, National Association		
Certificate of Deposit	**-**	**AA-**
Bank Individual	**-**	**a+**
Bank Support	**-**	**5**

FSC FPO

Printed on recycled paper.

The paper, paper mill and printer for this publication are all certified to meet the strict standards of the Forest Stewardship Council (FSC), which promotes environmentally appropriate, socially beneficial and economically viable management of the world's forests.

We're proud that UMB recycled 1,528,651 pounds of paper in 2012.
This saves an estimated: 2002 Trees
44,758 Gallons of Oil
824,488 Gallons of Water
353 Cubic Yards Of Landfill

Safe Harbor Statement

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements rely on a number of assumptions concerning future events and are subject to risks and uncertainties, which could cause actual results to differ materially from those contemplated by the forward-looking statements in this Annual Report, any exhibits to this Annual Report and other public statements the company may make. While management of UMB believes their assumptions are reasonable, UMB cautions that changes in general economic conditions, legislative or regulatory changes, changes in interest rates, changes in the securities markets, changes in operations, changes in accounting rules, our ability to integrate acquisitions, changes in competition, technology changes, the ability of customers to repay loans, changes in loan demand, changes in employee costs and other risks and uncertainties detailed in UMB's filings with the Securities and Exchange Commission, may cause actual results to differ materially from those discussed in this release. UMB has no duty to update such statements, and undertakes no obligation to update or supplement forward-looking statements that become untrue because of new information, future events or otherwise.

"UMB", "COUNT ON MORE", "SCOUT", "SCOUT INVESTMENTS", "JD CLARK & COMPANY", the UMB design logo, the UMB Count on More design logo, the Scout design logo, and the Wheat Stalk design logo – Reg. U.S. Pat. & Tm. Off. These names and design logos are registered trademarks of UMB Financial Corporation.

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UMB is far more than a bank. As a diversified financial services company, we are passionately committed to our customers, associates and communities.

Over the last century, we've prospered in good times and remained steadfast in challenging economic times because we make business decisions based on relationships.

We thank those who have come before us and look forward to another 100 years of providing the stability, integrity and trust you've come to expect.

UMB, more than 100.

UMB.COM/100

Back cover: Grand opening 1927, lobby of the new Bank at 18th & Grand Boulevard, Kansas City, MO.

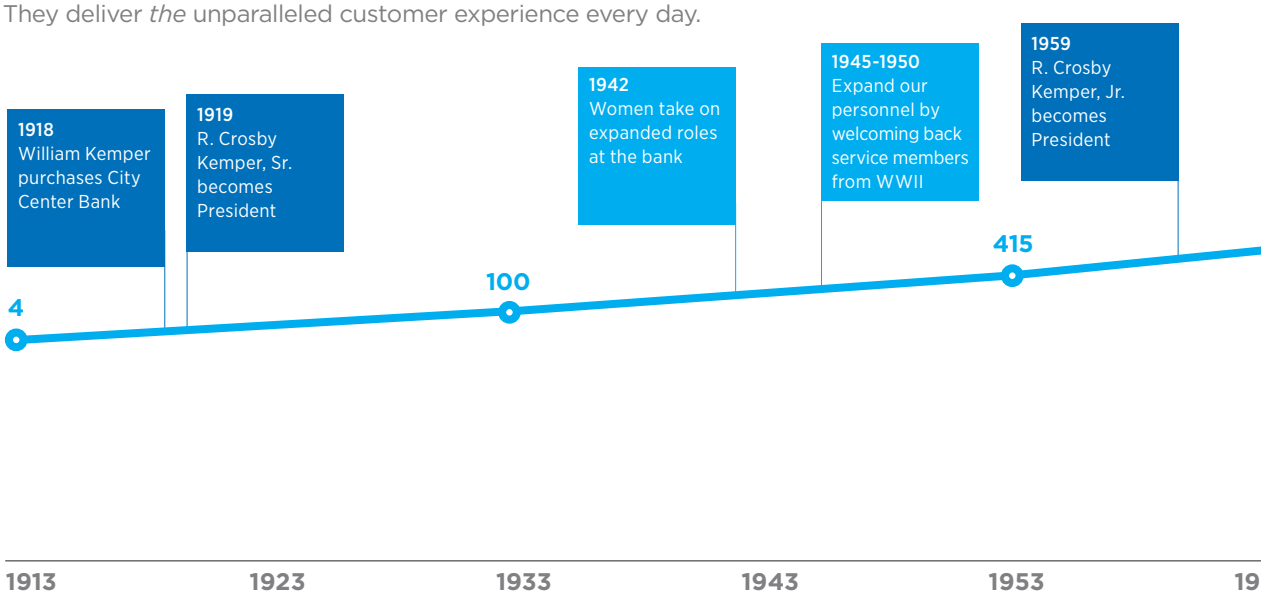
Our Heritage of Integrity, Stability and Growth

Our story begins with William Kemper who safeguarded the money of his general store's customers and gave them loans until their crops came in. A bank and a way of doing business were born. A century later, customer service is still at the heart of what we do. We help people, businesses and organizations realize their dreams.

Learn more at UMB.com/100

UMB Associate Growth

We wouldn't be in business without our associates.
They deliver *the* unparalleled customer experience every day.



UMB Deposit Growth (Dollars not adjusted for inflation)

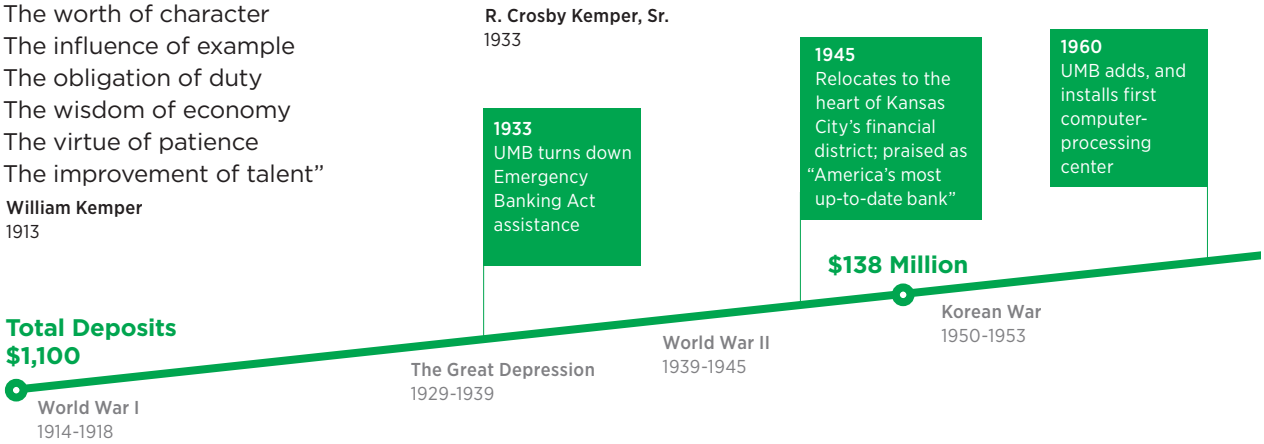
In good times and bad, UMB has been a safe haven for our customers' deposits. We strive to do what is right and not chase fads, and as a result, our customers trust us to protect and grow their assets.

"Ten things to remember:
The value of time
The success of perseverance
The pleasure of working
The dignity of simplicity
The worth of character
The influence of example
The obligation of duty
The wisdom of economy
The virtue of patience
The improvement of talent"

William Kemper
1913

"If we were to liquidate this bank today, we could pay our depositors one hundred cents on the dollar and collect our entire Surplus and Capital Account..."

R. Crosby Kemper, Sr.
1933



1970
Begin to expand our footprint beyond Kansas City

1982
Launched Scout Funds, our no-load mutual fund family with four funds

1992
Name changed to UMB to better reflect continued expansion east and west

2004
Mariner Kemper becomes CEO

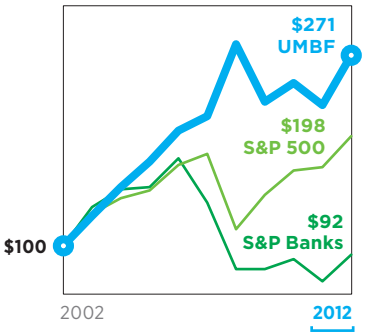
700

2,600

3,597
As of 12/31/12

The Total Return chart (right) summarizes the cumulative return experienced by UMBF shareholders for the years 2002 through 2012, compared to the S&P 500 Stock Index and the S&P Banks Index. In all cases, the return assumes a reinvestment of dividends.
Source: SNL Financial

Total Return



1973 1983 1993 2003 2013

"Although the economy and banking industry were not good in 1975, we flourished."
R. Crosby Kemper, Jr.
1975

1987
3-for-2 stock split

1999
UMB opens state-of-the-art technology center to better serve customers

2008
UMB turns down TARP assistance

Total Deposits
$11.65 Billion
As of 12/31/12

$300 Million

Oil Crisis
1973-1974

Savings & Loan Crisis
1980s

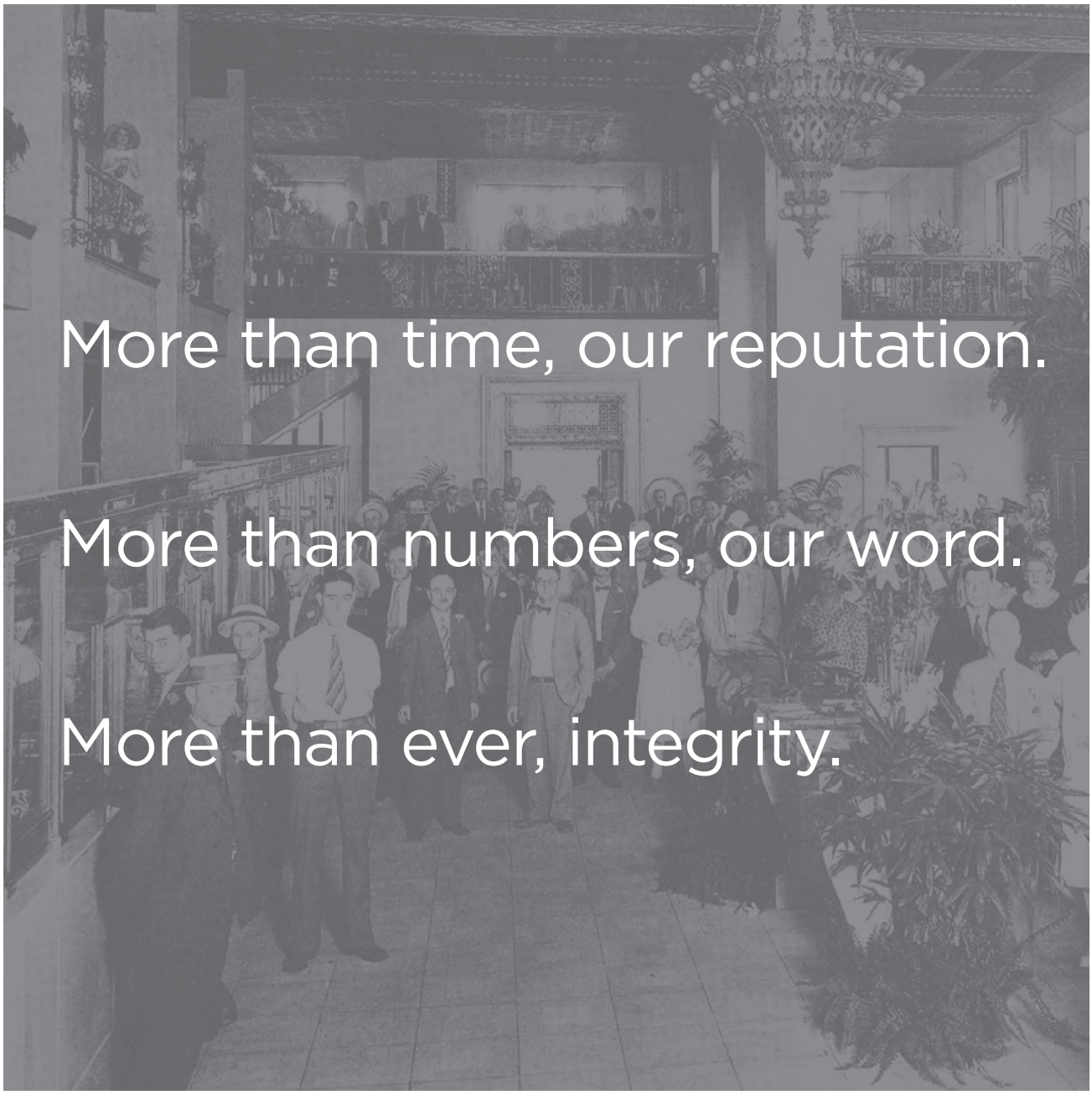
$2.40 Billion

Dot-com Bubble
1997-2000

9/11
2001

Global Recession
2008-2012

"The results of 2012—and the past five, ten or 100 years—prove that UMB delivers value for our customers and our shareholders."
Mariner Kemper
2012



The roots of our company for the last 100 years.

UMB®

UMB.COM/100

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 0-4887

UMB FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Missouri (State or other jurisdiction of incorporation or organization)	**43-0903811** (I.R.S. – Employer Identification Number)
1010 Grand Boulevard, Kansas City, Missouri (Address of principal executive offices)	**64106** (ZIP Code)

(Registrant's telephone number, including area code): (816) 860-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

As of October 28, 2013, UMB Financial Corporation had 45,154,747 shares of common stock outstanding.

UMB FINANCIAL CORPORATION
FORM 10-Q
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PART I – FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
UMB FINANCIAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, dollars in thousands, except share and per share data)

	September 30, 2013	December 31, 2012
ASSETS		
Loans:	$ 6,506,902	$ 5,686,749
Allowance for loan losses	(74,938)	(71,426)
Net loans	6,431,964	5,615,323
Loans held for sale	3,033	3,877
Investment Securities:		
Available for sale	6,697,997	6,937,463
Held to maturity (market value of $189,316 and $129,495, respectively)	175,993	114,756
Trading	54,994	55,764
Federal Reserve Bank stock and other	31,478	26,333
Total investment securities	6,960,462	7,134,316
Federal funds sold and securities purchased under agreements to resell	54,434	89,868
Interest-bearing due from banks	1,357,881	720,500
Cash and due from banks	604,592	667,774
Bank premises and equipment, net	247,827	244,600
Accrued income	72,030	69,749
Goodwill	209,758	209,758
Other intangibles	58,749	68,803
Other assets	183,503	102,628
Total assets	$16,184,233	$14,927,196
LIABILITIES		
Deposits:		
Noninterest-bearing demand	$ 5,628,258	$ 4,920,581
Interest-bearing demand and savings	6,248,189	5,450,450
Time deposits under $100,000	593,275	540,269
Time deposits of $100,000 or more	571,322	742,065
Total deposits	13,041,044	11,653,365
Federal funds purchased and repurchase agreements	1,527,964	1,787,270
Short-term debt	211	—
Long-term debt	5,130	5,879
Accrued expenses and taxes	130,398	182,468
Other liabilities	15,831	18,869
Total liabilities	14,720,578	13,647,851
SHAREHOLDERS' EQUITY		
Common stock, $1.00 par value; 80,000,000 shares authorized; 55,056,730 shares issued; and 44,554,834 and 40,340,878 shares outstanding, respectively	55,057	55,057
Capital surplus	862,153	732,069
Retained earnings	860,138	787,015
Accumulated other comprehensive income	(15,678)	85,588
Treasury stock, 10,501,896 and 14,715,852 shares, at cost, respectively	(298,015)	(380,384)
Total shareholders' equity	1,463,655	1,279,345
Total liabilities and shareholders' equity	$16,184,233	$14,927,196

See Notes to Condensed Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited, dollars in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
INTEREST INCOME				
Loans	$ 59,125	$ 54,558	$ 170,459	$ 162,613
Securities:				
Taxable interest	19,017	20,345	56,325	61,652
Tax-exempt interest	10,338	9,602	30,216	28,445
Total securities income	29,355	29,947	86,541	90,097
Federal funds and resell agreements	62	48	126	88
Interest-bearing due from banks	276	225	1,276	1,422
Trading securities	278	201	808	842
Total interest income	89,096	84,979	259,210	255,062
INTEREST EXPENSE				
Deposits	3,097	4,079	10,222	13,443
Federal funds and repurchase agreements	385	454	1,443	1,402
Other	69	81	190	390
Total interest expense	3,551	4,614	11,855	15,235
Net interest income	85,545	80,365	247,355	239,827
Provision for loan losses	6,500	4,500	13,500	13,500
Net interest income after provision for loan losses	79,045	75,865	233,855	226,327
NONINTEREST INCOME				
Trust and securities processing	68,465	56,291	194,263	166,756
Trading and investment banking	3,792	7,120	16,324	23,938
Service charges on deposits	21,036	19,171	63,441	58,191
Insurance fees and commissions	869	1,028	3,066	2,949
Brokerage fees	2,895	3,104	8,727	8,324
Bankcard fees	15,196	14,466	47,666	46,031
Gain on sales of available for sale securities, net	1,140	259	8,552	20,022
Other	8,232	4,882	14,187	22,637
Total noninterest income	121,625	106,321	356,226	348,848
NONINTEREST EXPENSE				
Salaries and employee benefits	83,733	78,813	251,000	236,728
Occupancy, net	10,016	9,870	29,175	28,359
Equipment	12,205	10,330	36,012	31,999
Supplies and services	4,761	4,995	14,611	15,256
Marketing and business development	5,536	7,368	15,514	17,615
Processing fees	14,471	12,964	42,854	38,372
Legal and consulting	4,433	4,311	12,877	11,838
Bankcard	4,561	4,700	13,817	13,572
Amortization of intangible assets	3,245	3,643	10,054	11,228
Regulatory fees	2,670	2,363	7,066	7,096
Other	7,432	6,548	20,772	20,432
Total noninterest expense	153,063	145,905	453,752	432,495
Income before income taxes	47,607	36,281	136,329	142,680
Income tax provision	13,175	10,156	37,027	41,023
NET INCOME	$ 34,432	$ 26,125	$ 99,302	$ 101,657
PER SHARE DATA				
Net income – basic	$ 0.85	$ 0.65	$ 2.47	$ 2.54
Net income – diluted	0.83	0.64	2.44	2.51
Dividends	0.215	0.205	0.645	0.615
Weighted average shares outstanding	40,698,700	40,081,304	40,185,351	40,047,261

See Notes to Condensed Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
CONDENSED STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
(unaudited, dollars in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income	$34,432	$ 26,125	$ 99,302	$101,657
Other comprehensive income, net of tax:				
Unrealized gains (losses) on securities:				
Change in unrealized holding gains (losses), net	11,694	32,256	(151,721)	52,410
Less: Reclassifications adjustment for gains included in net income	(1,140)	(259)	(8,552)	(20,022)
Change in unrealized gains (losses) on securities during the period	10,554	31,997	(160,273)	32,388
Income tax (expense) benefit	(4,005)	(11,827)	59,007	(12,074)
Other comprehensive income (loss)	6,549	20,170	(101,266)	20,314
Comprehensive income (loss)	$40,981	$ 46,295	$ (1,964)	$121,971

See Notes to Condensed Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited, dollars in thousands, except per share data)

	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
Balance – January 1, 2012	$55,057	$723,299	$697,923	$ 81,099	$(366,246)	$1,191,132
Total comprehensive income			101,657	20,314		121,971
Cash dividends ($0.615 per share)	—	—	(24,939)	—	—	(24,939)
Purchase of treasury stock	—	—		—	(6,062)	(6,062)
Issuance of equity awards	—	(1,612)	—	—	1,856	244
Recognition of equity based compensation	—	5,425	—	—	—	5,425
Net tax benefit related to equity compensation plans	—	333	—	—	—	333
Sale of treasury stock	—	354	—	—	256	610
Exercise of stock options	—	2,475	—	—	2,986	5,461
Balance – September 30, 2012	$55,057	$730,274	$774,641	$ 101,413	$(367,210)	$1,294,175
Balance – January 1, 2013	$55,057	$732,069	$787,015	$ 85,588	$(380,384)	$1,279,345
Total comprehensive income			99,302	(101,266)		(1,964)
Cash dividends ($0.645 per share)	—	—	(26,179)	—	—	(26,179)
Purchase of treasury stock	—	—		—	(2,551)	(2,551)
Issuance of equity awards	—	(2,189)	—	—	2,638	449
Recognition of equity based compensation	—	6,319	—	—	—	6,319
Net tax benefit related to equity compensation plans	—	963	—	—	—	963
Sale of treasury stock	—	367	—	—	172	539
Exercise of stock options	—	2,916	—	—	2,641	5,557
Common stock issuance	—	121,708	—	—	79,469	201,177
Balance – September 30, 2013	$55,057	$862,153	$860,138	$ (15,678)	$(298,015)	$1,463,655

See Notes to Condensed Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, dollars in thousands)

	Nine Months Ended September 30,	
	2013	2012
Operating Activities		
Net Income	$ 99,302	$ 101,657
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	13,500	13,500
Depreciation and amortization	32,998	30,576
Deferred income tax (benefit) expense	(5,292)	1,409
Net decrease in trading securities	770	18,223
Gains on sales of securities available for sale, net	(8,552)	(20,022)
Gains on sales of assets	(674)	(503)
Amortization of securities premiums, net of discount accretion	40,339	37,277
Originations of loans held for sale	(101,935)	(179,493)
Net gains on sales of loans held for sale	(609)	(1,526)
Proceeds from sales of loans held for sale	103,388	177,335
Issuance of equity awards	449	244
Equity based compensation	6,319	5,425
Changes in:		
Accrued income	(2,281)	5,898
Accrued expenses and taxes	28,401	5,364
Other assets and liabilities, net	(13,009)	(18,305)
Net cash provided by operating activities	193,114	177,059
Investing Activities		
Proceeds from maturities of securities held to maturity	27,209	6,327
Proceeds from sales of securities available for sale	678,522	991,842
Proceeds from maturities of securities available for sale	1,193,130	1,172,929
Purchases of securities held to maturity	(94,481)	(19,504)
Purchases of securities available for sale	(1,894,722)	(2,528,213)
Net increase in loans	(829,856)	(442,109)
Net decrease in fed funds sold and resell agreements	35,434	24,906
Net (increase) decrease in interest-bearing balances due from other financial institutions	(411)	121,079
Purchases of bank premises and equipment	(26,997)	(31,516)
Net cash received for acquisitions	692	1,529
Proceeds from sales of bank premises and equipment	808	1,034
Net cash used in investing activities	(910,672)	(701,696)
Financing Activities		
Net increase in demand and savings deposits	1,505,416	864,852
Net decrease in time deposits	(117,737)	(421,983)
Net decrease in fed funds purchased and repurchase agreements	(259,306)	(786,628)
Net decrease in short-term debt	(303)	(12,000)
Proceeds from long-term debt	1,000	529
Repayment of long-term debt	(1,235)	(1,426)
Payment of contingent consideration on acquisitions	(16,172)	(12,260)
Cash dividends paid	(26,002)	(24,946)
Net tax benefit related to equity compensation plans	963	333
Common stock issuance	201,177	—
Proceeds from exercise of stock options and sales of treasury shares	6,096	6,071
Purchases of treasury stock	(2,551)	(6,062)
Net cash used in financing activities	1,291,346	(393,520)
Increase (decrease) in cash and due from banks	573,788	(918,157)
Cash and due from banks at beginning of period	1,366,394	1,459,631
Cash and due from banks at end of period	$ 1,940,182	$ 541,474
Supplemental Disclosures:		
Income taxes paid	$ 34,351	$ 31,718
Total interest paid	$ 12,560	$ 16,423

See Notes to Condensed Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013 (UNAUDITED)

1. Financial Statement Presentation

The condensed consolidated financial statements include the accounts of UMB Financial Corporation and its subsidiaries (collectively, the "Company") after elimination of all intercompany transactions. In the opinion of management of the Company, all adjustments, which were of a normal recurring nature and necessary for a fair presentation of the financial position and results of operations, have been made. The results of operations and cash flows for the interim periods presented may not be indicative of the results of the full year. The financial statements should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations within this Form 10-Q filing and in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

2. Summary of Accounting Policies

The Company is a financial holding company, which offers a wide range of banking and other financial services to its customers through its branches and offices in the states of Missouri, Kansas, Colorado, Illinois, Oklahoma, Texas, Arizona, Nebraska, Pennsylvania, South Dakota, Indiana, Utah, and Wisconsin. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions also impact reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. A summary of the significant accounting policies to assist the reader in understanding the financial presentation is listed in the Notes to Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Interest-bearing Due From Banks

Amounts due from the Federal Reserve Bank which are interest-bearing for all periods presented, and amounts due from certificates of deposits issued by other financial institutions are included in interest-bearing due from banks. The amounts due from certificates of deposit totaled $22.3 million and $29.9 million at September 30, 2013 and September 30, 2012, respectively.

This table provides a summary of cash and due from banks as presented on the Consolidated Statement of Cash Flows as of September 30, 2013 and September 30, 2012 (in thousands):

	September 30,	
	2013	2012
Due from the Federal Reserve	$1,335,590	$144,135
Cash and due from banks	604,592	397,339
Cash and due from banks at end of period	$1,940,182	$541,474

Per Share Data

Basic income per share is computed based on the weighted average number of shares of common stock outstanding during each period. Diluted quarterly per share data includes the dilutive effect of 650,028 and 517,430 shares issuable upon the exercise of options granted by the Company and outstanding at September 30, 2013 and 2012, respectively. Diluted year-to-date income per share includes the dilutive effect of 544,930 and 431,418 shares issuable upon the exercise of stock options granted by the Company and outstanding at September 30, 2013 and 2012, respectively.

Options issued under employee benefit plans to purchase 270,839 and 510,850 shares of common stock were outstanding at September 30, 2013 and 2012, respectively, but were not included in the computation of year-to-date diluted EPS because the options were anti-dilutive.

Common Stock Issuance

On September 16, 2013, the Company completed the issuance of 3.9 million shares of common stock with net proceeds of $201.2 million to be used for strategic growth purposes. In addition, UMB granted the underwriters a 30-day option to purchase up to an additional 585,000 shares of common stock. On October 17, 2013, the underwriters exercised the option of 585,000 shares, which generated additional net proceeds of 30.2 million.

3. New Accounting Pronouncements

Presentation of Comprehensive Income In June 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-05, "Comprehensive Income: Presentation of Comprehensive Income" (ASU 2011-05), which amends the FASB Standards Codification to allow the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of changes in stockholders' equity. These amendments do not change the items that must be reported in other comprehensive income or when an item of other comprehensive income must be reclassified to net income. ASU 2011-05 was effective for the Company for the period ended March 31, 2012; however, certain provisions related to the presentation of reclassification adjustments have been deferred by ASU No. 2011-12 (ASU 2011-12) "Comprehensive Income (Topic 220)—Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05." ASU 2011-12 allows entities to continue to report reclassifications out of accumulated other comprehensive income consistent with the presentation requirements in effect before ASU 2011-05. All other requirements in ASU 2011-05 are not affected by ASU 2011-12. The Company adopted ASU 2011-05 for the quarter ended March 31, 2012 with no material impact on its financial statements except for a change in presentation. In February 2013, the FASB issued ASU No. 2013-02, "Comprehensive Income: Reporting of Amounts Reclassified out of Accumulated Other Comprehensive Income," which adds new disclosure requirements for items reclassified out of accumulated other comprehensive income. The new disclosure requirements were effective for interim periods beginning after December 15, 2012 and were adopted by the Company for the quarter-ended March 31, 2013. The adoption of this accounting pronouncement did not impact the Company's financial statements except for additional financial statement disclosures.

Subsequent Accounting for an Indemnification Asset In October 2012, the FASB issued ASU No. 2012-06, "Subsequent Accounting for an Indemnification Asset Recognized at the Acquisition Date as a Result of a Government-Assisted Acquisition of a Financial Institution" (ASU 2012-06), which addresses diversity in practice regarding the subsequent measurement of an indemnification asset in a government-assisted acquisition of a financial institution that includes a loss-sharing agreement. The amendments are effective for interim and annual reporting periods beginning on or after December 15, 2012 with early adoption permitted and were adopted by the Company for the quarter-ended March 31, 2013. The adoption of this accounting pronouncement did not impact the Company's financial statements.

4. Loans and Allowance for Loan Losses

Loan Origination/Risk Management

The Company has certain lending policies and procedures in place that are designed to minimize the level of risk within the loan portfolio. Diversification of the loan portfolio manages the risk associated with fluctuations in economic conditions. The Company maintains an independent loan review department that reviews and validates the risk assessment on a continual basis. Management regularly evaluates the results of the loan reviews. The loan review process complements and reinforces the risk identification and assessment decisions made by lenders and credit personnel, as well as the Company's policies and procedures.

Commercial loans are underwritten after evaluating and understanding the borrower's ability to operate profitably and prudently expand its business. Commercial loans are made based on the identified cash flows of the borrower and on the underlying collateral provided by the borrower. The cash flows of the borrower, however, may not be as expected and the collateral securing these loans may fluctuate in value. Most commercial loans are secured by the assets being financed or other business assets such as accounts receivable or inventory and may incorporate a personal guarantee. In the case of loans secured by accounts receivable, the availability of funds for the repayment of these loans may be substantially dependent on the ability of the borrower to collect amounts from its customers. Commercial credit cards are generally unsecured and are underwritten with criteria similar to commercial loans including an analysis of the borrower's cash flow, available business capital, and overall credit-worthiness of the borrower.

Commercial real estate loans are subject to underwriting standards and processes similar to commercial loans, in addition to those of real estate loans. These loans are viewed primarily as cash flow loans and secondarily as loans secured by real estate. Commercial real estate lending typically involves higher loan principal amounts and the repayment of these loans is largely dependent on the successful operation of the property securing the loan or the business conducted on the property securing the loan. The Company requires an appraisal of the collateral be made at origination, on an as-needed basis, in conformity with current market conditions and regulatory requirements. The underwriting standards address both owner and non-owner occupied real estate.

Construction loans are underwritten using feasibility studies, independent appraisal reviews, sensitivity analysis or absorption and lease rates and financial analysis of the developers and property owners. Construction loans are based upon estimates of costs and value associated with the complete project. Construction loans often involve the disbursement of substantial funds with repayment substantially dependent on the success of the ultimate project. Sources of repayment for these types of loans may be pre-committed permanent loans from approved long-term borrowers, sales of developed property or an interim loan commitment from the Company until permanent financing is obtained. These loans are closely monitored by on-site inspections and are considered to have higher risks than other real estate loans due to their repayment being sensitive to interest rate changes, governmental regulation of real property, economic conditions and the availability of long-term financing.

Underwriting standards for residential real estate and home equity loans are based on the borrower's loan-to-value percentage, collection remedies, and overall credit history.

Consumer loans are underwritten based on the borrower's repayment ability. The Company monitors delinquencies on all of its consumer loans and leases and periodically reviews the distribution of FICO scores relative to historical periods to monitor credit risk on its credit card loans. The underwriting and review practices, combined with the relatively small loan amounts that are spread across many individual borrowers, minimizes risk. Consumer loans and leases that are 90 days past due or more are considered non-performing.

This table provides a summary of loan classes and an aging of past due loans at September 30, 2013 and December 31, 2012 *(in thousands):*

	September 30, 2013					
	30-89 Days Past Due and Accruing	Greater than 90 Days Past Due and Accruing	Non-Accrual Loans	Total Past Due	Current	Total Loans
Commercial:						
Commercial	$ 3,204	$ 388	$ 8,053	$11,645	$3,364,750	$3,376,395
Commercial – credit card	589	242	190	1,021	117,187	118,208
Real estate:						
Real estate – construction	—	128	1,151	1,279	121,324	122,603
Real estate – commercial	4,342	200	18,950	23,492	1,611,745	1,635,237
Real estate – residential	2,385	133	602	3,120	270,624	273,744
Real estate – HELOC	678	—	404	1,082	572,290	573,372
Consumer:						
Consumer – credit card	2,748	2,245	1,273	6,266	303,731	309,997
Consumer – other	4,870	444	637	5,951	65,756	71,707
Leases	—	—	—	—	25,639	25,639
Total loans	$18,816	$ 3,780	$31,260	$53,856	$6,453,046	$6,506,902

	December 31, 2012					
	30-89 Days Past Due and Accruing	Greater than 90 Days Past Due and Accruing	Non-Accrual Loans	Total Past Due	Current	Total Loans
Commercial:						
Commercial	$ 5,170	$ 93	$14,122	$19,385	$2,854,309	$2,873,694
Commercial – credit card	561	43	61	665	103,655	104,320
Real estate:						
Real estate – construction	3,750	—	1,263	5,013	73,473	78,486
Real estate – commercial	3,590	113	8,170	11,873	1,423,938	1,435,811
Real estate – residential	1,371	49	666	2,086	210,277	212,363
Real estate – HELOC	1,324	50	225	1,599	572,324	573,923
Consumer:						
Consumer – credit card	2,989	2,955	2,285	8,229	326,289	334,518
Consumer – other	1,116	251	1,311	2,678	51,872	54,550
Leases	—	—	—	—	19,084	19,084
Total loans	$19,871	$ 3,554	$28,103	$51,528	$5,635,221	$5,686,749

The Company sold $103.4 million and $177.3 million of residential real estate and student loans in the secondary market during the nine month periods ended September 30, 2013 and September 30, 2012, respectively.

The Company has ceased the recognition of interest on non-accrual loans with a carrying value of $31.3 million and $28.1 million at September 30, 2013 and December 31, 2012, respectively. Restructured loans totaled $13.5 million and $12.5 million at September 30, 2013 and December 31, 2012, respectively. Loans 90 days past due and still accruing interest amounted to $3.8 million and $3.6 million at September 30, 2013 and December 31, 2012, respectively. There was an insignificant amount of interest recognized on impaired loans during 2013 and 2012.

Credit Quality Indicators

As part of the on-going monitoring of the credit quality of the Company's loan portfolio, management tracks certain credit quality indicators including trends related to the risk grading of specified classes of loans, net charge-offs, non-performing loans, and general economic conditions.

The Company utilizes a risk grading matrix to assign a rating to each of its commercial, commercial real estate, and construction real estate loans. The loan rankings are summarized into the following categories: Non-watch list, Watch, Special Mention, and Substandard. Any loan not classified in one of the categories described below is considered to be a Non-watch list loan. The loans in any of the three categories below are considered to be a criticized loan. A description of the general characteristics of the loan ranking categories is as follows:

- **Watch** – This rating represents credit exposure that presents higher than average risk and warrants greater than routine attention by Company personnel due to conditions affecting the borrower, the borrower's industry or the economic environment. These conditions have resulted in some degree of uncertainty that results in higher than average credit risk.
- **Special Mention** – This rating reflects a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or the institution's credit position at some future date. The rating is not adversely classified and does not expose an institution to sufficient risk to warrant adverse classification.
- **Substandard** – This rating represents an asset inadequately protected by the financial worth and paying capacity of the borrower or of the collateral pledged, if any. Assets so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. Loans in this category are characterized by the distinct possibility that the bank will sustain some loss if the deficiencies are not corrected. Loss potential, while existing in the aggregate amount of substandard assets, does not have to exist in individual assets classified substandard. This category may include loans where the collection of full principal and interest is doubtful or remote.

All other classes of loans are generally evaluated and monitored based on payment activity. Non-performing loans include restructured loans on non-accrual and all other non-accrual loans.

This table provides an analysis of the credit risk profile of each loan class at September 30, 2013 and December 31, 2012 *(in thousands):*

Credit Exposure
Credit Risk Profile by Risk Rating

	Commercial		Real estate - construction	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Non-watch list	$3,158,126	$2,670,925	$ 120,585	$ 75,631
Watch	87,015	98,636	—	518
Special Mention	67,586	29,462	—	14
Substandard	63,668	74,671	2,018	2,323
Total	$3,376,395	$2,873,694	$ 122,603	$ 78,486

	Real estate - commercial	
	September 30, 2013	December 31, 2012
Non-watch list	$1,499,023	$1,325,460
Watch	80,490	63,278
Special Mention	15,912	11,613
Substandard	39,812	35,460
Total	$1,635,237	$1,435,811

Credit Exposure
Credit Risk Profile Based on Payment Activity

	Commercial - credit card		Real estate - residential	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Performing	$ 118,018	$ 104,259	$ 273,142	$ 211,697
Non-performing	190	61	602	666
Total	$ 118,208	$ 104,320	$ 273,744	$ 212,363

	Real estate - HELOC		Consumer - credit card	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Performing	$ 572,968	$ 573,698	$ 308,724	$ 332,233
Non-performing	404	225	1,273	2,285
Total	$ 573,372	$ 573,923	$ 309,997	$ 334,518

	Consumer - other		Leases	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Performing	$ 71,070	$ 53,239	$ 25,639	$ 19,084
Non-performing	637	1,311	—	—
Total	$ 71,707	$ 54,550	$ 25,639	$ 19,084

Allowance for Loan Losses

The allowance for loan losses is a reserve established through a provision for loan losses charged to expense, which represents management's judgment of inherent probable losses within the Company's loan portfolio as of the balance sheet date. The allowance is necessary to reserve for estimated loan losses and risks inherent in the loan portfolio. Accordingly, the methodology is based on historical loss trends. The Company's process for determining the appropriate level of the allowance for loan losses is designed to account for credit deterioration as it occurs. The provision for probable loan losses reflects loan quality trends, including the levels of and trends related to non-accrual loans, past due loans, potential problem loans, criticized loans and net charge-offs or recoveries, among other factors.

The level of the allowance reflects management's continuing evaluation of industry concentrations, specific credit risks, loan loss experience, current loan portfolio quality, present economic, political and regulatory conditions and estimated losses inherent in the current loan portfolio. Portions of the allowance may be allocated for specific loans; however, the entire allowance is available for any loan that, in management's judgment, should be charged off. While management utilizes its best judgment and information available, the adequacy of the allowance is dependent upon a variety of factors beyond the Company's control, including, among other things, the performance of the Company's loan portfolio, the economy, changes in interest rates and changes in the regulatory environment.

The Company's allowance for loan losses consists of specific valuation allowances and general valuation allowances based on historical loan loss experience for similar loans with similar characteristics and trends, general economic conditions and other qualitative risk factors both internal and external to the Company.

The allowances established for probable losses on specific loans are based on a regular analysis and evaluation of problem loans. Loans are classified based on an internal risk grading process that evaluates the obligor's ability to repay, the underlying collateral, if any, and the economic environment and industry in which the borrower operates. When a loan is considered impaired, the loan is analyzed to determine the need, if any, to specifically allocate a portion of the allowance for loan losses to the loan. Specific valuation allowances are determined by analyzing the borrower's ability to repay amounts owed, collateral deficiencies, the relative risk ranking of the loan and economic conditions affecting the borrower's industry.

General valuation allowances are calculated based on the historical loss experience of specific types of loans including an evaluation of the time span and volume of the actual charge-off. The Company calculates historical loss ratios for pools of similar loans with similar characteristics based on the proportion of actual charge-offs experienced to the total population of loans in the pool. The historical loss ratios are updated based on actual charge-off experience. A valuation allowance is established for each pool of similar loans based upon the product of the historical loss ratio, time span to charge-off, and the total dollar amount of the loans in the pool. The Company's pools of similar loans include similarly risk-graded groups of commercial loans, commercial real estate loans, commercial credit card, home equity loans, consumer real estate loans and consumer and other loans. The Company also considers a loan migration analysis for criticized loans. This analysis includes an assessment of the probability that a loan will move to a loss position based on its risk rating. The consumer credit card pool is evaluated based on delinquencies and credit scores. In addition, a portion of the allowance is determined by a review of qualitative factors by management.

ALLOWANCE FOR LOAN LOSSES AND RECORDED INVESTMENT IN LOANS

This table provides a rollforward of the allowance for loan losses by portfolio segment for the three and nine months ended September 30, 2013 *(in thousands):*

	Three Months Ended September 30, 2013				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 45,108	$ 16,296	$ 10,168	$ 75	$ 71,647
Charge-offs	(592)	(162)	(3,126)	—	(3,880)
Recoveries	246	21	404	—	671
Provision	3,491	2	2,996	11	6,500
Ending Balance	$ 48,253	$ 16,157	$ 10,442	$ 86	$ 74,938

	Nine Months Ended September 30, 2013				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 43,390	$ 15,506	$ 12,470	$ 60	$ 71,426
Charge-offs	(3,015)	(533)	(9,265)	—	(12,813)
Recoveries	761	37	2,027	—	2,825
Provision	7,117	1,147	5,210	26	13,500
Ending Balance	$ 48,253	$ 16,157	$ 10,442	$ 86	$ 74,938
Ending Balance: individually evaluated for impairment	$ 3,301	$ 1,412	$ —	$ —	$ 4,713
Ending Balance: collectively evaluated for impairment	44,952	14,745	10,442	86	70,225
Loans:					
Ending Balance: loans	$3,494,603	$2,604,956	$381,704	$25,639	$6,506,902
Ending Balance: individually evaluated for impairment	14,835	15,852	30	—	30,717
Ending Balance: collectively evaluated for impairment	3,479,768	2,589,104	381,674	25,639	6,476,185

This table provides a rollforward of the allowance for loan losses by portfolio segment for the three and nine months ended September 30, 2012 *(in thousands):*

	Three Months Ended September 30, 2012				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 37,942	$ 22,660	$ 12,001	$ 49	$ 72,652
Charge-offs	(3,147)	(316)	(3,087)	—	(6,550)
Recoveries	151	16	599	—	766
Provision	8,167	(5,591)	1,916	8	4,500
Ending Balance	$ 43,113	$ 16,769	$ 11,429	$ 57	$ 71,368

	Nine Months Ended September 30, 2012				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 37,927	$ 20,486	$ 13,593	$ 11	$ 72,017
Charge-offs	(6,385)	(724)	(9,674)	—	(16,783)
Recoveries	401	25	2,208	—	2,634
Provision	11,170	(3,018)	5,302	46	13,500
Ending Balance	$ 43,113	$ 16,769	$ 11,429	$ 57	$ 71,368
Ending Balance: individually evaluated for impairment	$ 1,591	$ 1,067	$ —	$ —	$ 2,658
Ending Balance: collectively evaluated for impairment	41,522	15,702	11,429	57	68,710
Loans:					
Ending Balance: loans	$2,800,529	$2,183,960	$386,490	$18,784	$5,389,763
Ending Balance: individually evaluated for impairment	18,380	14,396	45	—	32,821
Ending Balance: collectively evaluated for impairment	2,782,149	2,169,564	386,445	18,784	5,356,942

Impaired Loans

This table provides an analysis of impaired loans by class at September 30, 2013 and December 31, 2012 *(in thousands):*

	September 30, 2013					
	Unpaid Principal Balance	Recorded Investment with No Allowance	Recorded Investment with Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment
Commercial:						
Commercial	$29,380	$ 2,556	$ 12,279	$ 14,835	$ 3,301	$ 14,831
Commercial – credit card		—	—	—	—	—
Real estate:						
Real estate – construction	1,409	731	416	1,147	222	1,249
Real estate – commercial	13,845	5,339	8,081	13,420	1,190	9,752
Real estate – residential	1,519	1,285	—	1,285	—	1,131
Real estate – HELOC		—	—	—	—	—
Consumer:						
Consumer – credit card		—	—	—	—	—
Consumer – other	34	30	—	30	—	39
Leases		—	—	—	—	—
Total	$46,187	$ 9,941	$ 20,776	$ 30,717	$ 4,713	$ 27,002

	December 31, 2012					
	Unpaid Principal Balance	Recorded Investment with No Allowance	Recorded Investment with Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment
Commercial:						
Commercial	$22,453	$ 12,119	$ 2,938	$ 15,057	$ 1,393	$ 13,287
Commercial – credit card	—	—	—	—	—	—
Real estate:						
Real estate – construction	276	276	—	276	—	118
Real estate – commercial	9,334	6,777	2,213	8,990	733	9,925
Real estate – residential	2,357	1,714	223	1,937	48	2,622
Real estate – HELOC	—	—	—	—	—	—
Consumer:						
Consumer – credit card	—	—	—	—	—	—
Consumer – other	51	49	—	49	—	43
Leases	—	—	—	—	—	—
Total	$34,471	$ 20,935	$ 5,374	$ 26,309	$ 2,174	$ 25,995

Troubled Debt Restructurings

A loan modification is considered a troubled debt restructuring (TDR) when a concession is granted to a debtor experiencing financial difficulties. The Company's modifications generally include interest rate adjustments, amortization and maturity date extensions, and principal reductions. These modifications allow the debtor short-term cash relief to allow them to improve their financial condition. The Company's restructured loans are individually evaluated for impairment and evaluated as part of the allowance for loan loss as described above in the Allowance for Loan Losses section of this note.

The Company had $0.1 million and $1.2 million in commitments to lend to borrowers with loan modifications classified as TDR's as of September 30, 2013 and September 30, 2012, respectively. The Company made no TDR's in the last 12 months that had payment defaults for the three or nine month periods ended September 30, 2013 or September 30, 2012.

This table provides a summary of loans restructured by class for the three and nine months ended September 30, 2013 *(in thousands):*

	Three Months Ended September 30, 2013			Nine Months Ended September 30, 2013		
	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Troubled Debt Restructurings						
Commercial:						
Commercial	1	$ 182	$ 182	3	$ 1,311	$ 1,249
Commercial – credit card	—	—	—	—	—	—
Real estate:						
Real estate – construction	—	—	—	—	—	—
Real estate – commercial	—	—	—	1	937	937
Real estate – residential	—	—	—	1	425	425
Real estate – HELOC	—	—	—	—	—	—
Consumer:						
Consumer – credit card	—	—	—	—	—	—
Consumer – other	—	—	—	—	—	—
Leases	—	—	—	—	—	—
Total	1	$ 182	$ 182	5	$ 2,673	$ 2,611

This table provides a summary of loans restructured by class for the three and nine months ended September 30, 2012 *(in thousands):*

	Three Months Ended September 30, 2012			Nine Months Ended September 30, 2012		
	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Troubled Debt Restructurings						
Commercial:						
Commercial	4	$ 853	$ 821	6	$ 3,785	$ 3,760
Commercial – credit card	—	—	—	—	—	—
Real estate:						
Real estate – construction	—	—	—	—	—	—
Real estate – commercial	—	—	—	—	—	—
Real estate – residential	—	—	—	—	—	—
Real estate – HELOC	—	—	—	—	—	—
Consumer:						
Consumer – credit card	—	—	—	—	—	—
Consumer – other	—	—	—	—	—	—
Leases	—	—	—	—	—	—
Total	4	$ 853	$ 821	6	$ 3,785	$ 3,760

5. Securities

Securities Available for Sale

This table provides detailed information about securities available for sale at September 30, 2013 and December 31, 2012 *(in thousands):*

September 30, 2013	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 102,030	$ 404	$ (648)	$ 101,786
U.S. Agencies	1,025,397	3,540	(2,960)	1,025,977
Mortgage-backed	3,079,675	26,889	(45,645)	3,060,919
State and political subdivisions	2,070,846	24,436	(29,187)	2,066,095
Corporates	445,562	973	(3,315)	443,220
Commercial Paper	—	—	—	—
Total	$6,723,510	$ 56,242	$(81,755)	$6,697,997

December 31, 2012	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 116,856	$ 1,166	$ (171)	$ 117,851
U.S. Agencies	1,019,640	6,597	(122)	1,026,115
Mortgage-backed	3,480,006	78,600	(2,413)	3,556,193
State and political subdivisions	1,842,715	51,341	(1,372)	1,892,684
Corporates	337,706	1,945	(764)	338,887
Commercial Paper	5,733	—	—	5,733
Total	$6,802,656	$139,649	$ (4,842)	$6,937,463

The following table presents contractual maturity information for securities available for sale at September 30, 2013 *(in thousands):*

	Amortized Cost	Fair Value
Due in 1 year or less	$ 576,035	$ 578,483
Due after 1 year through 5 years	2,090,432	2,101,158
Due after 5 years through 10 years	795,518	788,065
Due after 10 years	181,850	169,372
Total	3,643,835	3,637,078
Mortgage-backed securities	3,079,675	3,060,919
Total securities available for sale	$6,723,510	$6,697,997

Securities may be disposed of before contractual maturities due to sales by the Company or because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

For the nine months ended September 30, 2013, proceeds from the sales of securities available for sale were $678.5 million compared to $991.8 million for the same period in 2012. Securities transactions resulted in gross realized gains of $8.8 million and $20.3 million for the nine months ended September 30, 2013 and 2012. The gross realized losses for the nine months ended September 30, 2013 and 2012 were $220.0 thousand and $342.0 thousand, respectively.

Trading Securities

The net unrealized gains on trading securities at September 30, 2013 and September 30, 2012 were $14.0 thousand and $416.7 thousand, respectively, and were included in trading and investment banking income in the consolidated statements of income.

Securities Held to Maturity

The table below provides detailed information for securities held to maturity at September 30, 2013 and December 31, 2012 *(in thousands):*

September 30, 2013	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
State and political subdivisions	$175,993	$ 13,323	$ —	$189,316
December 31, 2012				
State and political subdivisions	$114,756	$ 14,739	$ —	$129,495

The following table presents contractual maturity information for securities held to maturity at September 30, 2013 *(in thousands):*

	Amortized Cost	Fair Value
Due in 1 year or less	$ 49	$ 53
Due after 1 year through 5 years	35,536	38,226
Due after 5 years through 10 years	58,105	62,504
Due after 10 years	82,303	88,533
Total securities held to maturity	$175,993	$189,316

Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

There were no sales of securities held to maturity during the first nine months of 2013 or 2012.

Securities available for sale and held to maturity with a market value of $5.0 billion at September 30, 2013, and $5.9 billion at December 31, 2012, were pledged to secure U.S. Government deposits, other public deposits and certain trust deposits as required by law. Of this amount, securities with a market value of $1.8 billion at September 30, 2013 and December 31, 2012 were pledged at the Federal Reserve Discount Window but were unencumbered as of those dates.

The following table shows the Company's available for sale investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at September 30, 2013 and December 31, 2012 *(in thousands)*.

September 30, 2013	Less than 12 months		12 months or more		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury	$ 29,291	$ (648)	$ —	$ —	$ 29,291	$ (648)
U.S. Agencies	462,594	(2,960)	—	—	462,594	(2,960)
Mortgage-backed	1,853,108	(45,645)	—	—	1,853,108	(45,645)
State and political subdivisions	794,610	(28,969)	11,320	(218)	805,930	(29,187)
Corporates	319,347	(3,315)	—	—	319,347	(3,315)
Commercial Paper	—	—	—	—	—	—
Total temporarily - impaired debt securities available for sale	$3,458,950	$(81,537)	$11,320	$ (218)	$3,470,270	$(81,755)

December 31, 2012	Less than 12 months		12 months or more		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury	$ 29,747	$ (171)	$ —	$ —	$ 29,747	$ (171)
U.S. Agencies	295,747	(122)	—	—	295,747	(122)
Mortgage-backed	398,384	(2,413)	—	—	398,384	(2,413)
State and political subdivisions	132,951	(1,358)	2,604	(14)	135,555	(1,372)
Corporates	178,564	(764)	—	—	178,564	(764)
Commercial Paper	5,733	—	—	—	5,733	—
Total temporarily - impaired debt securities available for sale	$1,041,126	$ (4,828)	$2,604	$ (14)	$1,043,730	$ (4,842)

The unrealized losses in the Company's investments in U.S. treasury obligations, U.S. government agencies, federal agency mortgage-backed securities, and municipal securities were caused by changes in interest rates. Because the Company does not have the intent to sell these securities, it is more likely than not that the Company will not be required to sell these securities before a recovery of fair value. The Company expects to recover its cost basis in the securities and does not consider these investments to be other-than-temporarily impaired at September 30, 2013.

6. Goodwill and Other Intangibles

Changes in the carrying amount of goodwill for the periods ended September 30, 2013 and December 31, 2012 by reportable segment are as follows *(in thousands):*

	Bank	Institutional Investment Management	Asset Servicing	Total
Balances as of January 1, 2012	$144,109	$ 47,529	$19,476	$211,114
Goodwill disposals during period	(1,356)	—	—	(1,356)
Balances as of December 31, 2012	$142,753	$ 47,529	$19,476	$209,758
Balances as of January 1, 2013	$142,753	$ 47,529	$19,476	$209,758
Balances as of September 30, 2013	$142,753	$ 47,529	$19,476	$209,758

Following are the intangible assets that continue to be subject to amortization as of September 30, 2013 and December 31, 2012 *(in thousands):*

	As of September 30, 2013		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Core deposit intangible assets	$ 36,497	$ 31,399	$ 5,098
Customer relationships	103,960	51,236	52,724
Other intangible assets	3,247	2,320	927
Total intangible assets	$143,704	$ 84,955	$58,749
	As of December 31, 2012		
Core deposit intangible assets	$ 36,497	$ 30,403	$ 6,094
Customer relationships	103,960	42,399	61,561
Other intangible assets	3,247	2,099	1,148
Total intangible assets	$143,704	$ 74,901	$68,803

Following is the aggregate amortization expense recognized in each period *(in thousands)*:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Aggregate amortization expense	$ 3,245	$ 3,643	$10,054	$11,228

Estimated amortization expense of intangible assets on future years *(in thousands):*

For the three months ending December 31, 2013	$ 3,164
For the year ending December 31, 2014	12,146
For the year ending December 31, 2015	9,550
For the year ending December 31, 2016	8,342
For the year ending December 31, 2017	7,098

7. Commitments, Contingencies and Guarantees

In the normal course of business, the Company is party to financial instruments with off-balance-sheet risk in order to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit, commercial letters of credit, standby letters of credit, futures contracts, forward foreign exchange contracts and spot foreign exchange contracts. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the consolidated balance sheet. The contract or notional amount of those instruments reflects the extent of involvement the Company has in particular classes of financial instruments. Many of the commitments expire without being drawn upon, therefore, the total amount of these commitments does not necessarily represent the future cash requirements of the Company.

The Company's exposure to credit loss in the event of nonperformance by the counterparty to the financial instruments for commitments to extend credit, commercial letters of credit, and standby letters of credit is represented by the contract or notional amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

The following table summarizes the Company's off-balance sheet financial instruments.

Contract or Notional Amount *(in thousands):*

	September 30, 2013	December 31, 2012
Commitments to extend credit for loans (excluding credit card loans)	$2,615,370	$2,458,444
Commitments to extend credit under credit card loans	2,170,484	2,184,415
Commercial letters of credit	15,786	1,041
Standby letters of credit	357,790	343,503
Futures contracts	19,500	7,500
Forward foreign exchange contracts	12,849	2,005
Spot foreign exchange contracts	594	2,910

8. Business Segment Reporting

The Company has strategically aligned its operations into the following four reportable segments (collectively, "Business Segments"): Bank, Payment Solutions, Institutional Investment Management, and Asset Servicing. Business segment financial results produced by the Company's internal management reporting system are evaluated regularly by senior executive officers in deciding how to allocate resources and assess performance for individual Business Segments. The Business Segments were redefined during the first quarter of 2012 to reflect how executive management responsibilities were changed for each of the core businesses, the products and services provided and the types of customers served, and how financial information is evaluated by management. The management reporting system assigns balance sheet and income statement items to each business segment using methodologies that are refined on an ongoing basis. For comparability purposes, amounts in all periods presented are based on methodologies in effect at September 30, 2013. Previously reported results have been reclassified to conform to the current organizational structure.

The following summaries provide information about the activities of each segment:

The *Bank* provides a full range of banking services to commercial, retail, government and correspondent bank customers through the Company's branches, call center, internet banking, and ATM network. Services include traditional commercial and consumer banking, treasury management, leasing, foreign exchange, merchant bankcard, wealth management, brokerage, insurance, capital markets, investment banking, corporate trust, and correspondent banking.

Payment Solutions provides consumer and commercial credit and debit card, prepaid debit card solutions, healthcare services, and institutional cash management. Healthcare services include health savings account and flexible savings account products for healthcare providers, third-party administrators and large employers.

Institutional Investment Management provides equity and fixed income investment strategies in the intermediary and institutional markets via mutual funds, traditional separate accounts and sub-advisory relationships.

Asset Servicing provides services to the asset management industry, supporting a range of investment products, including mutual funds, alternative investments and managed accounts. Services include fund administration, fund accounting, investor services, transfer agency, distribution, marketing, custody, alternative investment services, and collective and multiple-series trust services.

Business Segment Information

Segment financial results were as follows (in thousands):

	Three Months Ended September 30, 2013				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income (loss)	$ 73,419	$ 11,587	$ (11)	$ 550	$ 85,545
Provision for loan losses	1,833	4,667	—	—	6,500
Noninterest income	48,951	18,409	33,836	20,429	121,625
Noninterest expense	93,199	21,566	21,097	17,201	153,063
Income before income taxes	27,338	3,763	12,728	3,778	47,607
Income tax expense	6,895	1,311	3,501	1,468	13,175
Net income	$ 20,443	$ 2,452	$ 9,227	$ 2,310	$ 34,432
Average assets	$11,129,000	$1,726,000	$ 76,000	$1,993,000	$14,924,000

	Three Months Ended September 30, 2012				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income (loss)	$ 69,051	$ 10,843	$ (1)	$ 472	$ 80,365
Provision for loan losses	2,930	1,570	—	—	4,500
Noninterest income	47,151	16,081	24,789	18,300	106,321
Noninterest expense	93,683	17,764	17,316	17,142	145,905
Income before income taxes	19,589	7,590	7,472	1,630	36,281
Income tax expense	5,426	2,024	2,098	608	10,156
Net income	$ 14,163	$ 5,566	$ 5,374	$ 1,022	$ 26,125
Average assets	$10,681,000	$849,000	$ 80,000	$1,562,000	$13,172,000

	Nine Months Ended September 30, 2013				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income (loss)	$ 211,238	$ 34,327	$ (22)	$ 1,812	$ 247,355
Provision for loan losses	3,772	9,728	—	—	13,500
Noninterest income	148,136	56,486	91,543	60,061	356,226
Noninterest expense	277,253	63,502	58,850	54,147	453,752
Income before income taxes	78,349	17,583	32,671	7,726	136,329
Income tax expense	19,608	5,496	8,864	3,059	37,027
Net income	$ 58,741	$ 12,087	$ 23,807	$ 4,667	$ 99,302
Average assets	$11,146,000	$1,769,000	$ 79,000	$1,867,000	$14,861,000

	Nine Months Ended September 30, 2012				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income (loss)	$ 206,374	$ 32,124	$ 2	$ 1,327	$ 239,827
Provision for loan losses	6,987	6,513	—	—	13,500
Noninterest income	166,795	50,285	74,540	57,228	348,848
Noninterest expense	281,091	49,192	50,983	51,229	432,495
Income before income taxes	85,091	26,704	23,559	7,326	142,680
Income tax expense	23,441	7,733	6,874	2,975	41,023
Net income	$ 61,650	$ 18,971	$ 16,685	$ 4,351	$ 101,657
Average assets	$10,850,000	$855,000	$ 82,000	$1,437,000	$13,224,000

9. Derivatives and Hedging Activities

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk, primarily by managing the amount, sources, and duration of its assets and liabilities. The Company's existing interest rate derivatives result from a service provided to certain qualifying customers and, therefore, are not used to manage interest rate risk of the Company's assets or liabilities. The Company has entered into an offsetting position for each of these derivative instruments with a matching instrument from another financial institution in order to minimize its net risk exposure resulting from such transactions.

Fair Values of Derivative Instruments on the Balance Sheet

The table below presents the fair value of the Company's derivative financial instruments as of September 30, 2013 and December 31, 2012. The Company's derivative asset and derivative liability are located within Other assets and Other liabilities, respectively, on the Company's Consolidated Balance Sheet.

This table provides a summary of the fair value of the Company's derivative assets and liabilities as of September 30, 2013 and December 31, 2012 *(in thousands):*

	Asset Derivatives		Liability Derivatives	
Fair value	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Derivatives not designated as hedging instruments				
Interest rate products	$ 2,075	$ 3,503	$ 2,083	$ 3,625
Total	$ 2,075	$ 3,503	$ 2,083	$ 3,625

Non-designated Hedges

None of the Company's derivatives are designated in qualifying hedging relationships. Derivatives not designated as hedges are not speculative and result from a service the Company provides to certain customers. The Company executes interest rate swaps with commercial banking customers to facilitate their respective risk management strategies. Those interest rate swaps are simultaneously offset by interest rate swaps that the Company executes with a third party, such that the Company minimizes its net risk exposure resulting from such transactions. As the interest rate swaps associated with this program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings. As of September 30, 2013, the Company had twenty interest rate swaps with an aggregate notional amount of $189.3 million related to this program. During the three and nine months ended September 30, 2013, the Company recognized net losses of $40 thousand and net gains of $114 thousand, respectively, related to changes in fair value of these swaps. During the three and nine months ended September 30, 2012, the Company recognized net losses of $36 thousand and $118 thousand, respectively, related to changes in the fair value of these swaps.

Effect of Derivative Instruments on the Income Statement

This table provides a summary of the amount of gain (loss) recognized in other non-interest income (expense) in the Consolidated Statements of Income related to the Company's derivative asset and liability for the three and nine months ended as of September 30, 2013 and September 30, 2012 *(in thousands):*

	Amount of Gain (Loss) Recognized			
	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Derivatives not designated as hedging instruments				
Interest rate products	$ (40)	$ (36)	$ 114	$ (118)
Total	$ (40)	$ (36)	$ 114	$ (118)

Credit-risk-related Contingent Features

The Company has agreements with certain of its derivative counterparties that contain a provision where if the Company defaults on any of its indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender, then the Company could also be declared in default on its derivative obligations.

As of September 30, 2013 the termination value of derivatives in a net liability position, which includes accrued interest, related to these agreements was $0.5 million. The Company has minimum collateral posting thresholds with certain of its derivative counterparties and has not yet reached its minimum collateral posting threshold under these agreements. If the Company had breached any of these provisions at September 30, 2013, it could have been required to settle its obligations under the agreements at the termination value.

10. Fair Value Measurements

The following table presents information about the Company's assets measured at fair value on a recurring basis as of September 30, 2013, and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value.

Fair values determined by Level 1 inputs utilize quoted prices in active markets for identical assets and liabilities that the Company has the ability to access. Fair values determined by Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In certain cases, the inputs used to measure fair value may fall into different levels of the hierarchy. In such cases, the fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Assets measured at fair value on a recurring basis as of September 30, 2013 and December 31, 2012 *(in thousands):*

	Fair Value Measurement at September 30, 2013			
Description	September 30, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
U.S. Treasury	$ 400	$ 400	$ —	$ —
U.S. Agencies	—	—	—	—
Mortgage-backed	28,205	—	28,205	—
State and political subdivisions	5,568	—	5,568	—
Trading – other	20,821	20,821	—	—
Trading securities	54,994	21,221	33,773	—
U.S. Treasury	101,786	101,786	—	—
U.S. Agencies	1,025,977	—	1,025,977	—
Mortgage-backed	3,060,919	—	3,060,919	—
State and political subdivisions	2,066,095	—	2,066,095	—
Corporates	443,220	443,220	—	—
Commercial paper	—	—	—	—
Available for sale securities	6,697,997	545,006	6,152,991	—
Company-owned life insurance	18,711	—	18,711	—
Derivatives	2,075	—	2,075	—
Total	$ 6,773,777	$ 566,227	$ 6,207,550	$ —
Liabilities				
Deferred compensation	$ 18,578	$ 18,578	$ —	$ —
Contingent consideration liability	39,315	—	—	39,315
Derivatives	2,083	—	2,083	—
Total	$ 59,976	$ 18,578	$ 2,083	$ 39,315

	Fair Value Measurement at December 31, 2012			
Description	December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
U.S. Treasury	$ 400	$ 400	$ —	$ —
U.S. Agencies	506	—	506	—
Mortgage-backed	11,288	—	11,288	—
State and political subdivisions	12,913	—	12,913	—
Trading – other	30,657	30,657	—	—
Trading securities	55,764	31,057	24,707	—
U.S. Treasury	117,851	117,851	—	—
U.S. Agencies	1,026,115	—	1,026,115	—
Mortgage-backed	3,556,193	—	3,556,193	—
State and political subdivisions	1,892,684	—	1,892,684	—
Corporates	338,887	338,887		—
Commercial paper	5,733	—	5,733	—
Available for sale securities	6,937,463	456,738	6,480,725	—
Company-owned life insurance	10,539	—	10,539	—
Derivatives	3,503	—	3,503	—
Total	$7,007,269	$ 487,795	$ 6,519,474	$ —
Liabilities				
Deferred compensation	$ 13,705	$ 13,705	$ —	$ —
Contingent consideration liability	51,163	—	—	51,163
Derivatives	3,625	—	3,625	—
Total	$ 68,493	$ 13,705	$ 3,625	$ 51,163

The following table reconciles the beginning and ending balances of the contingent consideration liability:

	Nine Months Ended September 30,	
	2013	2012
Beginning Balance	$ 51,163	$ 72,046
Payment of contingent considerations on acquisitions	(16,172)	(12,260)
Income from fair value adjustments	(138)	(9,656)
Expense from fair value adjustments	4,462	1,957
Ending Balance	$ 39,315	$ 52,087

The Company adopted ASU No. 2011-04, “Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs” (ASU 2011-04) for the quarter ended March 31, 2012. The amendments set forth by the ASU require the Company’s contingent consideration liability to be measured from the perspective of a market participant that holds an identical asset as of the measurement date. Due to this methodology change, the Company began calculating the discount rates using a weighted average cost of capital approach, which caused an increase in the discount rates utilized. This resulted in a $6.9 million ($4.7 million, net of tax) reduction of the contingent consideration liabilities and a corresponding increase to other non-interest income due which is included in the “Income from fair value adjustments” line in the table above for the nine month period ended September 30, 2012.

The following table presents certain quantitative information about the significant unobservable input used in the fair value measurement for the contingent consideration liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

Description	Valuation Techniques	Significant Unobservable Inputs	Range (Weighted Average)
Liabilities			
Contingent consideration liability	Discounted cash flows	Revenue and expense growth percentage	6% - 31%

An increase in the revenue growth percentage may result in a significantly higher estimated fair value of the contingent consideration liability. Alternatively, a decrease in the revenue growth percentage may result in a significantly lower estimated fair value of the contingent consideration liability.

Valuation methods for instruments measured at fair value on a recurring basis

The following methods and assumptions were used to estimate the fair value of each class of financial instruments measured on a recurring basis:

Securities Available for Sale and Investment Securities Fair values are based on quoted market prices or dealer quotes, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities.

Trading Securities Fair values for trading securities (including financial futures), are based on quoted market prices where available. If quoted market prices are not available, fair values are based on quoted market prices for similar securities.

Company-owned Life Insurance Fair values are based on quoted market prices or dealer quotes with adjustments for dividends, capital gains, and administrative charges.

Derivatives Fair values are determined using valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, foreign exchange rates, and implied volatilities. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Deferred Compensation Fair values are based on quoted market prices or dealer quotes.

Contingent Consideration The fair value of contingent consideration liabilities are derived from a discounted cash flow model of future contingent payments. The valuation of these liabilities are estimated by a collaborative effort of the Company's mergers and acquisitions group, business unit management, and the corporate accounting group. These groups report primarily to the Company's Chief Financial Officer. These future contingent payments are calculated based on estimates of future income and expense from each acquisition. These estimated cash flows are projected by the business unit management and reviewed by the mergers and acquisitions group. To obtain a current valuation of these projected cash flows, an expected present value technique is utilized to calculate a discount rate. The cash flow projections and discount rates are reviewed quarterly and updated as market conditions necessitate. Potential valuation adjustments are made as future income and expense projections for each acquisition are made which affect the calculation of the related contingent consideration payment. These adjustments are recorded through noninterest income and expense.

Assets measured at fair value on a non-recurring basis as of September 30, 2013 and December 31, 2012 *(in thousands):*

	Fair Value Measurement at September 30, 2013				
Description	September 30, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Losses Recognized During the Nine Months Ended September 30
Impaired loans	$ 16,063	$ —	$ —	$ 16,063	$ (2,957)
Other real estate owned	285	—	—	285	$ (72)
Total	$ 16,348	$ —	$ —	$ 16,348	$ (3,029)

	Fair Value Measurement at December 31, 2012				
Description	December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Gains (Losses) Recognized During the Twelve Months Ended December 31
Impaired loans	$ 5,178	$ —	$ —	$ 5,178	$ 1,756
Other real estate owned	924	—	—	924	$ (455)
Total	$ 6,102	$ —	$ —	$ 6,102	$ 1,301

Valuation methods for instruments measured at fair value on a nonrecurring basis

The following methods and assumptions were used to estimate the fair value of each class of financial instruments measured on a non-recurring basis:

Impaired loans While the overall loan portfolio is not carried at fair value, adjustments are recorded on certain loans to reflect partial write-downs that are based on the value of the underlying collateral. In determining the value of real estate collateral, the Director of Property Management obtains external appraisals. The external appraisals are generally based on recent sales of comparable properties which are then adjusted for the unique characteristics of the property being valued. Upon receiving the external appraisal, the Director of Property Management in collaboration with the Company's credit department led by the Chief Credit Officer review the appraisal to determine if the appraisal is a reasonable basis for the value of the property based upon historical experience and detailed knowledge of the specific property and location. In the case of non-real estate collateral, reliance is placed on a variety of sources, including external estimates of value and judgments based on the experience and expertise of internal specialists within the Company's property management group and the Company's credit department. The valuation of the impaired loans is reviewed on a quarterly basis. Because many of these inputs are not observable, the measurements are classified as Level 3.

Other real estate owned Other real estate owned consists of loan collateral which has been repossessed through foreclosure. This collateral is comprised of commercial and residential real estate and other non-real estate property, including auto, recreational and marine vehicles. Other real estate owned is recorded as held for sale initially at the lower of the loan balance or fair value of the collateral. The initial valuation of the foreclosed property is obtained through an appraisal process similar to the process described in the impaired loans paragraph above. Subsequent to foreclosure, valuations are reviewed quarterly and updated periodically, and the assets may be marked down further, reflecting a new cost basis. Fair value measurements may be based upon appraisals or third-party price opinions and, accordingly, those measurements may be classified as Level 2. Other fair value measurements may be based on internally developed pricing methods, and those measurements may be classified as Level 3.

Fair value disclosures require disclosure of the fair value of financial assets and financial liabilities, including those financial assets and financial liabilities that are not measured and reported at fair value on a recurring basis or non-recurring basis. The estimated fair value of the Company's financial instruments at September 30, 2013 and December 31, 2012 are as follows *(in millions):*

	Fair Value Measurement at September 30, 2013				
	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
FINANCIAL ASSETS					
Securities held to maturity	$ 176.0	$ —	$ 189.3	$ —	$ 189.3
Federal Reserve Bank and other stock	31.5	—	31.5	—	31.5
Loans (exclusive of allowance for loan loss)	6,509.9	—	6,559.9	—	6,559.9
FINANCIAL LIABILITIES					
Time deposits	1,164.6	—	1,166.0	—	1,166.0
Long-term debt	5.1	—	4.4	—	4.4
OFF-BALANCE SHEET ARRANGEMENTS					
Commitments to extend credit for loans					4.7
Commercial letters of credit					0.1
Standby letters of credit					1.5

	Fair Value Measurement at December 31, 2012				
	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
FINANCIAL ASSETS					
Securities held to maturity	$ 114.8	$ —	$ 129.5	$ —	$ 129.5
Federal Reserve Bank and other stock	26.3	—	26.3	—	26.3
Loans (exclusive of allowance for loan loss)	5,690.6	—	5,754.1	—	5,754.1
FINANCIAL LIABILITIES					
Time deposits	1,282.3	—	1,287.9	—	1,287.9
Long-term debt	5.9	—	6.1	—	6.1
OFF-BALANCE SHEET ARRANGEMENTS					
Commitments to extend credit for loans					5.6
Commercial letters of credit					0.2
Standby letters of credit					2.1

The fair values of cash and short-term investments, demand and savings deposits, federal funds and repurchase agreements, and short-term debt approximate the carrying values.

Securities Held to Maturity Fair value of held-to-maturity securities are estimated by discounting the future cash flows using the current rates at which similar investments would be made to borrowers with similar credit ratings and for the same remaining maturities.

Federal Reserve Bank and Other Stock Amount consists of Federal Reserve Bank stock held by the Bank and other miscellaneous investments. The fair value is considered to be the carrying value as no readily determinable market exists for these investments because they can only be redeemed with the Federal Reserve Bank.

Loans Fair values are estimated for portfolios with similar financial characteristics. Loans are segregated by type, such as commercial, real estate, consumer, and credit card. Each loan category is further segmented into fixed and variable interest rate categories. The fair value of loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Time Deposits The fair value of fixed-maturity certificates of deposit is estimated by discounting the future cash flows using the rates that are currently offered for deposits of similar remaining maturities.

Long-Term Debt Rates currently available to the Company for debt with similar terms and remaining maturities are used to estimate fair value of existing debt.

Other Off-Balance Sheet Instruments The fair value of loan commitments and letters of credit are determined based on the fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreement and the present creditworthiness of the counterparties. Neither the fees earned during the year on these instruments nor their fair value at year-end are significant to the Company's consolidated financial position.

The fair value estimates presented herein are based on pertinent information available to management as of September 30, 2013 and December 31, 2012. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these consolidated financial statements since those dates and, therefore, current estimates of fair value may differ significantly from the amount presented herein.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This review highlights the material changes in the results of operations and changes in financial condition for the three-month and nine-month periods ended September 30, 2013. It should be read in conjunction with the accompanying condensed consolidated financial statements, notes to condensed consolidated financial statements and other financial statistics appearing elsewhere in this report. Results of operations for the periods included in this review are not necessarily indicative of results to be attained during any future period.

CAUTIONARY NOTICE ABOUT FORWARD-LOOKING STATEMENTS

From time to time the Company has made, and in the future will make, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast," "target," "trend," "plan," "goal," or other words of comparable meaning or future-tense or conditional verbs such as "may," "will," "should," "would," or "could." Forward-looking statements convey the Company's expectations, intentions, or forecasts about future events, circumstances, results, or aspirations.

This report, including any information incorporated by reference in this report, contains forward-looking statements. The Company also may make forward-looking statements in other documents that are filed or furnished with the SEC. In addition, the Company may make forward-looking statements orally to investors, analysts, members of the media, or others.

All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond its control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. The actual future objectives, strategies, plans, prospects, performance, condition, or results may differ materially from those set forth in any forward-looking statement. While no list of assumptions, risks, or uncertainties could be complete, some of the factors that may cause actual results or other future events, circumstances, or aspirations to differ from those in forward-looking statements include:

- local, regional, national, or international business, economic, or political conditions or events;
- changes in laws or the regulatory environment, including as a result of recent financial-services legislation or regulation;
- changes in monetary, fiscal, or trade laws or policies, including as a result of actions by central banks or supranational authorities;
- changes in accounting standards or policies;
- shifts in investor sentiment or behavior in the securities, capital, or other financial markets, including changes in market liquidity or volatility or changes in interest or currency rates;
- changes in spending, borrowing, or saving by businesses or households;
- the Company's ability to effectively manage capital or liquidity or to effectively attract or deploy deposits;
- changes in any credit rating assigned to the Company or its affiliates;
- adverse publicity or other reputational harm;
- changes in the Companys corporate strategies, the composition of its assets, or the way in which it funds those assets;

- the Company's ability to innovate, develop, maintain, or market products or services or to absorb unanticipated costs or liabilities associated with those products or services;
- the Company's ability to anticipate the needs of current or future customers, to successfully compete in its chosen business lines, to increase or hold market share in changing competitive environments, or to deal with pricing or other competitive pressures;
- changes in the credit, liquidity, or other condition of its customers, counterparties, or competitors;
- the Company's ability to effectively deal with economic, business, or market slowdowns or disruptions;
- judicial, regulatory, or administrative investigations, proceedings, disputes, or rulings that create uncertainty for or are adverse to the Company or its industry;
- the Company's ability to address stricter or heightened regulatory or other governmental supervision or requirements;
- the Company's ability to maintain secure and functional financial, accounting, technology, data processing, or other operating systems or facilities, including its capacity to withstand cyber-attacks;
- the adequacy of the Company's corporate governance, risk-management framework, compliance programs, or internal controls, including its ability to control lapses or deficiencies in financial reporting or to effectively mitigate or manage operational risk;
- the efficacy of its methods or models in assessing business strategies or opportunities or in valuing, measuring, monitoring, or managing positions or risk;
- the Company's ability to keep pace with changes in technology that affect the Company or its customers, counterparties, or competitors;
- mergers or acquisitions, including its ability to integrate acquisitions;
- the Company's ability to grow revenue, to control expenses, or to attract or retain qualified employees;
- natural or man-made disasters, calamities, or conflicts, including terrorist events; or
- other assumptions, risks, or uncertainties described in the management discussions and analyses or the risk factors in any of the Company's annual, quarterly, or current reports.

Any forward-looking statement made by the Company or on its behalf speaks only as of the date that it was made. The Company does not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that the Company may make in any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K.

Overview

The Company focuses on the following four core strategies. Management believes these strategies will guide its efforts to achieving its vision, to deliver *the* Unparalleled Customer Experience, all the while maintaining a focus to improve net income and strengthen the balance sheet.

The first strategy is to maintain high quality through a strong balance sheet, solid credit quality, a low cost of funding, and effective risk management. The strength in the balance sheet can be seen in the solid credit quality of the earning assets and the Company's continued growth in low cost funding. At September 30, 2013, the Company's nonperforming assets as a percentage of total assets was 0.20 percent. As a percentage of loans, nonperforming loans decreased to 0.48 percent compared to 0.51 percent on September 30, 2012. These credit quality ratios were achieved while maintaining positive directional growth in average earning assets, which increased 14.1 percent from September 30, 2012, driven by a 13.5 percent increase in average total deposits compared to September 30, 2012.

The second strategy is to deliver profitable and sustainable growth by accelerating fee businesses, growing quality earning assets, maximizing efficiencies, and maintaining sales leverage. The Company's acceleration of fee businesses is apparent with the increase in trust and securities processing. Trust and securities processing income increased $12.2 million, or 21.6 percent, for the three months ended September 30, 2013 compared to the same period in 2012. The increase in trust and securities processing income was primarily due to a $6.3 million, or 34.1 percent increase, in advisory fee income from the Scout Funds, a $3.6 million, or 20.9 percent, increase in fees related to institutional and personal investment management services and a $2.0 million, or 11.2 percent, increase in fee income from fund administration and custody services. Also notable and continuing to push industry trends, the Company produced double digit loan growth. While maintaining the aforementioned credit ratios, the Company's September 30, 2013 average loans increased $1.1 billion, or 21.3 percent, as compared to the same three month period one year ago.

The third strategy is to maintain diversified revenue streams. The emphasis on fee-based operations helps reduce the Company's exposure to changes in interest rates. During the third quarter of 2013, noninterest income increased $15.3 million, or 14.4 percent, compared to the same period of 2012. The Company continues to emphasize its asset management, bankcard services, health care services, and treasury management businesses. In particular, during the third quarter of 2013, this favorable change in noninterest income is primarily attributable to increased trust and securities processing income. At September 30, 2013, noninterest income represented 58.7 percent of total revenues, compared to 57.0 percent at September 30, 2012.

The fourth strategy is a focus on capital management. The Company places a significant emphasis on the maintenance of a strong capital position, which management believes promotes investor confidence, provides access to funding sources under favorable terms, and enhances the Company's ability to capitalize on business growth and acquisition opportunities. The Company continues to maximize shareholder value through a mix of reinvesting in organic growth, investing in acquisitions, evaluating increased dividends over time and utilizing a share buy-back strategy when appropriate. At September 30, 2013, the Company had $1.5 billion in total shareholders' equity. This is an increase of $169.5 million, or 13.1 percent, compared to total shareholders' equity at September 30, 2012. On September 16, 2013, the Company completed the issuance of 3.9 million shares of common stock with net proceeds of $201.2 million to be used for strategic growth purposes. At September 30, 2013, the Company had a total risk-based capital ratio of 13.74 percent, which is greater than the 10 percent regulatory minimum to be considered well-capitalized. The Company repurchased 13,409 shares at an average price of $59.75 per share during the third quarter of 2013.

Earnings Summary

The Company recorded consolidated net income of $34.4 million for the three-month period ended September 30, 2013, compared to $26.1 million for the same period a year earlier. This represents a 31.8 percent increase over the three-month period ended September 30, 2012. Basic earnings per share for the third quarter of 2013 were $0.85 per share ($0.83 per share fully-diluted) compared to $0.65 per share ($0.64 per share fully-diluted) for the third quarter of 2012. Return on average assets and return on average common shareholders' equity for the three-month period ended September 30, 2013 were 0.92 and 10.84 percent, respectively, compared to 0.79 and 8.12 percent for the three-month period ended September 30, 2012.

The Company recorded consolidated net income of $99.3 million for the nine-month period ended September 30, 2013, compared to $101.7 million for the same period a year earlier. This represents a 2.3 percent decrease over the nine-month period ended September 30, 2012. Basic earnings per share for the nine-month period ended September 30, 2013 were $2.47 per share ($2.44 per share fully-diluted) compared to $2.54 per share ($2.51 per share fully-diluted) for the period in 2012. Return on average assets and return on average common shareholders' equity for the nine-month period ended September 30, 2013 were 0.89 and 10.39 percent, respectively, compared to 1.03 and 10.90 percent for the same period in 2012.

Net interest income for the three and nine-month periods ended September 30, 2013 increased $5.2 million, or 6.4 percent, and $7.5 million, or 3.1 percent, respectively, compared to the same period in 2012. These increases are primarily due to the reduced level of interest expense on deposits, coupled with an increased level of interest income. For the three-month period ended September 30, 2013, average earning assets increased by $1.7 billion, or 14.1 percent, and for the nine-month period ended September 30, 2013, they increased by $1.6 billion, or 13.0 percent, compared to the same periods in 2012. Net interest margin, on a tax-equivalent basis, decreased to 2.61 percent and 2.56 percent for the three and nine-months periods ended September 30, 2013, compared to 2.80 percent and 2.79 percent for the same periods in 2012. These changes are discussed in greater detail below under Net Interest Income.

The provision for loan losses increased by $2.0 million for three-month period and remained flat for the nine-month period ended September 30, 2013 compared to the same periods in 2012. These changes are a direct result of applying the Company's methodology for computing the allowance for loan losses. The allowance for loan losses as a percentage of total loans decreased by 17 basis points to 1.15 percent as of September 30, 2013, compared to September 30, 2012 and decreased 11 basis points compared to December 31, 2012. For a description of the Company's methodology for computing the allowance for loan losses, please see the summary discussion of the Allowance for Loan Losses within the Critical Accounting Policies and Estimates subsection of the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section in the Company's 2012 Annual Report on Form 10-K.

Noninterest income increased by $15.3 million, or 14.4 percent, for the three-month period ended September 30, 2013 and increased by $7.4 million, or 2.1 percent, for the nine-month period ended September 30, 2013, compared to the same periods one year ago. These increases are discussed in greater detail below under Noninterest Income.

Noninterest expense increased by $7.2 million, or 4.9 percent, for the three-month period ended September 30, 2013, and increased by $21.3 million, or 4.9 percent, for the nine-month period ended September 30, 2013, compared to the same periods in 2012. These increases are discussed in greater detail below under Noninterest Expense.

Net Interest Income

Net interest income is a significant source of the Company's earnings and represents the amount by which interest income on earning assets exceeds the interest expense paid on liabilities. The volume of interest-earning assets and the related funding sources, the overall mix of these assets and liabilities, and the rates paid on each affect net interest income. For the three-month period ended September 30, 2013, net interest income increased $5.2 million, or 6.4 percent, compared to the same period in 2012. For the nine-month period ended September 30, 2013, net interest income increased $7.5 million, or 3.1 percent, compared to the same period in 2012.

Table 1 shows the impact of earning asset rate changes compared to changes in the cost of interest-bearing liabilities. The Company continues to experience a repricing of these earning assets and interest-bearing liabilities during the recent interest rate cycle. While the Company continues to see declining rates, it has been able to improve net interest income. As illustrated in this table, net interest spread for the three months ended September 30, 2013 decreased by 15 basis points and net interest margin decreased by 19 basis points compared to the same period in 2012. Net interest spread for the nine months ended September 30, 2013 decreased by 20 basis points and net interest margin decreased by 23 basis points compared to the same period in 2012. These results are primarily due to a favorable volume variance, offset by an unfavorable rate variance on earning assets. The combined impact of these variances coupled with a favorable rate variance on interest-bearing liabilities has led to decreases in interest expense and increases in interest income, or an increase in the Company's net interest income compared to results one year ago.

The favorable rate variance on deposits is bolstered by the contribution from free funds. For the impact of the contribution from free funds, see the Analysis of Net Interest Margin within Table 2 of this section. Table 2 also illustrates how the changes in volume and rates have resulted in an increase in net interest income.

Table 1

AVERAGE BALANCES/YIELDS AND RATES *(tax-equivalent basis) (unaudited, dollars in thousands)*

The following table presents, for the periods indicated, the average earning assets and resulting yields, as well as the average interest-bearing liabilities and resulting yields, expressed in both dollars and rates. All average balances are daily average balances. The average yield on earning assets without the tax equivalent basis adjustment would have been 2.55 percent for the three-month period ended September 30, 2013 and 2.78 percent for the same period in 2012. The average yield on earning assets without the tax equivalent basis adjustment would have been 2.51 percent for the nine-month period ended September 30, 2013 and 2.79 percent for the same period in 2012.

	Three Months Ended September 30,			
	2013		2012	
	Average Balance	Average Yield/Rate	Average Balance	Average Yield/Rate
Assets				
Loans, net of unearned interest	$ 6,418,368	3.65%	$ 5,292,970	4.10%
Securities:				
Taxable	4,835,235	1.56	4,617,059	1.75
Tax-exempt	2,150,108	2.95	1,903,490	3.05
Total securities	6,985,343	1.99	6,520,549	2.13
Federal funds and resell agreements	46,593	0.53	38,498	0.50
Interest-bearing due from banks	342,307	0.32	248,290	0.36
Trading	63,302	1.85	47,269	1.86
Total earning assets	13,855,913	2.71	12,147,576	2.94
Allowance for loan losses	(72,792)		(72,909)	
Other assets	1,140,648		1,097,489	
Total assets	$14,923,769		$13,172,156	
Liabilities and Shareholders' Equity				
Interest-bearing deposits	$ 7,117,927	0.17%	$ 6,183,598	0.26%
Federal funds and repurchase agreements	1,764,082	0.09	1,315,729	0.14
Borrowed funds	4,688	5.84	7,962	4.05
Total interest-bearing liabilities	8,886,697	0.16	7,507,289	0.24
Noninterest-bearing demand deposits	4,669,742		4,199,085	
Other liabilities	107,000		186,612	
Shareholders' equity	1,260,330		1,279,170	
Total liabilities and shareholders' equity	$14,923,769		$13,172,156	
Net interest spread		2.55%		2.70%
Net interest margin		2.61		2.80

	Nine Months Ended September 30,			
	2013		2012	
	Average Balance	Average Yield/Rate	Average Balance	Average Yield/Rate
Assets				
Loans, net of unearned interest	$ 6,132,892	3.72%	$ 5,187,756	4.19%
Securities:				
Taxable	4,894,956	1.54	4,525,462	1.82
Tax-exempt	2,086,482	2.99	1,833,229	3.15
Total securities	6,981,438	1.97	6,358,691	2.20
Federal funds and resell agreements	31,519	0.53	27,686	0.42
Interest-bearing due from banks	580,309	0.29	573,474	0.33
Trading	62,470	1.89	49,741	2.44
Total earning assets	13,788,628	2.67	12,197,348	2.95
Allowance for loan losses	(71,438)		(73,246)	
Other assets	1,144,064		1,099,748	
Total assets	$14,861,254		$13,223,850	
Liabilities and Shareholders' Equity				
Interest-bearing deposits	$ 7,026,963	0.19%	$ 6,231,448	0.29%
Federal funds and repurchase agreements	1,762,087	0.11	1,445,701	0.13
Borrowed funds	4,888	5.20	13,384	3.89
Total interest-bearing liabilities	8,793,938	0.18	7,690,533	0.26
Noninterest-bearing demand deposits	4,644,338		4,103,786	
Other liabilities	145,533		183,447	
Shareholders' equity	1,277,445		1,246,084	
Total liabilities and shareholders' equity	$14,861,254		$13,223,850	
Net interest spread		2.49%		2.69%
Net interest margin		2.56		2.79

Table 2 presents the dollar amount of change in net interest income and margin due to volume and rate. Table 2 also reflects the effect that interest-free funds have on net interest margin. Although average interest-free funds (total earning assets less interest-bearing liabilities) increased $328.9 million for the three-month period ended September 30, 2013 compared to the same period in 2012 and increased $487.9 million for the nine-month period ended September 30, 2013 compared to the same period in 2012, the benefit from interest free funds declined by 5 basis points from the three months ended September 30, 2012, and declined by 3 basis points from the nine months ended September 30, 2012, due to decreases in interest rates.

Table 2

ANALYSIS OF CHANGES IN NET INTEREST INCOME AND MARGIN *(unaudited, dollars in thousands)*

ANALYSIS OF CHANGES IN NET INTEREST INCOME

	Three Months Ended September 30, 2013 vs 2012			Nine Months Ended September 30, 2013 vs 2012		
	Volume	Rate	Total	Volume	Rate	Total
Change in interest earned on:						
Loans	$ 10,494	$ (5,927)	$ 4,567	$ 26,266	$ (18,420)	$ 7,846
Securities:						
Taxable	873	(2,201)	(1,328)	4,234	(9,561)	(5,327)
Tax-exempt	1,361	(625)	736	4,425	(2,654)	1,771
Federal funds sold and resell agreements	11	3	14	15	23	38
Interest-bearing due from banks	76	(25)	51	15	(161)	(146)
Trading	78	(1)	77	86	(118)	(32)
Interest income	12,893	(8,776)	4,117	35,041	(30,891)	4,150
Change in interest incurred on:						
Interest-bearing deposits	409	(1,391)	(982)	1,154	(4,375)	(3,221)
Federal funds purchased and repurchase agreements	98	(167)	(69)	258	(217)	41
Borrowed funds	(48)	36	(12)	(331)	131	(200)
Interest expense	459	(1,522)	(1,063)	1,081	(4,461)	(3,380)
Net interest income	$ 12,434	$ (7,254)	$ 5,180	$ 33,960	$ (26,430)	7,530

ANALYSIS OF NET INTEREST MARGIN

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2013	2012	Change	2013	2012	Change
Average earning assets	$13,855,913	$12,147,576	$1,708,337	$13,788,628	$12,197,348	$1,591,280
Average interest-bearing liabilities	8,886,697	7,507,289	1,379,408	8,793,938	7,690,533	1,103,405
Average interest free funds	$ 4,969,216	$ 4,640,287	$ 328,929	$ 4,994,690	$ 4,506,815	$ 487,875
Free funds ratio (free funds to earning assets)	35.86%	38.20%	(2.34)%	36.22%	36.95%	(0.73)%
Tax-equivalent yield on earning assets	2.71	2.94	(0.23)%	2.67%	2.95%	(0.28)%
Cost of interest-bearing liabilities	0.16	0.24	(0.08)	0.18	0.26	(0.08)
Net interest spread	2.55%	2.70%	(0.15)%	2.49%	2.69%	(0.20)%
Benefit of interest-free funds	0.06	0.10	(0.04)	0.07	0.10	(0.03)
Net interest margin	2.61%	2.80%	(0.19)%	2.56%	2.79%	(0.23)%

Provision and Allowance for Loan Losses

The allowance for loan losses (ALL) represents management's judgment of the losses inherent in the Company's loan portfolio as of the balance sheet date. An analysis is performed quarterly to determine the appropriate balance of the ALL. This analysis considers items such as historical loss trends, a review of individual loans, migration analysis, current economic conditions, loan growth and characteristics, industry or segment concentration and other factors. After the balance sheet analysis is performed for the ALL, the provision for loan losses is computed as the amount required to adjust the ALL to the appropriate level.

Based on the factors above, management of the Company expensed $6.5 million and $13.5 million related to the provision for loan losses for the three and nine-month periods ended September 30, 2013, compared to $4.5 million and $13.5 million for the same periods in 2012. As illustrated in Table 3 below, the ALL decreased to 1.15 percent of total loans as of September 30, 2013, compared to 1.32 percent of total loans as of the same period in 2012.

Table 3 presents a summary of the Company's ALL for the nine months ended September 30, 2013 and 2012 and for the year ended December 31, 2012. Net charge-offs were $10.0 million for the first nine months of 2013, compared to $14.1 million for the same period in 2012. See "Credit Risk Management" under "Item 3. Quantitative and Qualitative Disclosures About Market Risk" in this report for information relating to nonaccrual loans, past due loans, restructured loans and other credit risk matters.

Table 3

ANALYSIS OF ALLOWANCE FOR LOAN LOSSES *(unaudited, dollars in thousands)*

	Nine Months Ended September 30,		Year Ended December 31,
	2013	2012	2012
Allowance-January 1	$ 71,426	$ 72,017	$ 72,017
Provision for loan losses	13,500	13,500	17,500
Charge-offs:			
Commercial	(3,015)	(6,385)	(8,446)
Consumer:			
Bankcard	(8,079)	(8,437)	(11,148)
Other	(1,186)	(1,237)	(1,530)
Real estate	(533)	(724)	(932)
Total charge-offs	(12,813)	(16,783)	(22,056)
Recoveries:			
Commercial	761	401	1,136
Consumer:			
Bankcard	1,349	1,383	1,766
Other	678	825	1,035
Real estate	37	25	28
Total recoveries	2,825	2,634	3,965
Net charge-offs	(9,988)	(14,149)	(18,091)
Allowance-end of period	74,938	71,368	71,426
Average loans, net of unearned interest	$6,128,029	$5,179,791	$5,243,264
Loans at end of period, net of unearned interest	6,506,902	5,389,763	5,686,749
Allowance to loans at end of period	1.15%	1.32%	1.26%
Allowance as a multiple of net charge-offs	5.61x	3.78x	3.95x
Net charge-offs to:			
Provision for loan losses	73.99%	104.81%	103.38%
Average loans	0.22	0.36	0.35

Noninterest Income

A key objective of the Company is the growth of noninterest income to enhance profitability and provide steady income. Fee-based services are typically non-credit related and not generally affected by fluctuations in interest rates.

The Company's fee-based businesses provide the opportunity to offer multiple products and services, which management believes will more closely align the customer with the Company. The Company is currently emphasizing fee-based businesses including trust and securities processing, bankcard, brokerage, health care services, and treasury management. Management believes it can offer these products and services both efficiently and profitably, as most share common platforms and support structures.

Table 4

SUMMARY OF NONINTEREST INCOME *(unaudited, dollars in thousands)*

	Three Months Ended September 30,		Dollar Change	Percent Change
	2013	2012	13-12	13-12
Trust and securities processing	$ 68,465	$ 56,291	$ 12,174	21.63%
Trading and investment banking	3,792	7,120	(3,328)	(46.74)
Service charges on deposit accounts	21,036	19,171	1,865	9.73
Insurance fees and commissions	869	1,028	(159)	(15.47)
Brokerage fees	2,895	3,104	(209)	(6.73)
Bankcard fees	15,196	14,466	730	5.05
Gains on sales of securities available for sale, net	1,140	259	881	>100.0
Other	8,232	4,882	3,350	68.62
Total noninterest income	$121,625	$106,321	$ 15,304	14.39%

	Nine Months Ended September 30,		Dollar Change	Percent Change
	2013	2012	13-12	13-12
Trust and securities processing	$194,263	$166,756	$ 27,507	16.50%
Trading and investment banking	16,324	23,938	(7,614)	(31.81)
Service charges on deposits	63,441	58,191	5,250	9.02
Insurance fees and commissions	3,066	2,949	117	3.97
Brokerage fees	8,727	8,324	403	4.84
Bankcard fees	47,666	46,031	1,635	3.55
Gains on sales of securities available for sale, net	8,552	20,022	(11,470)	(57.29)
Other	14,187	22,637	(8,450)	(37.33)
Total noninterest income	$356,226	$348,848	$ 7,378	2.11%

Fee-based, or noninterest income (summarized in Table 4), increased by $15.3 million, or 14.4 percent, during the three months ended September 30, 2013, and increased by $7.4 million, or 2.1 percent, during the nine months ended September 30, 2013, compared to the same periods in 2012.

Trust and securities processing consists of fees earned on personal and corporate trust accounts, custody of securities services, trust investments and investment management services, and servicing of mutual fund assets. The increase in these fees for the three and nine-month periods compared to the same periods last year was primarily due to changes in the following categories of income: advisory fee income from the Scout Funds, institutional and personal investment management services, and fund administration and custody services. Advisory fee income from the Scout Funds increased by $6.3 million, or 34.1 percent, during the three months ended September 30, 2013, and increased by $15.4 million, or 29.2 percent, during the nine months ended September 30, 2013, compared to the

same periods in 2012. Institutional and personal investment management services increased by $3.6 million, or 20.9 percent, during the three months ended September 30, 2013, and increased by $8.1 million, or 15.6 percent, during the nine months ended September 30, 2013, compared to the same periods in 2012. Fund administration and custody services increased by $2.0 million, or 11.2 percent, during the three months ended September 30, 2013, and increased by $3.3 million, or 6.0 percent, during the nine months ended September 30, 2013, compared to the same periods in 2012. Trust and securities processing fees are asset-based. As such, they are highly correlated to the change in market value of the assets. Thus, the related income for the remainder of the year will be affected by changes in the securities markets. Management continues to emphasize sales of services to both new and existing clients as well as increasing and improving the distribution channels, which lead to increased inflows into the Scout Funds.

During the three and nine-month periods ended September 30, 2013, $1.1 million and $8.6 million in pre-tax gains were recognized on the sales of securities available for sale, compared to $0.3 million and $20.0 million in the same periods one year ago. The investment portfolio is continually evaluated for opportunities to improve its performance and risk profile relative to market conditions and the Company's interest rate expectations. This can result in differences from quarter to quarter in the amount of realized gains.

Noninterest Expense

The components of noninterest expense are shown below on Table 5.

Table 5

SUMMARY OF NONINTEREST EXPENSE *(unaudited in thousands)*

	Three Months Ended September 30,		Dollar Change	Percent Change
	2013	2012	13-12	13-12
Salaries and employee benefits	$ 83,733	$ 78,813	$ 4,920	6.24%
Occupancy, net	10,016	9,870	146	1.48
Equipment	12,205	10,330	1,875	18.15
Supplies and services	4,761	4,995	(234)	(4.68)
Marketing and business development	5,536	7,368	(1,832)	(24.86)
Processing fees	14,471	12,964	1,507	11.62
Legal and consulting	4,433	4,311	122	2.83
Bankcard	4,561	4,700	(139)	(2.96)
Amortization of other intangible assets	3,245	3,643	(398)	(10.93)
Regulatory fees	2,670	2,363	307	12.99
Other	7,432	6,548	884	13.50
Total noninterest expense	$153,063	$145,905	$ 7,158	4.91%

	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012	Dollar Change 13-12	Percent Change 13-12
Salaries and employee benefits	$251,000	$236,728	$14,272	6.03%
Occupancy, net	29,175	28,359	816	2.88
Equipment	36,012	31,999	4,013	12.54
Supplies and services	14,611	15,256	(645)	(4.23)
Marketing and business development	15,514	17,615	(2,101)	(11.93)
Processing fees	42,854	38,372	4,482	11.68
Legal and consulting	12,877	11,838	1,039	8.78
Bankcard	13,817	13,572	245	1.81
Amortization of other intangible assets	10,054	11,228	(1,174)	(10.46)
Regulatory fees	7,066	7,096	(30)	(0.42)
Other	20,772	20,432	340	1.66
Total noninterest expense	$453,752	$432,495	$21,257	4.91%

Noninterest expense increased by $7.2 million, or 4.9 percent, for the three months ended September 30, 2013, and increased by $21.3 million, or 4.9 percent, for the nine months ended September 30, 2013, compared to the same period in 2012. Table 5 above summarizes the components of noninterest expense and the respective year-over-year comparison for each category.

Salaries and employee benefits increased by $4.9 million, or 6.2 percent, for the three months ended September 30, 2013, and by $14.3 million, or 6.0 percent, for the nine months ended September 30, 2013, compared to the same period in 2012. These increases are primarily due to higher base salary and benefits expense. Salaries increased by $3.2 million, or 6.3 percent, and $7.8 million, or 5.3 percent, for the three and nine months ended September 30, 2013, compared to the same periods in 2012. Employee benefits expense increased by $1.5 million, or 11.8 percent, and $3.8 million, or 9.3 percent, for the three and nine months ended September 30, 2013, compared to the same periods in 2012.

Equipment expense increased by $1.9 million, or 18.2 percent, and $4.0 million, or 12.5 percent, for the three and nine months ended September 30, 2013, compared to the same periods in 2012. These increases are primarily due to computer depreciation expense and software maintenance and amortization expense.

Marketing and business development decreased by $1.8 million, or 24.9 percent, and $2.1 million, or 11.9 percent, for the three and nine months ended September 30, 2013, compared to the same periods in 2012.

Processing fees increased by $1.5 million, or 11.6 percent, and $4.5 million, or 11.7 percent, for the three and nine months ended September 30, 2013, compared to the same periods in 2012. These increases are due primarily to fees paid by the advisor to third-party distributors of the Scout Funds.

Income Tax Expense

The effective tax rate is 27.2 percent for the nine months ended September 30, 2013, compared to 28.8 percent for the same period in 2012. The decrease in the effective rate for 2013 is primarily attributable to a larger portion of income being earned from tax-exempt municipal securities and an increase in federal tax credits.

Strategic Lines of Business

Table 6

Bank Operating Results *(unaudited, dollars in thousands)*

	Three Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$ 73,419	$ 69,051	$ 4,368	6.33%
Provision for loan losses	1,833	2,930	(1,097)	(37.44)
Noninterest income	48,951	47,151	1,800	3.82
Noninterest expense	93,199	93,683	(484)	(0.52)
Income before taxes	27,338	19,589	7,749	39.56
Income tax expense	6,895	5,426	1,469	27.07
Net income	$ 20,443	$ 14,163	$ 6,280	44.34%

	Nine Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$211,238	$206,374	$ 4,864	2.36%
Provision for loan losses	3,772	6,987	(3,215)	(46.01)
Noninterest income	148,136	166,795	(18,659))	(11.19)
Noninterest expense	277,253	281,091	(3,838)	(1.37)
Income before taxes	78,349	85,091	(6,742)	(7.92)
Income tax expense	19,608	23,441	(3,833)	(16.35)
Net income	$ 58,741	$ 61,650	$ (2,909)	(4.72)%

Bank net income decreased by $2.9 million, or 4.7 percent, to $58.7 million compared to the prior nine-month period ended September 30, 2012. Noninterest income decreased $18.7 million, or 11.2 percent, over the same period in 2012. This decrease was driven by decreased securities gains of $11.5 million, decreased bond trading income of $7.7 million, and decreased miscellaneous income of $4.6 million, offset by an increase in trust and securities processing income of $3.8 million and an increase in bankcard income of $1.9 million. The decrease in miscellaneous income is primarily driven by a $3.8 million decrease in fair value adjustments on interest rate swap transactions. Provision decreased by $3.2 million due to improvements in the credit characteristics of the loan portfolio in this segment. Noninterest expense decreased $3.8 million, or 1.4 percent, to $277.3 million as compared to 2012, which was driven by a decrease in fair value adjustments on interest rate swap transactions of $3.3 million.

Table 7

Payment Solutions Operating Results *(unaudited, dollars in thousands)*

	Three Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$11,587	$10,843	$ 744	6.86%
Provision for loan losses	4,667	1,570	3,097	>100.0
Noninterest income	18,409	16,081	2,328	14.48
Noninterest expense	21,566	17,764	3,802	21.40
Income before taxes	3,763	7,590	(3,827)	(50.42)
Income tax expense	1,311	2,024	(713)	(35.23)
Net income	$ 2,452	$ 5,566	$ (3,114)	(55.95)%

	Nine Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$34,327	$32,124	$ 2,203	6.86%
Provision for loan losses	9,728	6,513	3,215	49.36
Noninterest income	56,486	50,285	6,201	12.33
Noninterest expense	63,502	49,192	14,310	29.09
Income before taxes	17,583	26,704	(9,121)	(34.16)
Income tax expense	5,496	7,733	(2,237)	(28.93)
Net income	$12,087	$18,971	$ (6,884)	(36.29)%

Payments Solutions net income after taxes decreased $6.9 million, or 36.3 percent, to $12.1 million compared to the nine-month period ended September 30, 2012. Net interest margin increased by $2.2 million, or 6.9 percent, due to growth in earning assets and deposits, but offset with a reduction in funds transfer pricing credit on deposits. Provision expense increased by $3.2 million, or 49.4 percent. Noninterest income increased $6.2 million, or 12.3 percent, driven by an increase in deposit service charge income from institutional banking and investor services and healthcare services customers as well as an increase in bankcard income for healthcare services. Noninterest expense increased by $14.3 million, primarily from increased staffing, consulting fees, and bankcard processing fees associated with the increase in sales volume.

Table 8

Institutional Investment Management Operating Results *(unaudited, dollars in thousands)*

	Three Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$ (11)	$ (1)	$ (10)	>(100.0)%
Provision for loan losses	—	—	—	—
Noninterest income	33,836	24,789	9,047	36.50
Noninterest expense	21,097	17,316	3,781	21.84
Income before taxes	12,728	7,472	5,256	70.34
Income tax expense	3,501	2,098	1,403	66.87
Net income	$ 9,227	$ 5,374	$3,853	71.70%

	Nine Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$ (22)	$ 2	$ (24)	>(100.0)%
Provision for loan losses	—	—	—	—
Noninterest income	91,543	74,540	17,003	22.81
Noninterest expense	58,850	50,983	7,867	15.43
Income before taxes	32,671	23,559	9,112	38.68
Income tax expense	8,864	6,874	1,990	28.95
Net income	$23,807	$16,685	$ 7,122	42.69%

Institutional Investment Management net income increased $7.1 million, or 42.7 percent, to $23.8 million compared to the prior nine-month period ended September 30, 2012. This increase was primarily driven by an increase of $17.0 million, or 22.8 percent, in noninterest income offset by a $7.9 million, or 15.4 percent, increase in noninterest expense and a $2.0 million, or 29.0 percent, increase in income tax expense. The increase in noninterest income is due to a $15.4 million increase in advisory fees derived from an increase in asset values and the addition of a new administrative fee added during the second quarter of 2012, and a $5.0 million increase in fees related to institutional and personal investment management services. This increase was offset by a $4.3 million decrease related to fair value adjustments to the contingent consideration liabilities on acquisitions. The increase in noninterest expense was due to a $4.0 million increase in third party distribution expense and a $3.9 million increase in salaries and benefits.

Table 9

Asset Servicing Operating Results *(unaudited, dollars in thousands)*

	Three Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$ 550	$ 472	$ 78	16.53%
Provision for loan losses	—	—	—	—
Noninterest income	20,429	18,300	2,129	11.63
Noninterest expense	17,201	17,142	59	0.34
Income before taxes	3,778	1,630	2,148	>100.0
Income tax expense	1,468	608	860	>100.0
Net income	$ 2,310	$ 1,022	$1,288	>100.0%

	Nine Months Ended September 30, 2013	2012	Dollar Change 13-12	Percent Change 13-12
Net interest income	$ 1,812	$ 1,327	$ 485	36.55%
Provision for loan losses	—	—	—	—
Noninterest income	60,061	57,228	2,833	4.95
Noninterest expense	54,147	51,229	2,918	5.70
Income before taxes	7,726	7,326	400	5.46
Income tax expense	3,059	2,975	84	2.82
Net income	$ 4,667	$ 4,351	$ 316	7.26%

Asset Servicing net income increased $0.3 million, or 7.3 percent, to $4.67 million compared to the nine-month period ended September 30, 2012. Net interest margin increased by $0.5 million, or 36.6 percent, due to deposit growth within this segment. Noninterest income increased $2.8 million, or 5.0 percent, resulting from a $3.4 million increase in fee income from business added in transfer agent, alternative investment, and fund administration services, increases from asset based fees, fund growth and a $0.7 million gain from the transfer of trust-related distribution services. These increases were offset by a decrease in miscellaneous income of $1.3 million in fair value adjustments to the contingent consideration liabilities compared to same period last year. Noninterest expense increased $2.9 million, or 5.7 percent, due primarily to a $2.2 million increase in fair value adjustments to the contingent consideration liabilities on acquisitions. Salary and benefit expense increased $1.3 million, or 5.6 percent, compared to the prior year, reflecting costs of staffing added to support new business. Increases were offset by declines in processing fees of $0.6 million and intangible amortization expense of $0.3 million compared to the same period last year.

Balance Sheet Analysis

Total assets of the Company as of September 30, 2013 increased $2.9 billion, or 21.8 percent, compared to September 30, 2012. The increase in total assets is a result of an increase in loans of $1.1 billion, or 20.7 percent, and an increase in due from Federal Reserve balances of $1.2 billion, or 826.6 percent. The increase in total assets is directly correlated to an increase in deposit balances of $2.4 billion, or 22.9 percent, and an increase in federal funds purchased and securities sold under agreement to repurchase of $363.8 million, or 31.3 percent.

Total assets as of September 30, 2013 increased $1.3 billion, or 8.4 percent, compared to December 31, 2012. The increase is primarily a result of an increase in loans of $820.2 million, or 14.4 percent, and an increase in due from Federal Reserve balances of $637.0 million, or 91.2 percent. The increase in total assets is due to an increase in deposit balances of $1.4 billion, or 11.9 percent, offset by a decrease in federal funds purchased and securities sold under agreement to repurchase of $259.3 million, or 14.5 percent.

Table 10

SELECTED BALANCE SHEET INFORMATION *(unaudited, dollars in thousands)*

	September 30, 2013	September 30, 2012	December 31, 2012
Total assets	$16,184,233	$13,285,845	$14,927,196
Loans, net of unearned interest	6,506,902	5,389,763	5,686,749
Total investment securities	6,960,462	6,651,048	7,134,316
Interest-bearing due from banks	1,357,881	174,012	720,500
Total earning assets	14,807,774	12,198,526	13,563,884
Total deposits	13,041,044	10,612,780	11,653,365
Total borrowed funds	1,533,305	1,169,831	1,793,149

Loans and Loans Held for Sale

Loans represent the Company's largest source of interest income. In addition to growing the commercial loan portfolio, management believes its middle market commercial business and its consumer business, including home equity and credit card loan products, are the market niches that represent its best opportunity to cross-sell fee-related services.

Total loan balances have increased $820.2 million, or 14.4 percent, compared to December 31, 2012 and increased $1.1 billion, or 20.7 percent, at September 30, 2013 compared to September 30, 2012. The increase from December 31, 2012 is primarily a result of a $502.7 million, or 17.5 percent, increase in commercial loans and a $199.4 million, or 13.9 percent, increase in commercial real estate loans. Compared to September 30, 2012, commercial loans increased $685.2 million, or 25.5 percent, and commercial real estate loans increased $293.1 million, or 21.8 percent.

Nonaccrual, past due and restructured loans are discussed under "Credit Risk Management" within "Item 3. Quantitative and Qualitative Disclosures About Market Risk" in this report.

Investment Securities

The Company's securities portfolio provides liquidity as a result of the composition and average life of the underlying securities. This liquidity can be used to fund loan growth or to offset the outflow of traditional funding sources. In addition to providing a potential source of liquidity, the securities portfolio can be used as a tool to manage interest rate sensitivity. The Company's goal in the management of its securities portfolio is to maximize return within the Company's parameters of liquidity goals, interest rate risk and credit risk. The Company maintains strong liquidity levels while investing in only high-grade securities. The securities portfolio generates the Company's second largest component of interest income.

Investment securities totaled $7.0 billion at September 30, 2013, compared to $7.1 billion at December 31, 2012, and $6.7 billion at September 30, 2012. Collateral pledging requirements for public funds, loan demand, and deposit funding are the primary factors impacting changes in the level of security holdings. Investment securities comprised 47.0 percent, 52.6 percent, and 54.5 percent, respectively, of the earning assets as of September 30, 2013, December 31, 2012, and September 30, 2012. There were $5.0 billion of these securities pledged to secure U.S. Government deposits, other public deposits, securities sold under repurchase agreements, and certain trust deposits as required by law at September 30, 2013.

Investment securities had an average tax-equivalent yield of 1.97 percent for the first nine months of 2013 compared to 2.20 percent for the same period in 2012, or a decrease of 23 basis points. The average life of the securities portfolio was 49.4 months at September 30, 2013 compared to 40.0 months at December 31, 2012 and 42.6 months at September 30, 2012. The increase in average life from prior periods was primarily related to an increase in tenor in investment purchases during the first half of 2013 combined with a tenor lengthening related to mortgage-backed securities prepayment speeds slowing reflecting the rise in longer term interest rates in 2013.

Deposits and Borrowed Funds

Deposits increased $1.4 billion, or 11.9 percent, from December 31, 2012 to September 30, 2013. Interest-bearing deposits increased $680.0 million and noninterest-bearing deposits increased $707.7 million from December 31, 2012. From September 30, 2012 to September 30, 2013, deposits increased $2.4 billion, or 22.9 percent. Noninterest-bearing deposits increased $1.2 billion and interest-bearing deposits increased $1.2 billion from September 30, 2012. The increase in noninterest-bearing deposits from September 30, 2012 and December 31, 2012 came primarily from the Company's public funds, mutual fund processing and treasury management businesses. The increase in interest-bearing deposits compared to September 30, 2012 is primarily related to increases in money market accounts. As previously announced, a single Asset Servicing client is expected to migrate its deposits to another institution. As of September 30, 2013, this client's deposits totaling $1.1 billion remained on the balance sheet.

Deposits represent the Company's primary funding source for its asset base. In addition to the core deposits garnered by the Company's retail branch structure, the Company continues to focus on its cash management services, as well as its trust and mutual fund services in order to attract and retain additional core deposits. Management believes a strong core deposit composition is one of the Company's key strengths given its competitive product mix.

Borrowed funds decreased $259.8 million from December 31, 2012. Borrowings, other than repurchase agreements, are a function of the source and use of funds and will fluctuate to cover short term gaps in funding. Borrowed funds increased $363.5 million from September 30, 2012.

Federal funds purchased and securities sold under agreement to repurchase totaled $1.5 billion at September 30, 2013, compared to $1.8 billion at December 31, 2012 and $1.2 billion at September 30, 2012. Repurchase agreements are transactions involving the exchange of investment funds by the customer for securities by the Company under an agreement to repurchase the same or similar issues at an agreed-upon price and date.

Capital and Liquidity

The Company places a significant emphasis on the maintenance of a strong capital position, which promotes investor confidence, provides access to funding sources under favorable terms, and enhances the Company's ability to capitalize on business growth and acquisition opportunities. Higher levels of liquidity, however, bear corresponding costs, measured in terms of lower yields on short-term, more liquid earning assets and higher expenses for extended liability maturities. The Company manages capital for each subsidiary based upon the subsidiary's respective risks and growth opportunities as well as regulatory requirements.

Total shareholders' equity was $1.5 billion at September 30, 2013, a $184.3 million increase compared to December 31, 2012. On September 16, 2013, the Company completed the issuance of 3.9 million shares of common stock with net proceeds of $201.2 million to be used for strategic growth purposes. The Company's Board of Directors authorized, at its April 23, 2013, April 24, 2012, and April 26, 2011 meetings, the repurchase of up to two million shares of the Company's common stock during the twelve months following the meetings. During the nine months ended September 30, 2013 and 2012, the Company acquired 51,257 shares and 136,213 shares, respectively, of its common stock under these plans. The Company has not made any purchases other than through these plans.

On October 22, 2013, the Board of Directors declared a dividend of $0.225 per share. The dividend will be paid on January 2, 2014 to shareholders of record on December 10, 2013.

Risk-based capital guidelines established by regulatory agencies set minimum capital standards based on the level of risk associated with a financial institution's assets. A financial institution's total capital is required to equal at least 8 percent of risk-weighted assets. At least half of that 8 percent must consist of Tier 1 core capital, and the remainder may be Tier 2 supplementary capital. The risk-based capital guidelines indicate the specific risk weightings by type of asset. Certain off-balance-sheet items (such as standby letters of credit and binding loan commitments) are multiplied by credit conversion factors to translate them into balance sheet equivalents before assigning them specific risk weightings. Due to the Company's high level of core capital and substantial portion of earning assets invested in government securities, the Tier 1 capital ratio of 12.93 percent and total capital ratio of 13.74 percent substantially exceed the regulatory minimums.

The Company is also required to maintain a leverage ratio equal to or greater than 4 percent. The leverage ratio is Tier 1 core capital to total average assets less goodwill and intangibles. The Company's leverage ratio of 8.34 percent as of September 30, 2013 substantially exceeds the regulatory minimum.

In July 2013 the Federal Reserve approved a final rule to implement in the United States the Basel III regulatory capital reforms from the Basel Committee on Banking Supervision and certain changes required by the Dodd-Frank Act. The final rule increases minimum requirements for both the quantity and quality of capital held by banking organizations. The rule includes a new minimum ratio of common equity tier 1 capital to risk-weighted assets of 4.5% and a common equity tier 1 capital conservation buffer of 2.5% of risk-weighted assets. The final rule also adjusted the methodology for calculating risk-weighted assets to enhance risk sensitivity. Beginning January 1, 2015, the Company must be compliant with revised minimum regulatory capital ratios and will begin the transitional period for definitions of regulatory capital and regulatory capital adjustments and deductions established under the final rule. Compliance with the risk-weighted asset calculations will be required on January 1, 2015. The Company believes its current capital ratios are higher than those required in the final rule.

Table 11

The Company's capital position is summarized in the table below and exceeds regulatory requirements:

RATIOS	Three Months Ended September 30, 2013	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Return on average assets	0.92%	0.79%	0.89%	1.03%
Return on average equity	10.84	8.12	10.39	10.90
Average equity to assets	8.45	9.71	8.60	9.42
Tier 1 risk-based capital ratio	12.93	11.69	12.93	11.69
Total risk-based capital ratio	13.74	12.62	13.74	12.62
Leverage ratio	8.34	7.15	8.34	7.15

The Company's per share data is summarized in the table below.

Per Share Data	Three Months Ended September 30, 2013	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Earnings basic	$ 0.85	$ 0.65	$ 2.47	$ 2.54
Earnings diluted	0.83	0.64	2.44	2.51
Cash dividends	0.215	0.205	0.645	0.615
Dividend payout ratio	25.29%	31.54%	26.11%	24.21%
Book value	$32.85	$31.88	$32.85	$31.88

Off-balance Sheet Arrangements

The Company's main off-balance sheet arrangements are loan commitments, commercial and standby letters of credit, futures contracts and forward exchange contracts, which have maturity dates rather than payment due dates. Please see Note 7, "Commitments, Contingencies and Guarantees" in the Notes to Condensed Consolidated Financial Statements for detailed information on these arrangements.

Critical Accounting Policies and Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations discusses the Company's condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to allowance for loan losses, investments, long-lived assets, contingencies and litigation. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which have formed the basis for making such judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the recorded estimates under different assumptions or conditions. A summary of critical accounting policies is listed in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of the Company's Annual Report Form 10-K for the fiscal year ended December 31, 2012.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Risk Management

Market risk is a broad term for the risk of economic loss due to adverse changes in the fair value of financial instruments. These changes may be the result of various factors, including interest rates, foreign exchange prices, commodity prices or equity prices. Financial instruments that are subject to market risk can be classified either as held for trading or held for purposes other than trading.

Interest Rate Risk

In the banking industry, a major risk exposure is changing interest rates. To minimize the effect of interest rate changes to net interest income and exposure levels to economic losses, the Company manages its exposure to changes in interest rates through asset and liability management within guidelines established by its Funds Management Committee ("FMC") and approved by the Company's Board of Directors. The FMC has the responsibility for approving and ensuring compliance with asset/liability management policies, including interest rate exposure. The Company's primary method for measuring and analyzing consolidated interest rate risk is the Net Interest Income Simulation Analysis. The Company also uses a Net Portfolio Value model to measure market value risk under various rate change scenarios and a gap analysis to measure maturity and repricing relationships between interest-earning assets and interest-bearing liabilities at specific points in time. On a limited basis, the Company uses hedges or swaps to manage interest rate risk by using futures contracts on certain loans and trading securities.

Overall, the Company manages interest rate risk by positioning the balance sheet to maximize net interest income while maintaining an acceptable level of interest rate and credit risk, remaining mindful of the relationship among profitability, liquidity, interest rate risk and credit risk.

Net Interest Income Modeling

The Company's primary interest rate risk tool, the Net Interest Income Simulation Analysis, measures interest rate risk and the effect of interest rate changes on net interest income and net interest margin. This analysis incorporates substantially all of the Company's assets and liabilities together with forecasted changes in the balance sheet and assumptions that reflect the current interest rate environment. Through these simulations, management estimates the impact on net interest income of a 300 basis point upward and a 100 basis point downward gradual change of market interest rates over a one year period. Assumptions are made to project rates for new loans and deposits based on historical analysis, management outlook, and repricing strategies. Asset prepayments and other market risks are developed from industry estimates of prepayment speeds and other market changes. Since the results of these simulations can be significantly influenced by assumptions utilized, management evaluates the sensitivity of the simulation results to changes in assumptions.

Table 12 shows the net interest income increase or decrease over the next twelve months as of September 30, 2013 and 2012 based on hypothetical changes in interest rates.

Table 12

MARKET RISK *(unaudited, dollars in thousands)*

Hypothetical change in interest rate (Rates in Basis Points)	September 30, 2013 Amount of change	September 30, 2012 Amount of change
300	$10,378	$14,253
200	6,371	9,448
100	2,234	4,133
Static	—	—
(100)	N/A	N/A

At September 30, 2013, the Company is sensitive to increases in rates. Increases in interest rates are projected to cause increases in net interest income. Due to the already low interest rate environment, the Company did not include a 100 basis point falling scenario. There is little room for projected yields on liabilities to decrease. For projected increases in rates, net interest income is projected to increase due to the Company being positioned to adjust yields on assets with changes in market rates more than the cost of paying liabilities is projected to increase. Nevertheless, the Company is positioned in the current low rate environment to be relatively neutral to further interest rate changes over the next twelve months. If rates remain flat the Company will be exposed to the risk of asset yields continuing to decrease while deposit costs remain relatively flat.

Trading Account

The Company's subsidiary, UMB Bank, n.a., carries taxable government securities in a trading account that is maintained according to a bank board-approved policy and relevant procedures. The policy limits the amount and type of securities that UMB Bank, n.a. can carry in the trading account and also requires that UMB Bank, n.a. comply with any limits under applicable law and regulations. The policy also mandates the use of a value at risk methodology to manage price volatility risks within financial parameters. The risk associated with carrying trading securities is offset by the sale of exchange traded futures contracts, with both the trading account and futures contracts marked to market daily. This account had a balance of $55.0 million as of September 30, 2013 compared to $55.8 million as of December 31, 2012.

The Company is subject to market risk primarily through the effect of changes in interest rates of its assets held for purposes other than trading. The discussion in Table 12 above of interest rate risk, however, combines instruments held for trading and instruments held for purposes other than trading, because the instruments held for trading represent such a small portion of the Company's portfolio that the interest rate risk associated with them is immaterial.

Other Market Risk

The Company does not have material commodity price risks or derivative risks. The Company does have minimal foreign currency risk as a result of foreign exchange contracts. See Note 8 "Commitments, Contingencies and Guarantees" in the notes to the Condensed Consolidated Financial Statements.

Credit Risk Management

Credit risk represents the risk that a customer may not perform in accordance with contractual terms. Credit risk is inherent in the financial services business and results from extending credit to customers. The Company utilizes a centralized credit administration function, which provides information on affiliate bank risk levels, delinquencies, an internal ranking system and overall credit exposure. In addition, the Company centrally reviews loan requests to ensure the consistent application of the loan policy and standards. The Company has an internal loan review staff that operates independently of the affiliate bank. This review team performs periodic examinations of the bank's loans for credit quality, documentation and loan administration. The regulatory authority of the bank also reviews loan portfolios.

A primary indicator of credit quality and risk management is the level of nonperforming loans. Nonperforming loans include both nonaccrual loans and restructured loans. The Company's nonperforming loans increased $3.9 million to $31.3 million at September 30, 2013, compared to September 30, 2012 and increased $3.2 million, compared to December 31, 2012.

The Company had $1.4 million and $5.6 million of other real estate owned as of September 30, 2013 and 2012 respectively, compared to $3.5 million as of December 31, 2012. Loans past due more than 90 days totaled $3.8 million as of September 30, 2013, compared to $4.2 million at September 30, 2012 and $3.6 million as of December 31, 2012.

A loan is generally placed on nonaccrual status when payments are past due 90 days or more and/or when management has considerable doubt about the borrower's ability to repay on the terms originally contracted. The accrual of interest is discontinued and recorded thereafter only when actually received in cash.

Certain loans are restructured to provide a reduction or deferral of interest or principal due to deterioration in the financial condition of the respective borrowers. The Company had $13.5 million of restructured loans at September 30, 2013, $8.4 million at September 30, 2012 and $12.5 million at December 31, 2012.

Table 13

LOAN QUALITY *(unaudited, dollars in thousands)*

	September 30, 2013	September 30, 2012	December 31, 2012
Nonaccrual loans	$19,087	$22,246	$ 16,376
Restructured loans on non-accrual	12,173	5,143	11,727
Total nonperforming loans	31,260	27,389	28,103
Other real estate owned	1,441	5,567	3,524
Total nonperforming assets	$32,701	$32,956	$ 31,627
Loans past due 90 days or more	$ 3,780	$ 4,160	$ 3,554
Restructured loans accruing	1,294	3,209	752
Allowance for Loan Losses	74,938	71,368	71,426
Ratios			
Nonperforming loans as a percent of loans	0.48%	0.51%	0.49%
Nonperforming assets as a percent of loans plus other real estate owned	0.50	0.61	0.56
Nonperforming assets as a percent of total assets	0.20	0.25	0.21
Loans past due 90 days or more as a percent of loans	0.06	0.08	0.06
Allowance for loan losses as a percent of loans	1.15	1.32	1.26
Allowance for loan losses as a multiple of nonperforming loans	2.40x	2.61x	2.54x

Liquidity Risk

Liquidity represents the Company's ability to meet financial commitments through the maturity and sale of existing assets or availability of additional funds. The most important factor in the preservation of liquidity is maintaining public confidence that facilitates the retention and growth of a large, stable supply of core deposits and wholesale funds. Ultimately, public confidence is generated through profitable operations, sound credit quality and a strong capital position. The primary source of liquidity for the Company is regularly scheduled payments and maturity of assets, which include $6.7 billion of high-quality securities available for sale. Investment securities with a market value of $5.0 billion at September 30, 2013 were pledged to secure U.S. Government deposits, other public deposits, securities sold under repurchase agreements, and certain trust deposits as required by law. The liquidity of the Company and its affiliate bank is also enhanced by its activity in the federal funds market and by its core deposits. Neither the Company nor its subsidiaries are active in the debt market. The traditional funding source for the Company's subsidiary bank has been core deposits. On September 16, 2013, the Company completed the issuance of 3.9 million shares of common stock with net proceeds of $201.2 million to be used for strategic growth purposes. Management believes it can raise debt or equity capital on favorable terms in the future, should the need arise.

The Company also has other commitments that may impact liquidity. These commitments include unused commitments to extend credit, standby letters of credit and financial guarantees, and commercial letters of credit. The total amount of these unused commitments at September 30, 2013 was $5.2 billion. As of September 30, 2013, the utilization rate of the total outstanding commitments was 25.7 percent. Since many of these commitments expire without being drawn upon, the total amount of these commercial commitments does not necessarily represent the future cash requirements of the Company.

The Company's cash requirements consist primarily of dividends to shareholders, debt service, operating expenses, and treasury stock purchases. Management fees and dividends received from bank and non-bank subsidiaries traditionally have been sufficient to satisfy these requirements and are expected to be sufficient in the

future. The affiliate bank is subject to various rules regarding payment of dividends to the Company. For the most part, the bank can pay dividends at least equal to its current year's earnings without seeking prior regulatory approval. The Company also uses cash to inject capital in its bank and non-bank subsidiaries to maintain adequate capital as well as fund strategic initiatives.

To enhance general working capital needs, the Company has a revolving line of credit with Wells Fargo, N.A. which allows the Company to borrow up to $25.0 million for general working capital purposes. The interest rate applied to borrowed balances will be at the Company's option either 1.00 percent above LIBOR or 1.75 percent below Prime on the date of an advance. The Company will also pay a 0.2 percent unused commitment fee for unused portions of the line of credit. The Company had no advances outstanding at September 30, 2013.

Operational Risk

Operational risk generally refers to the risk of loss resulting from the Company's operations, including those operations performed for the Company by third parties. This would include but is not limited to the risk of fraud by employees or persons outside the Company, the execution of unauthorized transactions by employees or others, errors relating to transaction processing, breaches of the internal control system and compliance requirements, and unplanned interruptions in service. This risk of loss also includes the potential legal or regulatory actions that could arise as a result of an operational deficiency, or as a result of noncompliance with applicable regulatory standards. Included in the legal and regulatory issues with which the Company must comply are a number of imposed rules resulting from the enactment of the Sarbanes-Oxley Act of 2002.

The Company operates in many markets and places reliance on the ability of its employees and systems to properly process a high number of transactions. In the event of a breakdown in the internal control systems, improper operation of systems or improper employee actions, the Company could suffer financial loss, face regulatory action and suffer damage to its reputation. In order to address this risk, management maintains a system of internal controls with the objective of providing proper transaction authorization and execution, safeguarding of assets from misuse or theft, and ensuring the reliability of financial and other data.

The Company maintains systems of controls that provide management with timely and accurate information about the Company's operations. These systems have been designed to manage operational risk at appropriate levels given the Company's financial strength, the environment in which it operates, and considering factors such as competition and regulation. The Company has also established procedures that are designed to ensure that policies relating to conduct, ethics and business practices are followed on a uniform basis. In certain cases, the Company has experienced losses from operational risk. Such losses have included the effects of operational errors that the Company has discovered and included as expense in the statement of income. While there can be no assurance that the Company will not suffer such losses in the future, management continually monitors and works to improve its internal controls, systems and corporate-wide processes and procedures.

ITEM 4. CONTROLS AND PROCEDURES

The Sarbanes-Oxley Act of 2002 requires the Chief Executive Officer and the Chief Financial Officer to make certain certifications with respect to this report and to the Company's disclosure controls and procedures and internal control over financial reporting. The Company has a Code of Ethics that expresses the values that drive employee behavior and maintains the Company's commitment to the highest standards of ethics.

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's "Disclosure Controls and Procedures" (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by the report, the Company's disclosure controls and procedures are effective for ensuring the following criteria for the information the Company is required to report in its periodic SEC filings. SEC filings are recorded, processed, summarized, and reported within the time period required and that information required to be disclosed by the Company is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) during the three months ended September 30, 2013 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the normal course of business, the Company and its subsidiaries are named defendants in various legal proceedings. In the opinion of management, after consultation with legal counsel, none of these proceedings are expected to have a material effect on the financial position, results of operations, or cash flows of the Company.

ITEM 1A. RISK FACTORS

There were no material changes to the risk factors as previously disclosed in response to Item 1A to Part 1 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The table below sets forth the information with respect to purchases made by or on behalf of the Company or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock during the three months ended September 30, 2013.

ISSUER PURCHASE OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
July 1-July 31, 2013	12,247	$ 59.71	12,247	1,986,920
August 1-August 31, 2013	1,161	60.19	1,161	1,985,759
September 1-September 30, 2013	1	45.86	1	1,985,758
Total	13,409	$ 59.75	13,409	

On April 24, 2012, the Company announced a plan to repurchase up to two million shares of common stock. This plan terminated on April 23, 2013. On April 23, 2013 the Company announced a plan to repurchase up to two million shares of common stock. This plan will terminate on April 22, 2014. The Company has not made any repurchases other than through these plans. All open market share purchases under the share repurchase plan are intended to be within the scope of Rule 10b-18 promulgated under the Exchange Act. Rule 10b-18 provides a safe harbor for purchases in a given day if the Company satisfies the manner, timing and volume conditions of the rule when purchasing its own common shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

a) The following exhibits are filed herewith:

i. 3.1 Articles of Incorporation restated as of April 25, 2006. Amended Article III was filed with the Missouri Secretary of State on May 18, 2006 and incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 and filed with the Commission on May 9, 2006.

ii. 3.2 Bylaws, amended and restated as of July 22, 2013 and filed with the Commission on October 31, 2013.

iii. 4 Description of the Registrant's common stock in Amendment No. 1 on Form 8, incorporated by reference to its General Form for Registration of Securities on Form 10 dated March 5, 1993.

iv. 31.1 CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act.

v. 31.2 CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act.

vi. 32.1 CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act.

vii. 32.2 CFO Certification pursuant to Section 906 of the Sarbanes-Oxley Act.

viii. 101.INS* XBRL Instance

ix. 101.SCH* XBRL Taxonomy Extension Schema

x. 101.CAL* XBRL Taxonomy Extension Calculation

xi. 101.DEF* XBRL Taxonomy Extension Definition

xii. 101.LAB* XBRL Taxonomy Extension Labels

xiii. 101.PRE* XBRL Taxonomy Extension Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UMB FINANCIAL CORPORATION

/s/ Brian J. Walker
Brian J. Walker
Senior Vice President, Corporate Controller
(Authorized Officer and Chief Accounting Officer)

Date: October 31, 2013

Exhibit 3.2

UMB FINANCIAL CORPORATION

BY-LAWS

(As amended July 22, 2013)

ARTICLE I

Location of Offices

Section 1. Principal Office. The principal office of the Corporation shall be located in Kansas City, Jackson County, Missouri, or at such other place as may be designated from time to time by the Board of Directors.

Section 2. Other Offices. The Corporation may have offices at such other place or places, either within or without the State of Missouri, as the Board of Directors may from time to time designate.

ARTICLE II

Meetings of Shareholders

Section 1. Annual Meeting. The annual meeting of the shareholders shall be held at the principal office of the Corporation, or at such other place as shall be designated in the notice thereof, beginning at 10:00 a.m. or such other hour as shall be designated in such notice, on the Tuesday preceding the fourth Wednesday in April in each year, or if that be a legal holiday on the next succeeding day not a legal holiday. At each annual meeting the shareholders shall elect directors as provided in Article III and shall transact only such other business as is properly brought before the meeting in accordance with these By-Laws.

Section 2. Special Meetings. Special meetings of the shareholders may be called at any time by the Chairman of the Board, or in the case of the absence or disability of the Chairman of the Board, by the Vice-Chairman of the Board, or the President, or at any time upon the written request of a majority of the Board of Directors, or upon the written request of the holders of not less than one-fifth of the outstanding stock of the Corporation entitled to vote at such meeting. Each call for a special meeting of the shareholders shall state the time, the day, the place and the purpose or purposes of such meeting, and shall be in writing, signed by the persons making the same, and delivered to the Secretary. Only such business shall be conducted at a special meeting of shareholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting.

Section 3. Notice of Meetings. Written or printed notice of each meeting of the shareholders stating the hour and day when, and the place where, such meeting is to be held shall be served as hereinafter provided on each shareholder entitled to vote thereat not less than ten (10) days or no more than seventy (70) days before such meeting, except that further notice shall be given of particular matters if required by law. Without limiting the manner by which notice otherwise may be given effectively to shareholders, any notice to shareholders may be given by electronic transmission, including by electronic mail, in the manner provided in and to the extent permitted by Section 351.230 of the General and Business Corporation Law of Missouri. In the case of the annual meetings the notice shall state that the purposes thereof are the election of a Board of Directors and the transaction of such other business as may come before the meeting. In the case of a special meeting such notice shall state the purpose or purposes for which the meeting is called. Any notice of a shareholders' meeting sent by mail shall be made by depositing the same in a sealed envelope addressed to the shareholder at his or her address as it appears upon the records of the Corporation, and deposited in a United States Post Office, with the postage thereon prepaid. If such notice is served by mailing the same, it shall be deemed to have been given at the time when the same shall be thus mailed. If such notice is served by a facsimile or electronic transmission, it shall be deemed to have been given at the time it is delivered to the address, number, email account or other reference supplied by the recipient for the purpose of receiving such communications. If any shareholder shall not have an address or other reference appearing upon the books of the Corporation, such notice may be given by

mailing the same as heretofore provided, addressed to such shareholder at the General Post Office in Kansas City, Missouri. Service of such notice shall be made by the Secretary, but in case the Secretary shall refuse or neglect to serve such notice upon each shareholder as herein provided, then such service may be made by any officer or director of the Corporation. In addition, such published notice shall be given as required by law.

Section 4. Waiver of Notice. Any shareholder may waive notice of any meeting of the shareholders, by a writing signed by him or her, or by his or her duly authorized attorney, either before or after the time of such meeting. A copy of such waiver shall be entered in the minutes, and shall be deemed to be the notice required by law or by these By-Laws. Any shareholder present in person, or represented by proxy, at any meeting of the shareholders shall be deemed to have thereby waived notice of such meeting except where such attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Actions Without a Meeting. Any action which is required to be taken, or may be taken, at a meeting of shareholders may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof. Such consents shall have the same force and effect as a unanimous vote of the shareholders at a meeting duly held, in accordance with Section 351.273 of The General and Business Corporation Law of Missouri. The Secretary shall file such consents in the minute book of the Corporation.

Section 6. List of Shareholders. At least ten (10) days before each meeting of shareholders the Secretary shall cause to be prepared a complete list of the names and addresses of all shareholders entitled to vote at such meeting, arranged in alphabetical order, with the number of shares held by each, and such list shall be produced and kept at the registered Missouri office and shall be subject to inspection by any shareholder during regular business hours. Such list shall also be produced and kept open at the meeting and shall be subject to inspection by any shareholder during the meeting.

Section 7. Quorum. At any meeting of the shareholders, a majority of the outstanding capital stock entitled to vote at such meeting, being represented in person or by proxy, shall constitute a quorum for all purposes, including the election of directors, except where it is otherwise provided by law.

Section 8. Organization. The Chairman of the Board, and in his absence, the Vice-Chairman of the Board or the President, shall preside at each meeting of the shareholders and shall act as Chairman thereof. The Secretary shall act as secretary of all meetings of the shareholders.

Section 9. Voting. At each meeting of the shareholders, each shareholder shall be entitled to vote in person, or by proxy made in accordance with the provisions of the By-Laws of the Corporation, held by some person or persons present at such meeting, upon all matters presented at the meeting. With the exception of the election of directors, each shareholder shall have one vote for each share of stock standing in his or her name on the books of the Corporation on the record date determined as provided in Section 6 of Article VII of the By-Laws, except as otherwise provided by law. In the election of directors, except as otherwise provided by law, each shareholder shall have the right to cast as many votes in the aggregate as shall equal the number of shares held by him or her multiplied by the number of directors to be elected at such election, and said votes may be cast for one director or distributed among two or more candidates. All questions, except any question the manner of deciding which is specially regulated by law, shall be determined by a majority of the outstanding shares of capital stock represented at each meeting. If voting shall be by ballot for the election of directors or other questions, the Chairman of such meeting of the shareholders may appoint not less than two (2) persons, who are not directors or candidates for the election as a director, to act as Inspectors of Election and to receive and canvass the votes cast at such meeting and certify the results to the Chairman. Each such Inspector, before entering upon the discharge of his or her duties, shall take and subscribe the following oath: “I do solemnly swear, that I will execute the duties of an Inspector of the election now to be held, with strict impartiality and according to the best of my ability.” The Inspectors of Election shall take care of the polls and after the balloting shall make and file a written certificate of the result of the votes cast at the meeting.

Section 10. Adjournment. If, at any meeting of the shareholders, a quorum shall fail to attend at the time and place for which such meeting was called, or if the business of such meeting shall not be completed, the shareholders present in person or represented by proxy may, by a majority vote, adjourn the meeting from day to day, or from time to time, not exceeding ninety (90) days from such adjournment, without further notice, until a quorum shall attend or the business thereof shall be completed. Such adjournment and the reasons therefore shall be recorded in the minutes. At any such adjournment meeting, any business may be transacted which might have been transacted at the meeting as originally called.

Section 11. Proxies. Proxies must either (1) be in writing, signed by the shareholder himself or herself, or by his or her duly authorized attorney, or by his or her legal representative, or (2) be sent by electronic means or by telephone to the Corporation's transfer agent or other proxy tabulator through a system that is designed to (i) enable the transfer agent or other proxy tabulator to verify that the transmission was authorized by the shareholder, and (ii) enable the recipient to retain, retrieve and reproduce the information sent by the shareholder. Unless specified therein that it is irrevocable, any proxy may be revoked at the pleasure of the person executing it (i) by a writing signed by the shareholder, his or her attorney or legal representative and filed with the transfer agent or other proxy tabulator or (ii) by notice given electronically or by telephone to the Corporation's transfer agent or proxy tabulator. To be effective the grant of a proxy or the revocation of a proxy must be manually signed and filed with or delivered electronically or by telephone to the Secretary of the Corporation at or before the roll call of the meeting at which the same is to be used. No proxy shall be valid after the expiration of eleven (11) months from its date, unless the person executing it shall have specified therein the length of time for which such proxy is to continue in force. In the event that such instrument in writing shall designate two or more persons to act as proxies, a majority of such persons present at the meeting, or, if only one shall be present, then that one, shall have and may exercise all of the powers conferred by such written instrument upon all of the persons so designated, unless the instrument shall otherwise provide.

ARTICLE III

Directors

Section 1. Qualifications. The corporate powers, business and property of the Corporation shall be exercised, conducted and controlled by the Board of Directors. It shall not be necessary for a director to be a shareholder. The Corporation will take all reasonable efforts to comply with applicable requirements of the Securities and Exchange Commission, any self-regulatory organization having requirements applicable to the Corporation, and other applicable legal and regulatory requirements, including but not limited to the requirement that at least a majority of the members of the Board qualify as "independent directors" as such term is defined and described in the aforesaid requirements and as determined by the Board from time to time.

Section 2. Directors - Number. The Board of Directors shall consist of not less than eight (8) nor more than eighteen (18) members, with the exact number to be set from time to time by the Board. Commencing with the annual meeting of shareholders in 2012, each director shall hold office until the next succeeding annual meeting or until such director's successor is duly elected and qualified, unless such director shall sooner die, resign or be removed or disqualified; provided however, that any director serving as of July 26, 2011, who had been prior to that date elected by the shareholders to a term expiring after the date of the 2012 annual meeting, shall continue to serve until the end of such term, unless such director shall sooner die, resign or be removed or disqualified. If it shall happen at any time that the election of directors shall not be held on the day designated by the By-Laws of the Corporation, such election may be held on any other day at a special meeting of the shareholders called and held for that purpose.

Pursuant to the Corporate Governance & Nominating Committee Charter, nominees for election shall be selected and approved by the Corporate Governance & Nominating Committee. The Committee will consider any director candidates recommended by shareholders in accordance with applicable laws and regulations, or as provided below. Shareholders may nominate director candidates by writing to the Committee and providing the candidate's name, biographical data and qualifications. The Corporation's policy regarding procedures to be followed by shareholders in submitting such recommendations shall be disclosed in the Corporation's annual proxy statement.

Section 3. Election of Directors; Terms; Removals; Vacancies. Each director shall hold office for the term for which he/she is elected in accordance with these By-Laws, and until his/her successor is elected and qualified or until his/her earlier death, resignation or removal. The entire Board or any one or more directors may be removed with or without cause if (1) at a meeting specially called for the purpose of removing directors, the holders of at least two-thirds of the outstanding shares of stock then entitled to vote in elections of directors shall vote for such removal, and (2) as to any director, the number of shares voted against removal would not be sufficient to elect him if then cumulatively voted in an election of the entire Board of Directors. If the office of any director is vacant by reason of death, resignation, removal or increase in the number of authorized directors due to amendment of the By-Laws, the Corporate Governance & Nominating Committee may select and approve, and a majority of the other directors (though less than a quorum) may appoint, a director to fill the vacancy until a successor shall have been duly elected at a shareholders meeting, which election shall be not later than the next regularly scheduled annual meeting of the shareholders

Section 4. Annual Meeting. The annual meeting of the directors for the purpose of electing officers and transacting such other business as may come before the meeting shall be held on the same day as the annual meeting of the shareholders, following the final adjournment of the annual meeting of shareholders on that day. In the event the annual meeting of shareholders is continued, recessed or adjourned from day to day, or from time to time, then in such event the annual meeting of the directors shall be held immediately following the final adjournment of the annual meeting of shareholders. If for any reason such annual meeting of the directors is not or cannot be held as herein prescribed, the officers may be elected at any meeting of the directors thereafter held.

Section 5. Regular Meetings Other Than Annual Meetings. Regular meetings of the directors may be held at such time and place as shall be determined from time to time by resolution of the Board of Directors. After the time and place of such regular meeting shall have been so determined, no notice of such regular meeting need be given. Independent directors shall convene regularly scheduled executive sessions at least twice per year in conjunction with regularly scheduled Board meetings and/or at such other times and places as deemed necessary by such independent directors or as required by applicable rules and regulations.

Section 6. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be called by the Secretary of the Corporation at the written request of the Chairman of the Board, the Vice-Chairman of the Board, the President or at the written request of a majority of the directors. Such request shall state the purpose or purposes of the proposed meeting.

Section 7. Notice of Meetings. No notice shall be required to be given of any regular meeting of the Board of Directors. Notice of any change in the place of holding any regular meeting, or of any adjournment of a regular meeting to reconvene at a different place, shall be given by mail, courier, telephone, confirmed facsimile transmission, electronic mail or other means of electronic transmission to the address, number, e-mail account or other reference supplied by such director for the purpose of receiving such communication, not less than forty-eight (48) hours before such meeting, to all directors who were absent at the time such action was taken. The Secretary of the Corporation shall give notice of all special meetings of the directors by delivering to each director in person not later than the day prior to the meeting, or as to any such director not so personally notified by mailing to him, a written or printed notice of such meeting, postage prepaid, or by telegraph, confirmed facsimile transmission, electronic mail or other means of electronic transmission to the address, number, email account or other reference supplied by such director for the purpose of receiving such communication, or by messenger delivery to each such director, at his last known address, so that in the ordinary course of the method of delivery it would reach such director at least on the day prior to the meeting. The business transacted at all special meetings of directors shall be confined to the subjects stated in the notice and to matters germane thereto, unless all directors of the Corporation are present at such meeting and consent to the transaction of other business.

Whenever any notice is required to be given to any director under any provisions of the By-Laws, a waiver thereof in writing, signed by the person entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Such waiver may be by signed facsimile transmission, telegram, or electronic transmission.

Section 8. Actions Without a Meeting. If all the directors, severally or collectively, consent in writing to any action to be taken by the directors, such consents shall have the same force and effect of a unanimous vote of the directors at a meeting duly held, in accordance with Section 351.340 of The General and Business Corporation Law of Missouri. The Secretary shall file such consents in the minute book of the Corporation.

Section 9. Quorum. A majority of the Board of Directors of the Corporation, at a meeting duly assembled, shall be necessary to constitute a quorum for the transaction of business, and the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by the By-Laws of the Corporation.

Section 10. Adjournment. If at any meeting of the Board of Directors a quorum shall fail to attend, a majority of the directors present at the time and place appointed for such meeting may adjourn the meeting from time to time to any date until the next regular meeting, without notice other than verbal announcement at the meeting and adjournments thereof, until a quorum shall attend. Likewise, any meeting of directors at which a quorum is present may also be adjourned, in like manner and on like notice, for such time or upon such call as may be determined by vote of a majority of the directors there present. At any adjournment of any such meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 11. Organization. The Chairman of the Board, and in his/her absence the Lead Director (if a Lead Director has been elected and is then serving and is present), or (if no Lead Director is then serving and is present) then the Vice-Chairman of the Board or the President, and in the absence of all of them, a Chairman pro tem, chosen by the directors present, shall preside at each meeting of the directors and shall act as Chairman thereof. The Secretary or an Assistant Secretary, and in the absence of the Secretary or any Assistant Secretary, a Secretary pro tem, chosen by the directors present, shall act as Secretary of all meetings of the directors.

Section 12. Rules and Regulations. The Board of Directors shall supervise all officers and agents and see that their duties are properly performed in accordance with the Corporation Code of Ethics. The Board of Directors may adopt such rules and regulations for the conduct of their meetings, the guidance of the officers and the management of the affairs of the Corporation as they deem proper, not inconsistent with law, the By-Laws of the Corporation, or the Corporation Code of Ethics and may, from time to time, determine the order of business at their meetings.

Section 13. Minutes and Statements. The Board of Directors shall cause to be kept a complete record of their meetings and acts, and of the proceedings of the shareholders.

Section 14. Powers of the Board. In addition to the power and authority conferred upon them by law, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law prohibited or limited, and which are not required or directed to be exercised or done by the shareholders.

Section 15. Compensation of Directors. The compensation to be paid to the directors of this Corporation for services at all regular or special meetings of the Board of Directors shall be determined from time to time by the Board of Directors, based upon the recommendations of the Compensation Committee (and in accordance with the Compensation Committee Charter); provided, that no such compensation shall be paid to any director who shall at the time be receiving a salary from this Corporation or any of its subsidiaries as an officer thereof.

Section 16. Removal of Directors. Any director of the Corporation may be removed for cause by action of a majority of the entire Board of Directors if the director to be removed shall, at the time of removal, fail to meet the qualifications (if any) for Board membership stated in the Articles of Incorporation or these By-Laws or shall be in breach of any agreement between such director and the Corporation relating to such director's services as a director or employee of the Corporation. Notice of the proposed removal shall be given to all directors of the Corporation prior to action thereon.

Section 17. Lead Director. At any time that the Board Chairperson does not qualify as an "Independent Director" (as such term is defined in the Corporation's Corporate Governance Guidelines and any additional independence criteria established by the Board of Directors, NASDAQ Stock Market Listing Rule 5605(a)(2), and Rule 10A-3 under the Securities Exchange Act of 1934, as amended), then the Company's Independent Directors shall, by a majority vote at a meeting consisting solely of Independent Directors, annually elect one of the Independent Directors as Lead Director. Any such Lead Director shall serve in that capacity for a term of one year (and may be re-elected annually by a majority vote of the Independent Directors for one or more additional one-year terms), or until such earlier time as (i) he/she ceases to qualify as an Independent Director, or (ii) the Independent Directors appoint a different Independent Director as Lead Director. The Board shall make a determination of which of the Company's Directors qualify as an Independent Director, such determination to be made at least annually, and on a more frequent basis if a new Director is elected or if there are changes in the circumstances of an existing Director that may affect his/her ability to continue to qualify as an Independent Director. The Lead Director shall have the following authority and responsibilities: (a) to preside at meetings of the full Board, if the Chairperson is not present; (b) to convene periodic meetings of Independent Directors (at which only Independent Directors are present) and preside over such meetings; (c) to approve agendas for Board meetings and information to be sent to the Board; (d) to approve schedules of Board meetings, to assure there is sufficient time to discuss all agenda items; (e) to serve as a liaison between the Independent Directors and the Chairperson; (f) to hold periodic meetings with the Chief Executive Officer and Chairperson to discuss matters of importance to the Independent Directors, act as the Independent Directors' informal spokesperson, and help facilitate the Board's oversight of management; (g) to serve as an advocate for the interests of the Company's shareholders; (h) if requested by major shareholders of the Company, to ensure that he/she is available for consultation and direct communications; and (i) to coordinate the activities of the other Independent Directors and perform such other duties and responsibilities as a majority of the Independent Directors may specify from time to time.

ARTICLE IV

Committees

Section 1. Executive Committee. The Board of Directors may, by resolution passed by a majority of the total number of directors, designate an Executive Committee to consist of such Executive Officers of the Corporation and/or its subsidiaries as the Board shall determine. The members of the Executive Committee shall hold their office as such until the membership is changed by the Board of Directors. In making such new appointments the Board of Directors shall designate the Executive Officers said appointees are to succeed and the time they are respectively to serve on said Committee. The Executive Committee shall have the power to approve and execute all policies and strategies applicable to the Corporation and its subsidiaries, other than those for which the Board or a Board Committee has exclusive authority. The Executive Committee shall also have the power to act in lieu of the full Board between Board meetings with respect to all matters as to which the full Board could take action, other than acquisitions and dispositions of material portions of the Corporation's assets, and other than changes in the compensation of any Corporation employee who has been identified as an individual for whom the Compensation Committee has been given exclusive authority to make compensation decisions. The Executive Committee shall report to, and obtain ratification of, the Board after taking any action for which the Board has authority and responsibility. The Executive Committee shall periodically meet with and/or interact with the Chairman of the Audit Committee, the Chairman of the Corporate Governance & Nominating Committee, and the Chairman of the Compensation Committee. A majority of the members of the Executive

Committee shall determine its action and shall fix the time and place of its meetings unless the Board of Directors shall otherwise provide. When regular meetings have been established no notice shall be required thereof and any and all business may be transacted thereat. Notices of special meetings shall be given in the same manner as is provided for special meetings of the Board of Directors. Unless otherwise indicated in the notice thereof any and all business may be transacted at a special meeting. A majority of the Executive Committee shall constitute a quorum. The Executive Committee shall keep regular minutes of its proceedings and shall report the same at the next succeeding meeting of the Board of Directors.

Section 2. Management Committee. The Board of Directors may, by resolution passed by a majority of the total number of directors, designate a Management Committee to consist of such officers, including significant Division heads and group and area leaders, of the Corporation and/or its subsidiaries as may be recommended by the Corporation CEO and appointed by the Board. The Corporation CEO and the CEO of UMB Bank, n.a. shall be *ex officio* members of the Management Committee. The Management Committee shall have and may exercise such powers as the Board of Directors shall provide by its resolution or in any Charter adopted by the Board of Directors with respect to such committee.

Section 3. Other Committees. The Board of Directors shall prepare and adopt Charters establishing, and setting forth the authority of, each of an Audit Committee, a Compensation Committee, and a Corporate Governance & Nominating Committee, and shall review and revise such Charters from time to time as necessary or appropriate. Each such Committee shall have the purposes, functions, goals, responsibilities and authority set forth in its respective Charter. Each such Charter shall also set out the criteria and qualifications for membership on such Committees. The Board of Directors may also, from time to time, designate such other committees as the Board may deem advisable, and may select or designate the manner of selecting any such committee. Each such committee shall have and may exercise such powers as the Board of Directors shall provide by its resolution or in any Charter adopted by the Board of Directors with respect to such committees.

Section 4. Compensation of Committee Members. The Board of Directors shall determine the compensation to be paid to Board committee members, based upon the recommendation of the Compensation Committee; provided that no such compensation shall be paid to any committee member who shall at the time be receiving a salary from the Corporation or any of its subsidiaries as an officer thereof.

ARTICLE V

Officers

Section 1. Executive Officers. The executive officers of the Corporation shall be a Chairman of the Board, a President, one or more Vice-Chairmen of the Board, one or more Senior or Executive Vice Presidents, a Secretary, a Treasurer and such other executive officers as shall be designated by the Board of Directors, all of whom shall be chosen by the Board of Directors. The Chairman of the Board and the President shall be chosen from among the directors; any person may hold two or more offices, except the offices of Chairman of the Board and Secretary, or President and Secretary.

Section 2. Subordinate Officers. The Board of Directors, the Chairman of the Board, the Vice-Chairman of the Board, or the President may appoint such additional subordinate officers, including vice presidents and assistant officers, as the Board of Directors, the Chairman of the Board, the Vice-Chairman of the Board, or the President may deem necessary or advisable.

Section 3. Tenure of Office and Removal. The tenure of office of each of the executive officers of the Corporation, subject to prior removal, shall be until the close of the next annual meeting of the Directors following his election and until the election of his successor. Any executive officer may be removed at any time prior to the expiration of his term by affirmative vote of the majority of the directors. The Board of Directors, the Chairman of the Board, the Vice-Chairman of the Board, or the President may remove any subordinate officer or assistant officer at any time. If the office of any officer of the Corporation becomes vacant by reason of death, resignation, retirement, disqualification or removal from office, or inability to

act, the Board of Directors may, in every such case, choose a successor for such officer who shall hold office for such term as may be prescribed by the Board of Directors, but no longer than the unexpired portion of the term of the officer or agent whose place is vacant, and until his successor shall have been duly elected and qualified.

Section 4. Compensation. As provided in the Charter of the Compensation Committee and in accordance with applicable law or regulations, the Compensation Committee shall annually determine the compensation of the Corporation's Chief Executive Officer. In addition, the Compensation Committee shall have the authority and responsibility of determining and adjusting, from time to time, the compensation of such top-level executive officers (other than the chief executive officer) of the Corporation and its subsidiaries as such Committee may designate from time to time. The Corporation's Chief Executive Officer shall have authority to determine the compensation of other officers (excluding himself/herself and such top-level executive officers as may be designated by the Compensation Committee, as provided for above) and associates of the Corporation.

Section 5. Duties of the Officers. The Chairman of the Board, the Vice-Chairman of the Board, the President and the Vice-Presidents shall perform such duties as may from time to time be directed by the Board of Directors and have such powers as may from time to time be conferred upon them by the Board of Directors, except to the extent otherwise provided by law.

The Secretary shall attend all meetings of the shareholders of the Corporation, and the Board of Directors and standing committees. He shall act as the clerk or secretary thereof and shall record all of the proceedings of such meetings in minute books kept for that purpose. He shall keep in safe custody the corporate seal of the Corporation and is authorized to affix the same to all instruments requiring the Corporation's seal. He shall have charge of the corporate records and, except to the extent authority may be conferred upon any transfer agent or registrar duly appointed by the Board of Directors, he shall maintain the Corporation's books, registers, stock certificate and stock transfer books and stock ledgers, and such other books, records and papers as the Board of Directors may from time to time entrust to him. He shall give or cause to be given proper notice of all meetings of shareholders and directors as required by law and the By-Laws, and shall perform such other duties as may from time to time be prescribed by the Board of Directors.

The Treasurer shall have the custody of the corporate funds and securities of the Corporation and shall keep full and accurate account of the receipts and disbursements in books belonging to the Corporation, and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation in the manner and for the purpose ordered by the Board of Directors, and shall render to the Board of Directors, whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Corporation. And he shall perform such other duties as the Board of Directors may from time to time prescribe.

Any subordinate officers and assistant officers appointed by the Board of Directors, the Chairman of the Board, the Vice-Chairman of the Board, or the President shall perform such duties as may from time to time be directed by the Board of Directors or the officer who appointed them and any such subordinate officer or assistant officer shall have such powers as may from time to time be conferred upon them by the Board of Directors or the officer who appointed them, except to the extent otherwise provided by law.

Section 6. Officers' Bonds. The Board of Directors may require any officer or officers to furnish the Corporation a bond in such sum and in form and with security satisfactory to the Board of Directors for the faithful performance of the duties of their offices and the restoration to the Corporation in case of death, resignation or removal from office of such officer or officers, of all books, papers, vouchers, money and other property of whatever kind in their possession, belonging to the Corporation.

ARTICLE VI

Agents and Attorneys

The Chairman of the Board, the Vice-Chairman of the Board and the President or any one of them, may appoint such agents, attorneys and attorneys-in-fact of the Corporation as any one of them may deem proper, and any one of them may, by written power of attorney, authorize such agents, attorneys, or attorneys-in-fact, to represent the Corporation and for it and in its name, place and stead, and for its use and benefit to transact any and all business, to the extent authorized, which said Corporation is authorized to transact or do by its Articles of Incorporation, and in its name, place and stead, and as its corporate act and deed, to sign, acknowledge and execute any and all contracts and instruments, in writing, necessary or convenient in the transaction of such business as fully to all intents and purposes as said Corporation might or could do if it acted by and through its regularly elected and qualified officers.

ARTICLE VII

Certificate of Stock, Uncertificated Shares and Transfers

Section 1. Issuance. Shares of capital stock of the Corporation may be certificated or uncertificated. Except as provided by law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of holders of certificates representing shares of stock of the same class and same series shall be identical. Each shareholder of the Corporation shall be entitled to have a certificate or certificates, certifying the number of shares of stock of the Corporation owned by him. The certificates of stock shall be in such form as the Board of Directors shall determine. Each certificate shall be signed by the Chairman or the President, and the Secretary or an Assistant Secretary, having affixed to it the seal of the Corporation, which seal may be facsimile, engraved or printed, and express on its face its number, date of issuance, the number of shares for which and the person to whom it is issued. Any of or all of the signatures may be facsimile, engraved or printed. In case any such officer who has signed or whose facsimile signature has been placed upon any such certificate shall have ceased to be such officer before such certificate is issued, such certificate may nevertheless be issued by the Corporation with the same effect as if such officer were an officer at the date of its issue. Each shareholder of the Corporation whose shares are uncertificated shall be entitled to receive a statement of holdings as evidence of share ownership.

Section 2. Transfer of Stock. Shares of stock shall be transferable only on the stock transfer books of the Corporation which shall be in the possession of the Secretary or of a transfer agent or clerk for the Corporation. No transfer shall be valid against the Corporation until the same is so entered upon its books by an entry showing from and to whom transferred and, (i) if the stock is certificated, the transfer shall not be valid until the old certificate is surrendered for cancellation, duly endorsed or accompanied by proper evidence of succession, assignation or transfer, and cancellation of the certificate representing the same or (ii) if the stock is uncertificated, the transfer shall not be valid unless accompanied by a duly executed stock transfer power or other proper transfer instructions from the registered owner of such uncertificated shares.

Section 3. Old Certificate to be Canceled. No new certificate or uncertificated shares shall be issued in place of previously issued certificates until the former certificate or certificates for the shares represented thereby shall have been surrendered to and canceled by the Secretary, by writing across the face thereof the word “Canceled” with the date of cancellation; in case any certificate shall be claimed to be lost or destroyed, no new or duplicate certificate shall be issued for the shares represented thereby and no new certificate shall be issued upon a transfer of such shares, except pursuant to a judgment of a court of competent jurisdiction, duly given and made in accordance with the laws of the State of Missouri, or upon a corporate surety bond or other indemnity in form and amount satisfactory to the Corporation being furnished to the Corporation.

Section 4. Treasury Stock. All issued and outstanding stock of the Corporation that may be purchased or otherwise required by the Corporation shall be treasury stock, and shall be subject to disposal by action of the Board of Directors. Such stock shall neither vote nor participate in dividends while held by the Corporation.

Section 5. Registered Shareholders. The Corporation shall be entitled to treat the registered holder of any share or shares of stock whose name appears on its books as the owner or holder thereof as the absolute owner of all legal and equitable interest therein for all purposes and (except as may be otherwise provided by law) shall not be bound to recognize any equitable or other claim to or interest in such shares of stock on the part of any other person, regardless of whether or not it shall have actual or implied notice of such claim or interest.

Section 6. Closing of Stock Transfer Books - Fixing Record Date. The Board of Directors shall have power to close the stock transfer books of the Corporation for a period not exceeding seventy (70) days preceding the date of any meeting of shareholders, or the date for payment of any dividend, or the date for the allotment of rights, or the date when any change, conversion or exchange of capital stock shall go into effect; provided, however, that in lieu of closing the stock transfer books, the Board of Directors may fix in advance a date, not exceeding seventy (70) days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, as a record date for the determination of the shareholders entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock. In such case such shareholders who are shareholders of record on the date of closing of the transfer books or on the record date so fixed shall be entitled to notice of, and to vote at, such meeting, and any adjournment or postponement thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after such date of closing of the transfer books or such record date fixed as aforesaid.

ARTICLE VIII

Seal

The Corporation shall have a corporate seal which shall have inscribed around the circumference thereof “UMB Financial Corporation - Missouri”, and elsewhere thereon shall bear the words “Corporate Seal”. The corporate seal may be affixed by impression or may be facsimile, engraved or printed.

ARTICLE IX

Miscellaneous Provisions

Section 1. Fiscal Year. The fiscal year of the Corporation shall be as determined from time to time by the Board of Directors. Absent action by the Board of Directors, the fiscal year of the Corporation shall begin on the first day of January in each calendar year and shall terminate on the last day of December of the same calendar year.

Section 2. Failure or Refusal to Give Notice Upon Request. If the Secretary, upon written request by the proper party or parties as permitted and provided in these By-Laws, shall fail or refuse to give any notice which he is required to give in accordance with the provisions hereof, the party or parties entitled to require that such notice be given may sign and issue a notice of the character and in the manner herein provided and setting forth in such notice the fact of such failure or refusal on the part of the Secretary to give the notice as requested; and such notice so signed and issued shall have the same force and effect as though signed and issued by the Secretary of the Corporation.

Section 3. Checks, Drafts, etc. All checks and drafts on the Corporation’s bank accounts and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be signed by such officer or officers or agent or agents as shall be thereunto duly authorized from time to time by the Board of Directors; provided, that the Board of Directors may authorize the use of facsimile signatures of such officers and upon such terms and subject to such conditions as the Board of Directors may determine.

Section 4. Indemnification of Directors and Officers.

1. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation or any of its subsidiaries (a subsidiary is defined as another corporation included in a controlled group of corporations of which the Corporation is a common parent), or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (which shall be deemed to include service in a fiduciary capacity or otherwise with respect to any employee benefit plan of the Corporation or any other corporation) shall, to the maximum extent permitted by applicable law, be indemnified against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement (which shall include any excise taxes assessed against a person with respect to an employee benefit plan) actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation or the participants or beneficiaries of any employee benefit plan, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Any employee of the Corporation or its subsidiaries, when acting in a supervisory or managerial capacity, may likewise be indemnified, but such indemnification is not mandatory. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

2. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise shall, to the maximum extent permitted by applicable law, be indemnified against expenses (including attorneys' fees) and amounts paid in settlement actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation. Any employee of the Corporation or its subsidiaries, when acting in a supervisory or managerial capacity, may likewise be indemnified, but such indemnification is not mandatory. However, no indemnification shall be made in respect of any claim, issue or matter as to which any person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that a court determines that, despite the adjudication of liability and in view of all the circumstances of the case, that the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

3. Except as may otherwise be provided in the Corporation's By-Laws, any person who has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 or 2 above, shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

4. Except as provided in Section 5, indemnification of anyone under Sections 1 or 2, unless ordered by a court, shall be made by the Corporation only as authorized in each case upon a determination that it is proper because the director, officer or employee has met the applicable standard of conduct set forth. Such a determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the shareholders.

5. Notwithstanding anything herein to the contrary, no director, officer or employee shall be indemnified against any expenses, penalties or other payments incurred:

a. In an administrative proceeding or action instituted by a bank regulatory agency to the extent that such indemnification would constitute a "prohibited indemnification payment" (as such term is defined under applicable provisions of the Federal Deposit Insurance Act and regulations thereunder, as amended from time to time) except under circumstances specifically permitted by such Act and regulations, or that would otherwise constitute an indemnification payment that is prohibited by applicable provisions of law or regulations, or

b. Unless he or she notifies the Corporation in writing of the threatened, pending or completed action, suit, proceeding or investigation promptly on becoming aware thereof and, before incurring expense of any kind therein or in connection therewith, gives the Corporation or its insurer the opportunity to provide an independent attorney to represent him or her in, and to otherwise counsel him or her in connection with, any such action, suit, proceeding or investigation, or

c. For or with respect to any amount paid to settle a claim asserted or action, suit or proceeding brought or threatened against him or her unless the Corporation's board of directors (1) approved the amount of such settlement as (A) reasonable and (b) not affecting the institution's safety and soundness, or (2) could not, by reason of the action, intervention or threat of a court, government agency or instrumentality, act with complete independence and free of circumscription in relation to the subject matter, or

d. For or with respect to any claim made against him or her for an accounting of profits made from the purchase or sale by him or her of securities of the Corporation within the meaning of Section 16b of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any statutory law or common law, or

e. In connection with any action, suit or proceeding (or part thereof) initiated by such person claiming indemnification unless such action, suit or proceeding (or part thereof) initiated by such person was authorized by the board of directors of the Corporation.

6. The right to indemnification of officers and directors shall include the right, to the extent permissible under applicable provisions of law and regulations, to be paid by the Corporation reasonable expenses, including attorney's fees (but not including any retainers or pre-payments of fees, unless such retainers or pre-payments are approved by the Board), incurred in defending any such action, suit or proceeding, in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of such proceeding shall be made only:

a. upon delivery to the Corporation of a written agreement, by or on behalf of such director or officer, in which such director or officer agrees to repay all amounts so advanced if it should be ultimately determined by a court or other tribunal or by the board of directors, that (1) such person is not entitled to be indemnified under this Section or otherwise or (2) that such director or officer is assessed a civil money penalty imposed by a bank regulatory agency, is removed or prohibited from banking or is required under a final order to cease an action or take an affirmative action by a bank regulatory agency, and

b. until such time as the Board of Directors has made a final determination regarding indemnification under paragraph 4 above. If the Board of Directors' final determination is that indemnification is not proper, then further advancement of expenses, including attorney's fees, will immediately cease. If however the Board of Directors' final determination is that indemnification is proper, then indemnification of expenses, including attorney's fees, will continue.

7. Right of Claimant to Bring Suit.

a. If the claim of an officer or director for indemnification payments due to him/her under the provisions of these By Laws is not paid in full by the Corporation within thirty days after a written claim therefore has been received by the Corporation, the claimant may any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim.

b. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that the claimant is entitled to indemnification or advancement under the circumstances, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant is not entitled to indemnification or advancement, shall be a defense to the action or create a presumption that the claimant is not entitled to indemnification or advancement.

8. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer or employee of the Corporation or any of its subsidiaries or is or was serving at the request of the Corporation as a director, officer or employee of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the By Laws or applicable provisions of law, provided that such insurance shall not provide coverage inconsistent with that permitted by applicable statutes, rules and regulations.

9. The indemnification provided for directors, officers or employees of the Corporation shall not be deemed exclusive of any other rights to which those officers, directors or employees may be entitled under any By-law, agreement, vote of shareholders or disinterested directors or otherwise, both as to actions in his or her official capacity and as to actions in another capacity while holding such office, and shall continue as to any person who has ceased to be a director, officer or employee of the Corporation and shall inure to the benefit of his or her heirs, executors and administrators.

10. The right to be indemnified or to the reimbursement or advancement of expenses of officers and directors pursuant hereto:

a. is a contract right based upon good and valuable consideration, pursuant to which the person entitled thereto may bring suit as if the provisions hereof were set forth in a separate written contract between the Corporation and the director or officer,

b. is intended to be retroactive and shall be available with respect to events occurring prior to the adoption hereof, and,

c. shall continue to exist after the rescission or restrictive modification hereof with respect to events occurring prior thereto.

Section 5. Amendments to By-Laws. The Board of Directors shall have the power to make, alter, amend or repeal the By-Laws of this Corporation from time to time.

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, J. Mariner Kemper, certify that:

1. I have reviewed this report as of September 30, 2013 on Form 10-Q of UMB Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2013

/s/ J. Mariner Kemper
J. Mariner Kemper
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Michael D. Hagedorn, certify that:

1. I have reviewed this report as of September 30, 2013 on Form 10-Q of UMB Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2013

/s/ Michael D. Hagedorn
Michael D. Hagedorn
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of UMB Financial Corporation (the "Company") on Form 10-Q for the period ended September 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. Mariner Kemper, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2013

/s/ J. Mariner Kemper
J. Mariner Kemper
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to UMB Financial Corporation and will be retained by UMB Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of UMB Financial Corporation (the "Company") on Form 10-Q for the period ended September 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael D. Hagedorn, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2013

/s/ Michael D. Hagedorn
Michael D. Hagedorn
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to UMB Financial Corporation and will be retained by UMB Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark one)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: December 31, 2012

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 0-4887

UMB FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Missouri	**43-0903811**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1010 Grand Boulevard, Kansas City, Missouri	**64106**
(Address of principal executive offices)	**(ZIP Code)**

(Registrant's telephone number, including area code): **(816) 860-7000**

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1.00 Par Value	**The NASDAQ Global Select Market**

Securities Registered Pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non- accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of June 30, 2012 the aggregate market value of common stock outstanding held by nonaffiliates of the registrant was approximately $1,764,827,239 based on the NASDAQ Global Select Market closing price of that date.

Indicate the number of shares outstanding of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 14, 2013
Common Stock, $1.00 Par Value	40,518,987

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's definitive Proxy Statement to be delivered to shareholders in connection with the Annual Meeting of Shareholders to be held on April 24, 2013, are incorporated by reference into Part III of this Form 10-K.

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CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

PART I

ITEM 1. *BUSINESS*

General

UMB Financial Corporation (the Company) was organized as a corporation in 1967 under Missouri law for the purpose of becoming a bank holding company registered under the Bank Holding Company Act of 1956 (BHCA). In 2001, the Company elected to become a financial holding company under the Gramm-Leach-Bliley Act of 1999 (GLB Act). The Company owns all of the outstanding stock of one commercial bank and 21 other subsidiaries.

The commercial bank is engaged in general commercial banking business. The subsidiary bank, UMB Bank, n.a. (the Bank), whose principal office is in Missouri, also has branches in Arizona, Colorado, Illinois, Kansas, Nebraska and Oklahoma. The bank offers a full range of banking services to commercial, retail, government and correspondent bank customers. In addition to standard banking functions the Bank provides commercial and retail banking services including investment and cash management services and a full range of trust activities for individuals, estates, business corporations, governmental bodies and public authorities. The Company formerly had four subsidiary banks, UMB Bank, n.a., UMB Bank Colorado, n.a., UMB National Bank of America, n.a., and UMB Bank Arizona, n.a. These subsidiary banks were merged into the lead subsidiary bank UMB Bank, n.a. effective with the close of business on December 31, 2012.

The significant non-banking subsidiaries of the Company include mutual fund and alternative investment services groups, single-purpose companies that deal with brokerage services and insurance and registered investment advisors, offering equity and fixed income investment strategies for institutions and individual investors. The Company's products and services are grouped into four segments, Bank, Payment Solutions, Institutional Investment Management, and Asset Servicing. These segments are described in detail with their related financial results in Note 12 to the Consolidated Financial Statements provided in Item 8, pages 83 through 84 of this report. The primary non-bank subsidiaries of the Company are described below.

UMB Fund Services, Inc., located in Milwaukee, Wisconsin, Kansas City, Missouri and Boston, Massachusetts, provides fund accounting, transfer agent, and other services to mutual fund groups representing funds and managed account services to asset management groups. In addition, JD Clark & Co., Inc., a subsidiary of UMB Fund Services, Inc., located in Ogden, Utah and Media, Pennsylvania provides similar services to alternative investment groups.

Scout Investments, Inc. is an institutional asset management company located in Kansas City, Missouri. Scout Investments, Inc. offers domestic and international equity investments through its Scout Asset Management Division and fixed income investments through its Reams Asset Management Division.

Prairie Capital Management, LLC, headquartered in Kansas City, Missouri, is a wealth management consulting firm and serves as investment manager to proprietary pooled investment vehicles, including traditional diversified equity funds, hedge funds, and private equity funds. Prairie Capital has branch offices in Illinois, Colorado, and Pennsylvania.

On a full-time equivalent basis at December 31, 2012, the Company and its subsidiaries employed 3,448 persons.

Segment Information. Financial information regarding the Company's four segments is included in Note 12 to the Consolidated Financial Statements provided in Item 8, pages 83 through 84 of this report.

Competition. The Company faces intense competition from hundreds of financial service providers in each of its business segments in the various markets served. The Company competes with other traditional and non-traditional financial service providers including banks, thrifts, finance companies, mutual funds, mortgage

banking companies, brokerage companies, insurance companies, investment managers and credit unions. Banking customers are generally influenced by convenience of location, quality of service, personal contact, price of services, and availability of products. Investment advisory services compete primarily on returns, expenses, ratings by outside rating services, and continuity of management. Fund Services competes based on price and quality of services. The impact from competition is critical not only to pricing, but also to transaction execution, products and services offered, innovation and reputation. Within the Kansas City banking market, the Company ranks first based on the amount of deposits at June 30, 2012, the most recent date for which deposit information is available from the Federal Deposit Insurance Corporation (FDIC). At June 30, 2012, the Company had 13.8 percent of the deposits in its primary market, the Kansas City metropolitan area, compared to 13.4 percent at June 30, 2011.

Monetary Policy and Economic Conditions. The Company's business and earnings are affected significantly by the fiscal and monetary policies of the federal government and its agencies. It is particularly affected by the policies of the Board of Governors of the Federal Reserve System (the Federal Reserve Board or FRB), which regulates the supply of money and credit in the United States. Among the instruments of monetary policy available to the FRB are: conducting open market operations in United States government securities; changing the discount rates of borrowings of depository institutions; imposing or changing reserve requirements against depository institutions' deposits; and imposing or changing reserve requirements against certain borrowings by banks and their affiliates. These methods are used in varying degrees and combinations to directly affect the availability of bank loans and deposits, as well as the interest rates charged on loans and paid on deposits. Monetary policy and economic conditions also greatly affect the equity and fixed income markets. The Company's investment advisory and investment servicing business derive their income based on the pricing for both investment advisory and fixed income investments. The policies of the FRB have a material effect on the Company's business, results of operations and financial condition.

Supervision and Regulation. As a bank holding company and a financial holding company, the Company (and its subsidiaries) is subject to extensive regulation and is affected by numerous federal and state laws and regulations.

Supervision. The Company is subject to regulation and examination by the FRB. The Bank is subject to regulation and examination by the Office of the Comptroller of the Currency (OCC). UMB Insurance, Inc. is regulated by state agencies in the states in which it operates. Scout Investments, Inc., Scout Distributors, LLC, Prairie Capital Management, LLC and UMB Fund Services, Inc. are subject to the rules and regulations of the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA). The FRB possesses cease and desist powers over bank holding companies if their actions represent unsafe or unsound practices or violations of law. In addition, the FRB is empowered to impose civil monetary penalties for violations of banking statutes and regulations. Regulation by the FRB is intended to protect depositors of the Company's bank, not the Company's shareholders. The Company is subject to a number of restrictions and requirements imposed by the Sarbanes-Oxley Act of 2002 relating to internal controls over financial reporting, disclosure controls and procedures, loans to directors or executive officers of the Company and its subsidiaries, the preparation and certification of the Company's consolidated financial statements, the duties of the Company's audit committee, relations with and functions performed by the Company's independent auditors, and various accounting and corporate governance matters. The Company's brokerage affiliate, UMB Financial Services, Inc., is regulated by the SEC, FINRA, and is also subject to certain regulations of the various states in which it transacts business. It is subject to regulations covering all aspects of the securities business, including sales methods, trade practices among broker/dealers, capital structure, uses and safekeeping of customers' funds and securities, recordkeeping, and the conduct of directors, officers and employees. The SEC and the organizations to which it has delegated certain regulatory authority may conduct administrative proceedings that can result in censure, fines, suspension or expulsion of a broker/dealer, its directors, officers and employees. The principal purpose of regulation of securities broker/dealers is the protection of customers and the securities market, rather than the protection of stockholders of broker/dealers.

Limitation on Acquisitions and Activities. The Company is subject to the BHCA, which requires the Company to obtain the prior approval of the Federal Reserve Board to (i) acquire substantially all the assets of any bank, (ii) acquire more than 5% of any class of voting stock of a bank or bank holding company which is not already majority owned, or (iii) merge or consolidate with another bank holding company. The BHCA also imposes significant limitations on the scope and type of activities in which the Company and its subsidiaries may engage. The activities of bank holding companies are generally limited to the business of banking, managing or controlling banks, and other activities that the FRB has determined to be so closely related to banking or managing or controlling banks as to be a proper incident thereto. In addition, under the GLB Act, a bank holding company, all of whose controlled depository institutions are "well-capitalized" and "well-managed" (as defined in federal banking regulations) and which obtains "satisfactory" Community Reinvestment Act (CRA) ratings, may declare itself to be a "financial holding company" and engage in a broader range of activities.

A financial holding company may affiliate with securities firms and insurance companies and engage in other activities that are financial in nature or incidental or complementary to activities that are financial in nature. "Financial in nature" activities include:

- securities underwriting, dealing and market making;
- sponsoring mutual funds and investment companies;
- insurance underwriting and insurance agency activities;
- merchant banking; and
- activities that the FRB determines to be financial in nature or incidental to a financial activity, or which are complementary to a financial activity and do not pose a safety and soundness risk.

A financial holding company that desires to engage in activities that are financial in nature or incidental to a financial activity but not previously authorized by the FRB must obtain approval from the FRB before engaging in such activity. Also, a financial holding company may seek FRB approval to engage in an activity that is complementary to a financial activity if it shows that the activity does not pose a substantial risk to the safety and soundness of insured depository institutions or the financial system. Under the GLB Act, subsidiaries of financial holding companies engaged in non-bank activities are supervised and regulated by the federal and state agencies which normally supervise and regulate such functions outside of the financial holding company context.

A financial holding company may acquire a company (other than a bank holding company, bank or savings association) engaged in activities that are financial in nature or incidental to activities that are financial in nature, without prior approval from the FRB. Prior FRB approval is required, however, before the financial holding company may acquire control of more than 5% of the voting shares or substantially all of the assets of a bank holding company, bank or savings association. In addition, under the FRB's merchant banking regulations, a financial holding company is authorized to invest in companies that engage in activities that are not financial in nature, as long as the financial holding company makes its investment with the intention of limiting the duration of the investment, does not manage the company on a day-to-day basis, and the company does not cross market its products or services with any of the financial holding company's controlled depository institutions. If any subsidiary bank of a financial holding company receives a rating under the CRA of less than "satisfactory", the financial holding company is limited with respect to its engaging in new activities or acquiring other companies, until the rating is raised to at least "satisfactory."

Other Regulatory Restrictions & Requirements. A bank holding company and its subsidiaries are prohibited from engaging in certain tying arrangements in connection with the extension of credit, with limited exceptions. There are also various legal restrictions on the extent to which a bank holding company and certain of its non-bank subsidiaries can borrow or otherwise obtain credit from its bank subsidiaries. The Company and its subsidiaries are also subject to certain restrictions on issuance, underwriting and distribution of securities. FRB policy requires a bank holding company to serve as a source of financial and managerial strength to its subsidiary banks. Under this "source of strength doctrine," a bank holding company is expected to stand ready to use its

available resources to provide adequate capital funds to its subsidiary banks during periods of financial stress or adversity, and to maintain resources and the capacity to raise capital that it can commit to its subsidiary banks. Furthermore, the FRB has the right to order a bank holding company to terminate any activity that the FRB believes is a serious risk to the financial safety, soundness or stability of any subsidiary bank. Also, under cross-guaranty provisions of the Federal Deposit Insurance Act (FDIA), bank subsidiaries of a bank holding company are liable for any loss incurred by the FDIC insurance fund in connection with the failure of any other bank subsidiary of the bank holding company.

The Company's bank subsidiary is subject to a number of laws regulating depository institutions, including the Federal Deposit Insurance Corporation Improvement Act of 1991, which expanded the regulatory and enforcement powers of the federal bank regulatory agencies. These laws require that such agencies prescribe standards relating to internal controls, information systems, internal audit systems, loan documentation, credit underwriting, interest rate exposure, asset growth, compensation, fees and benefits, and mandated annual examinations of banks by their primary regulators. The Company's bank subsidiary is also subject to a number of consumer protection laws and regulations of general applicability, as well as the Bank Secrecy Act and USA Patriot Act, which are designed to identify, prevent and deter international money laundering and terrorist financing.

The rate of interest a bank may charge on certain classes of loans is limited by law. At certain times in the past, such limitations have resulted in reductions of net interest margins. Federal laws also impose additional restrictions on the lending activities of banks, including the amount that can be loaned to one borrower or a related group.

The commercial bank owned by the Company is a national bank and is subject to supervision and examination by the OCC and the FRB. The Bank is also a member of and subject to examination by the FDIC.

Payment of dividends by the Bank to the Company is subject to various regulatory restrictions. For national banks, the OCC must approve the declaration of any dividends generally in excess of the sum of net income for that year and retained net income for the preceding two years.

The Bank is subject to the CRA and implementing regulations. CRA regulations establish the framework and criteria by which the bank regulatory agencies assess an institution's record of helping to meet the credit needs of its community, including low and moderate-income neighborhoods. CRA ratings are taken into account by regulators in reviewing certain applications made by the Company and its bank subsidiaries.

Regulatory Capital Requirements Applicable to the Company. The FRB has promulgated capital adequacy guidelines for use in its examination and supervision of bank holding companies. If a bank holding company's capital falls below minimum required levels, then the bank holding company must implement a plan to increase its capital, and its ability to pay dividends and make acquisitions of new bank subsidiaries may be restricted or prohibited. The FRB's capital adequacy guidelines provide for the following types of capital:

Tier 1 capital, also referred to as core capital, calculated as:

- common stockholders' equity;
- plus, non-cumulative perpetual preferred stock and any related surplus;
- plus, minority interests in the equity accounts of consolidated subsidiaries;
- less, all intangible assets (other than certain mortgage servicing assets, non-mortgage servicing assets);
- less, certain credit-enhanced interest-only strips and non-financial equity investments required to be deducted from capital; and
- less, certain deferred tax assets.

Tier 2 capital, also referred to as supplementary capital, calculated as:

- allowances for loan and lease losses (limited to 1.25% of risk-weighted assets);
- plus, unrealized gains on certain equity securities (limited to 45% of pre-tax net unrealized gains);
- plus, cumulative perpetual and long-term preferred stock (original maturity of 20 years or more) and any related surplus;
- plus, auction rate and similar preferred stock (both cumulative and non-cumulative);
- plus, hybrid capital instruments (including mandatory convertible debt securities); and
- plus, term subordinated debt and intermediate-term preferred stock with an original weighted average maturity of five years or more (limited to 50% of Tier 1 capital).

The maximum amount of supplementary capital that qualifies as Tier 2 capital is limited to 100% of Tier 1 capital.

Total capital, calculated as:

- Tier 1 capital;
- plus, qualifying Tier 2 capital;
- less, investments in banking and finance subsidiaries that are not consolidated for regulatory capital purposes;
- less, intentional, reciprocal cross-holdings of capital securities issued by banks; and
- less, other deductions (such as investments in other subsidiaries and joint ventures) as determined by supervising authority.

The Company is required to maintain minimum amounts of capital to various categories of assets, as defined by the banking regulators. See Table 17, Risk-Based Capital, on page 39 for additional detail on the computation of risk-based assets and the related capital ratios.

At December 31, 2012, the Company was required to have minimum Tier 1 capital, Total capital, and leverage ratios of 4.00%, 8.00%, and 4.00% respectively. The Company's actual ratios at that date were 11.05%, 11.92%, and 6.81%, respectively.

Regulatory Capital Requirements Applicable to the Company's Subsidiary Bank. In addition to the minimum capital requirements of the FRB applicable to the Company, there are separate minimum capital requirements applicable to its subsidiary national bank.

Federal banking laws classify an insured financial institution in one of the following five categories, depending upon the amount of its regulatory capital:

- "well-capitalized" if it has a total Tier 1 leverage ratio of 5% or greater, a Tier 1 risk-based capital ratio of 6% or greater and a total risk-based capital ratio of 10% or greater (and is not subject to any order or written directive specifying any higher capital ratio);
- "adequately capitalized" if it has a total Tier 1 leverage ratio of 4% or greater (or a Tier 1 leverage ratio of 3% or greater, if the bank has a Capital adequacy, Asset quality, Management, Liquidity, and Sensitivity to market risk (CAMELS) rating of 1), a Tier 1 risk-based capital ratio of 4% or greater, and a total risk-based capital ratio of 8% or greater;
- "undercapitalized" if it has a total Tier 1 leverage ratio that is less than 4% (or a Tier 1 leverage ratio that is less than 3%, if the bank has a CAMELS rating of 1), a Tier 1 risk-based capital ratio that is less than 4% or a total risk-based capital ratio that is less than 8%;

- "significantly undercapitalized" if it has a total Tier 1 leverage ratio that is less than 3%, a Tier 1 risk based capital ratio that is less than 3% or a total risk-based capital ratio that is less than 6%; and
- "critically undercapitalized" if it has a Tier 1 leverage ratio that is equal to or less than 2%.

Federal banking laws require the federal regulatory agencies to take prompt corrective action against undercapitalized financial institutions. The capital ratios and classifications for the Company and the Bank as of December 31, 2012, are set forth below:

Bank	Total Tier 1 Leverage Ratio (5% or greater)	Tier 1 Risk Based Capital Ratio (6% or greater)	Total Risk-Based Capital Ratio (10% or greater)
UMB Financial Corporation	6.81	11.05	11.92
UMB Bank, n.a.	7.58	10.54	11.42

The Company is required to maintain minimum balances with the FRB for the Bank. This balance is calculated from reports filed with the FRB. At December 31, 2012, the Company was required to hold $43.3 million at the FRB.

Deposit Insurance and Assessments. The deposits of the Bank are insured by an insurance fund administered by the FDIC, in general up to a maximum of $250,000 per insured deposit. Under federal banking regulations, insured banks are required to pay quarterly assessments to the FDIC for deposit insurance. The FDIC's risk-based assessment system requires members to pay varying assessment rates depending upon the level of the institution's capital and the degree of supervisory concern over the institution. The FDIC assessment is separated into two parts. The first part is the FDIC Insurance, and the second part is the assessment for the Financing Corporation (FICO) to fund interest payments on bonds issued by FICO, an agency of the Federal government established to recapitalize the predecessor to the Savings Association Insurance Fund (SAIF).

In October 2010, the FDIC adopted a new plan to ensure that the fund reserve ratio reaches 1.35% by September 30, 2020, as required by the "Dodd-Frank Wall Street Reform and Consumer Protection Act" (the Dodd-Frank Act). In November 2010, the FDIC issued a final rule to implement provisions of the Dodd-Frank Act that provide for temporary unlimited coverage for non-interest-bearing transaction accounts. The separate coverage for non interest-bearing transaction accounts became effective on December 31, 2010 and terminated on December 31, 2012. In February 2011, the FDIC issued a final rule to change the deposit insurance assessment base from total domestic deposits to average total assets minus average tangible equity, as required by the Dodd-Frank Act, effective April 1, 2011. The FDIC created a risk based scorecard system to determine an institutions base assessment rate. The scorecards utilize CAMELS ratings and certain financial measures to assess an institution's ability to withstand asset-related stress and funding-related stress. The Company cannot provide any assurance as to the effect of any future proposed change in its deposit insurance premium rate as such changes are dependent upon a variety of factors, some of which are beyond the Company's control.

Limitations on Transactions with Affiliates. The Company and its non-bank subsidiaries are "affiliates" within the meaning of Sections 23A and 23B of the Federal Reserve Act (FRA). The amount of loans or extensions of credit which a bank may make to non-bank affiliates, or to third parties secured by securities or obligations of the non-bank affiliates, are substantially limited by the FRA and the FDIA. Such acts further restrict the range of permissible transactions between a bank and an affiliated company. A bank and subsidiaries of a bank may engage in certain transactions, including loans and purchases of assets, with an affiliated company, only if the terms and conditions of the transaction, including credit standards, are substantially the same as, or at least as favorable to the bank as, those prevailing at the time for comparable transactions with non-affiliated companies or, in the absence of comparable transactions, on terms and conditions that would be offered to non-affiliated companies.

Other Banking Activities. The investments and activities of the Bank are also subject to regulation by federal banking agencies regarding; investments in subsidiaries, investments for their own account (including limitations in investments in junk bonds and equity securities), loans to officers, directors and their affiliates, security requirements, anti-tying limitations, anti-money laundering, financial privacy and customer identity verification requirements, truth-in-lending, types of interest bearing deposit accounts offered, trust department operations, brokered deposits, audit requirements, issuance of securities, branching and mergers and acquisitions.

A discussion of past acquisitions is included in Note 15 to the Consolidated Financial Statements provided in Item 8 on page 87 of this report.

Statistical Disclosure. The information required by Guide 3, "Statistical Disclosure by Bank Holding Companies," has been included in Items 6, 7, and 7A, pages 17 through 51 of this report.

Executive Officers of the Registrant. The following are the executive officers of the Company, each of whom is elected annually, and there are no arrangements or understandings between any of the persons so named and any other person pursuant to which such person was elected as an officer.

Name	Age	Position with Registrant
Craig Anderson	53	Mr. Anderson joined UMB Bank, n.a. in 1986. In 2011, he was named President of Commercial Banking for UMB Financial Corporation where he is responsible for all areas of commercial banking including treasury management. Prior to his appointment to that position, he served as the President for Regional Banking for the Company from September 2009 through November 2011, and as Chairman and CEO of National Bank of America in Salina, Kansas from May 2004 to September 2009.
Peter J. deSilva	51	Mr. deSilva has served as President and Chief Operating Officer of the Company since January 2004 and Chairman and Chief Executive Officer of UMB Bank, n.a. since May 2004. Mr. deSilva was previously employed by Fidelity Investments from 1987-2004, the last seven years as Senior Vice President with principal responsibility for brokerage operations.
Michael D. Hagedorn	46	Mr. Hagedorn has served as Vice Chairman, Chief Financial Officer, and Chief Administrative Officer of the Company since October 2009. Previously, he served as Executive Vice President and Chief Financial Officer of the Company from March 2005 to October 2009. He previously served as Senior Vice President and Chief Financial Officer of Wells Fargo, Midwest Banking Group from April 2001 to March 2005.
Daryl S. Hunt	56	Mr. Hunt joined UMB Bank, n.a. in November 2007, as Executive Vice President of Operations and Technology Group. Previously, Mr. Hunt worked at Fidelity Investments where he served as Senior Vice President for Transfer Operations from 2006 to 2007, Senior Vice President of Customer Processing Operations from 2003 to 2006, and Senior Vice President of Outbound Mail Operations from 2001 to 2003.
Andrew J. Iseman	48	Mr. Iseman joined Scout Investments, Inc. as Chief Executive Officer in August 2010. From February 2009 to June 2010, he served as Chief Operating Officer of RK Capital Management. He was previously employed by Janus Capital Group from January 2003 to April 2008, most recently serving as the Executive Vice President from January 2008 to April 2008 and Chief Operating Officer from May 2007 to April 2008.

Name	Age	Position with Registrant
J. Mariner Kemper	40	Mr. Kemper has served as the Chairman and CEO of the Company since May 2004 and has served as Chairman and CEO of UMB Bank Colorado, n.a. (a subsidiary of the Company) since 2000. He was President of UMB Bank Colorado from 1997 to 2000.
David D. Kling	66	Mr. Kling has served as Executive Vice President and Chief Risk Officer of the Company since October 2008. He previously served as the Executive Vice President for Enterprise Services of UMB Bank, n.a. since November 2007. He also served as Executive Vice President of Financial Services and Support of UMB Bank, n.a. from 1997 to 2007.
Christine Pierson	50	Ms. Pierson joined the Company in January 2011 as Executive Vice President of Consumer Banking. Prior to 2011, she served the Vice President of US Sales – Animal Health Division for Bayer Healthcare Corporation since 2005.
Dennis R. Rilinger	65	Mr. Rilinger has served as Executive Vice President and General Counsel of the Company and of UMB Bank, n.a. since 1996.
Lawrence G. Smith	65	Mr. Smith has served as Executive Vice President and Chief Organizational Effectiveness Officer of UMB Bank, n.a. since March 2005. Prior to coming to UMB Bank, n.a., Mr. Smith was Vice President – Human Resources for Fidelity Investments in Boston, Massachusetts where he was responsible for Fidelity's business group human resource activities.
Brian J. Walker	41	Mr. Walker joined the Company in June 2007 as Senior Vice President and Corporate Controller (Chief Accounting Officer). From July of 2004 to June 2007 he served as a Certified Public Accountant for KPMG where he worked primarily as an auditor for financial institutions. He worked as a Certified Public Accountant for Deloitte & Touche from November 2002 to July of 2004.
Clyde F. Wendel	65	Mr. Wendel has served as Vice Chairman of UMB Bank, n.a. and Chief Executive Officer of Personal Financial Services of UMB Bank, n.a. since October 2009. He previously served as President of the Asset Management Division of UMB Bank, n.a. and Vice Chairman of UMB Bank, n.a. from June 2006 to October 2009. Previously, he served as Regional President, Bank of America Private Bank and Senior Bank Executive for Iowa, Kansas, and Western Missouri from 2000-2006.
John P. Zader	51	Mr. Zader joined UMB Fund Services in December 2006. He serves as Chief Executive Officer of UMB Fund Services. He previously served as a consultant to Jefferson Wells International in 2006 and served as Senior Vice President and Chief Financial Officer of U.S. Bancorp Fund Services, LLC, a mutual and hedge fund service provider from 1988 to 2006.

The Company makes available free of charge on its website at www.umb.com/investor, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to such reports, as soon as reasonably practicable after it electronically files or furnishes such material with or to the SEC.

ITEM 1A. *RISK FACTORS*

Financial services companies routinely encounter and address risks. Some risks may give rise to occurrences that cause the Company's future results to be materially different than what companies presently anticipate. In the following paragraphs, the Company describes its current view of certain important strategic risks, although the risks below are not the only risks the Company faces. If any such risks actually materialize, the Company's business, results of operations, financial condition and prospects could be affected materially and adversely. These risk factors should be read in conjunction with management's discussion and analysis, beginning on page 19 hereof, and the consolidated financial statements, beginning on page 53 hereof.

Changes in interest rates could affect results of operations. A significant portion of the Company's net income is based on the difference between interest earned on earning assets (such as loans and investments) and interest paid on deposits and borrowings. These rates are sensitive to many factors that are beyond the Company's control, such as general economic conditions and policies of various governmental and regulatory agencies, such as the Federal Reserve Board. For example, policies and regulations of the Federal Reserve Board influence, directly and indirectly, the rate of interest paid by commercial banks on interest-bearing deposits and also may affect the value of financial instruments held by the Company. The actions of the Federal Reserve Board also determine to a significant degree the cost of funds for lending and investing. In addition, these policies and conditions can adversely affect customers and counterparties, which may increase the risk that such customers or counterparties default on their obligations. Changes in interest rates greatly affect the amount of income earned and the amount of interest paid. Changes in interest rates also affect loan demand, the prepayment speed of loans, the purchase and sale of investment bonds and the generation and retention of customer deposits. A rapid increase in interest rates could result in interest expense increasing faster than interest income because of differences in maturities of assets and liabilities. See "Quantitative and Qualitative Disclosures About Market Risk—Interest Rate Risk" in Part II, Item 7A for a discussion of how the Company monitors and manages interest rate risk.

General economic conditions could materially impair customers' ability to repay loans, harm operating results and reduce the volume of new loans. The U.S. and the world economies impact how financial instruments are priced. Profitability depends significantly on economic conditions. Economic downturns or recessions, either nationally, internationally or in the states within the Company's footprint, could materially reduce operating results. An economic downturn could negatively impact demand for loan and deposit products, the demand for insurance and brokerage products and the amount of credit related losses due to customers who cannot pay interest or principal on their loans. To the extent loan charge-offs exceed estimates, an increase to the amount of provision expense related to the allowance for loan losses would reduce income. See "Quantitative and Qualitative Disclosures About Market Risk—Credit Risk" in Part II, Item 7A for a discussion of how the Company monitors and manages credit risk.

General economic conditions, such as a stock market decline, could materially impair the number of investors in the equity and bond markets, the level of assets under management and the demand for other fee-based services. Economic downturns or recessions could affect the volume of income from and demand for other fee-based services. The fee revenue from asset management segments including income from Scout Investments, Inc. and UMB Fund Services, Inc. subsidiaries, are largely dependent on both inflows to, and the fair value of, assets invested in the Scout Funds and the fund clients to whom the Company provides services. General economic conditions can affect investor sentiment and confidence in the overall securities markets which could adversely affect asset values, net flows to these funds and other assets under management. Bankcard revenues are dependent on transaction volumes from consumer and corporate spending to generate interchange fees. Depressed economic conditions could negatively affect the amount of such fee income. The Company's banking services group is affected by corporate and consumer demand for debt securities which can be adversely affected by changes in general economic conditions.

The Company is subject to extensive regulation in the jurisdictions in which it conducts business. The Company is subject to extensive state and federal regulation, supervision and legislation that

govern most aspects of its operations. Laws and regulations, and in particular banking, securities and tax laws, are under intense scrutiny because of the current economic crisis and may change from time to time. Changes in laws and regulations, lawsuits or actions by regulatory agencies could require the Company to devote significant time and resources to compliance efforts and could lead to fines, penalties, judgments, settlements, withdrawal of certain products or services offered in the market or other adverse results which could affect the Company's business, financial condition or results of operation, or cause serious reputational harm.

Reliance on systems, employees and certain counterparties, and certain failures, including as a result of cyber attacks, could adversely affect operations. The Company is dependent on its ability to process a large number of transactions. If any of the financial, accounting, or other data processing systems fail or have other significant shortcomings, the Company could be adversely affected. The Company is similarly dependent on its employees. The Company could be adversely affected if a significant number of employees are unavailable due to a pandemic, natural disaster, war, act of terrorism, or other reason, or if an employee causes a significant operational break-down or failure, either as a result of human error, purposeful sabotage or fraudulent manipulation of operations or systems. Third parties with which the Company does business could also be sources of operational risk, including break-downs or failures of such parties' own systems or employees. Any of these occurrences could result in a diminished ability of the Company to operate, potential liability to clients, reputational damage and regulatory intervention, which could have an adverse impact on the Company. Operational risk also includes the ability to successfully integrate acquisitions into existing charters as an acquired entity will most likely be on a different system. See "Quantitative and Qualitative Disclosures About Market Risk—Operational Risk" in Part II, Item 7A for a discussion of how the Company monitors and manages operational risk.

In the ordinary course of our business, the Company collects and stores sensitive data, including intellectual property, our proprietary business information and that of our customers, and personally identifiable information of our customers and employees, in our data centers and on our networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise our networks and the information stored could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, regulatory penalties, and damage our reputation which could adversely affect our business. In addition, there is the risk that controls and procedures, as well as business continuity and data security systems, may prove to be inadequate. Any such failure could affect operations and could adversely affect results of operations by requiring the Company to expend significant resources to correct the defect, as well as by exposing the Company to litigation or losses not covered by insurance.

In addition, there is the risk that controls and procedures, as well as business continuity and data security systems, may prove to be inadequate. Any such failure could affect operations and could adversely affect results of operations by requiring the Company to expend significant resources to correct the defect, as well as by exposing the Company to litigation or losses not covered by insurance.

If the Company does not successfully handle issues that may arise in the conduct of its business and operations, the Company's reputation could be damaged, which could in turn negatively affect its business. The Company's ability to attract and retain customers and transact with the Company's counterparties could be adversely affected to the extent its reputation is damaged. The failure of the Company to deal with various issues that could give rise to reputational risk could cause harm to the Company and its business prospects. These issues include, but are not limited to potential conflicts of interest, legal and regulatory requirements, ethical issues, money-laundering, privacy, recordkeeping, sales and trading practices and proper identification of the legal, reputational, credit, liquidity and market risks inherent in its products. The failure to appropriately address these issues could make clients unwilling to do business with the Company, which could adversely affect results.

The Company faces strong competition from other financial services firms, which could lead to pricing pressures that could materially adversely affect revenue and profitability. In addition to the challenge of competing against local, regional and national banks in attracting and retaining customers, the Company's competitors also include brokers, mortgage bankers, mutual fund sponsors, securities dealers, investment advisors and specialty finance and insurance companies. The financial services industry is intensely competitive and is expected to remain so. The Company competes on the basis of several factors, including transaction execution, products and services, innovation, reputation and price. The Company may experience pricing pressures as a result of these factors and as some competitors seek to increase market share by reducing prices on products and services or increasing rates paid on deposits.

The Company's framework for managing risks may not be effective in mitigating risk and loss to the Company. The Company's risk management framework is made up of various processes and strategies to manage risk exposure. Types of risk to which the Company is subject include liquidity risk, credit risk, price risk, interest rate risk, operational risk, compliance and litigation risk, foreign exchange risk, reputation risk, and fiduciary risk, among others. Although management continually monitors, evaluates, and updates the Company's risk management framework and the Board oversees the Company's overall risk management strategy, there can be no assurance that the Company's framework to manage risk, including such framework's underlying assumptions, will be effective under all conditions and circumstances. If the Company's risk management framework proves ineffective, it could suffer unexpected losses and could be materially adversely affected.

Liquidity is essential to the Company's businesses and the Company relies on the securities market and other external sources to finance a significant portion of its operations. Liquidity affects the Company's ability to meet financial commitments. Liquidity could be negatively affected should the need arise to increase deposits or obtain additional funds through borrowing to augment current liquidity sources. Factors beyond the Company's control, such as disruption of the financial markets or negative views about the general financial services industry, could impair the Company's access to funding. If the Company is unable to raise funding using the methods described above, it would likely need to sell assets, such as its investment and trading portfolios, to meet maturing liabilities. The Company may be unable to sell some of its assets on a timely basis, or it may have to sell assets at a discount from market value, either of which could adversely affect its results of operations. Liquidity and funding policies have been designed to ensure that the Company maintains sufficient liquid financial resources to continue to conduct business for an extended period in a stressed liquidity environment. If the liquidity and funding policies are not adequate, the Company may be unable to access sufficient financing to service its financial obligations when they come due, which could have a material adverse franchise or business impact. See "Quantitative and Qualitative Disclosures About Market Risk—Liquidity Risk" in Part II, Item 7A for a discussion of how the Company monitors and manages liquidity risk.

Inability to hire or retain qualified employees could adversely affect the Company's performance. The Company's people are its most important resource and competition for qualified employees is intense. Employee compensation is the Company's greatest expense. The Company relies on key personnel to manage and operate its business, including major revenue generating functions such as its loan and deposit portfolios, investment management function and asset servicing function .The loss of key staff may adversely affect the Company's ability to maintain and manage these portfolios effectively, which could negatively affect its results of operations. If compensation costs required to attract and retain employees become unreasonably expensive, the Company's performance, including its competitive position, could be adversely affected.

Changes in accounting standards could impact reported earnings. The accounting standard setting bodies, including the Financial Accounting Standards Board and other regulatory bodies periodically change the financial accounting and reporting standards affecting the preparation of the consolidated financial statements. These changes are not within the Company's control and could materially impact the consolidated financial statements.

The Company is subject to a variety of litigation which may affect its business, operating results and reputation. The Company and its subsidiaries may be involved from time to time in a variety of litigation. This

litigation can include class action litigation concerning servicing processes or fees or charges, or employment practices, and potential reductions in fee revenues resulting from such litigation. Past, present and future litigation have included or could include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. Substantial legal liability could materially affect its business, financial condition or results of operations and/or cause significant reputational harm to its business.

Future events may be different than those anticipated by management assumptions and estimates, which may cause unexpected losses in the future. Pursuant to current Generally Accepted Accounting Principles, the Company is required to use certain estimates in preparing its financial statements, including accounting estimates to determine allowance for loan losses, and the fair values of certain assets and liabilities, among other items. Should the Company's determined values for such items prove inaccurate, the Company may experience unexpected losses which could be material.

ITEM 1B. *UNRESOLVED STAFF COMMENTS*

There are no unresolved comments from the staff of the SEC required to be disclosed herein as of the date of this Form 10-K.

ITEM 2. *PROPERTIES*

The Company's headquarters building, the UMB Bank Building, is located at 1010 Grand Boulevard in downtown Kansas City, Missouri, and opened during July 1986. Of the 250,000 square feet, 227,000 square feet is occupied by departments and customer service functions of UMB Bank, n.a. as well as offices of the parent company, UMB Financial Corporation. The remaining 23,000 square feet of space within the building is leased to a law firm.

Other main facilities of UMB Bank, n.a. in downtown Kansas City, Missouri are located at 928 Grand Boulevard (185,000 square feet); 906 Grand Boulevard (140,000 square feet); and 1008 Oak Street (180,000 square feet). Both the 928 Grand and 906 Grand buildings house backroom support functions. The 928 Grand building also houses Scout Investments, Inc. Additionally, within the 906 Grand building there is 20,000 square feet of space leased to several small tenants. The 928 Grand building underwent a major renovation during 2004 and 2005. The 928 Grand building is connected to the UMB Bank Building (1010 Grand) by an enclosed elevated pedestrian walkway. The 1008 Oak building, which opened during the second quarter of 1999, houses the Company's operations and data processing functions.

UMB Bank, n.a. leases 52,000 square feet in the Hertz Building located in the heart of the commercial sector of downtown St. Louis, Missouri. This location has a full-service banking center and is home to some operational and administrative support functions. UMB Bank, n.a. also leases 30,000 square feet on the first, second, third, and fifth floors of the 1670 Broadway building located in the financial district of downtown Denver, Colorado. The location has a full-service banking center and is home to additional operational and administrative support functions.

UMB Fund Services, Inc., a subsidiary of the Company, leases 72,000 square feet in Milwaukee, Wisconsin, at which its fund services operation is headquartered. JD Clark & Co., Inc. is headquartered in Ogden, Utah where it leases 37,297 square feet.

As of December 31, 2012, the Bank operated a total of 119 banking centers and two Wealth Management offices.

The Company utilizes all of these properties to support aspects of all of the Company's business segments.

Additional information with respect to premises and equipment is presented in Notes 1 and 8 to the Consolidated Financial Statements in Item 8, pages 58 and 76 of this report.

ITEM 3. *LEGAL PROCEEDINGS*

In the normal course of business, the Company and its subsidiaries are named defendants in various lawsuits and counter-claims. In the opinion of management, after consultation with legal counsel, none of these lawsuits are expected to have a material effect on the financial position, results of operations, or cash flows of the Company.

ITEM 4. *MINE SAFETY DISCLOSURES*

Not applicable.

PART II

ITEM 5. *MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES*

The Company's stock is traded on the NASDAQ Global Select Stock Market under the symbol "UMBF." As of February 14, 2013, the Company had 2,176 shareholders of record. Company stock information for each full quarter period within the two most recent fiscal years is set forth in the table below.

Per Share	Three Months Ended			
2012	**March 31**	**June 30**	**Sept. 30**	**Dec. 31**
Dividend	$0.205	$0.205	$0.205	$0.215
Book value	29.90	30.89	31.88	31.71
Market price:				
High	46.33	51.57	52.61	49.17
Low	37.68	42.90	46.80	40.55
Close	44.74	51.23	48.68	43.82

Per Share	Three Months Ended			
2011	**March 31**	**June 30**	**Sept. 30**	**Dec. 31**
Dividend	$0.195	$0.195	$0.195	$0.205
Book value	26.62	27.97	28.97	29.46
Market price:				
High	44.21	42.65	45.20	38.53
Low	37.20	37.05	32.08	30.49
Close	37.37	41.88	32.08	37.25

Information concerning restrictions on the ability of the Registrant to pay dividends and the Registrant's subsidiaries to transfer funds to the Registrant is presented in Item 1, page 3 and Note 10 to the Consolidated Financial Statements provided in Item 8, pages 78 and 79 of this report. Information concerning securities the Company issued under equity compensation plans is contained in Item 12, pages 102 and 103 and in Note 11 to the Consolidated Financial Statements provided in Item 8, pages 80 through 83 of this report.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table provides information about share repurchase activity by the Company during the quarter ended December 31, 2012:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
October 1—October 31, 2012	4,357	$45.05	4,357	1,946,708
November 1—November 30, 2012	236,513	42.26	236,513	1,710,195
December 1—December 31, 2012	102,094	43.35	102,094	1,608,101
Total	342,964	$42.62	342,964	

On April 24, 2012, the Company announced a plan to repurchase up to two million shares of common stock. This plan will terminate on April 23, 2013. All open market share purchases under the share repurchase plans are

intended to be within the scope of Rule 10b-18 promulgated under the Exchange Act. Rule 10b-18 provides a safe harbor for purchases in a given day if the Company satisfies the manner, timing and volume conditions of the rule when purchasing its own common shares. The Company has not made any repurchases other than through this plan.

ITEM 6. *SELECTED FINANCIAL DATA*

For a discussion of factors that may materially affect the comparability of the information below, please see Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, pages 19 through 51, of this report.

FIVE-YEAR FINANCIAL SUMMARY
(in thousands except per share data)
As of and for the years ended December 31

EARNINGS	2012	2011	2010	2009	2008
Interest income	$ 339,685	$ 343,653	$ 346,507	$ 356,217	$ 387,973
Interest expense	19,629	26,680	35,894	53,232	112,922
Net interest income	320,056	316,973	310,613	302,985	275,051
Provision for loan losses	17,500	22,200	31,510	32,100	17,850
Noninterest income	458,122	414,332	360,370	310,176	312,783
Noninterest expense	590,454	562,746	512,622	460,585	430,153
Net income	122,717	106,472	91,002	89,484	98,075
AVERAGE BALANCES					
Assets	$13,389,192	$12,417,274	$11,108,233	$10,110,655	$ 8,897,886
Loans, net of unearned interest	5,251,278	4,756,165	4,490,587	4,383,551	4,193,871
Securities	6,528,523	5,774,217	5,073,839	4,382,179	3,421,213
Interest-bearing due from banks	547,817	837,807	593,518	492,915	66,814
Deposits	10,521,658	9,593,638	8,451,966	7,584,025	6,532,270
Long-term debt	5,879	11,284	19,141	32,067	36,404
Shareholders' equity	1,258,284	1,138,625	1,066,872	1,006,591	933,055
YEAR-END BALANCES					
Assets	$14,927,196	$13,541,398	$12,404,932	$11,663,355	$10,976,596
Loans, net of unearned interest	5,690,626	4,970,558	4,598,097	4,332,228	4,410,034
Securities	7,134,316	6,277,482	5,742,104	5,003,720	4,924,407
Interest-bearing due from banks	720,500	1,164,007	848,598	1,057,195	575,309
Deposits	11,653,365	10,169,911	9,028,741	8,534,488	7,725,326
Long-term debt	5,879	6,529	8,884	25,458	35,925
Shareholders' equity	1,279,345	1,191,132	1,060,860	1,015,551	974,811
PER SHARE DATA					
Earnings—basic	$ 3.07	$ 2.66	$ 2.27	$ 2.22	$ 2.41
Earnings—diluted	3.04	2.64	2.26	2.20	2.38
Cash dividends	0.83	0.79	0.75	0.71	0.66
Dividend payout ratio	27.04%	29.70%	33.04%	31.98%	27.18%
Book value	$ 31.71	$ 29.46	$ 26.24	$ 25.11	$ 23.81
Market price					
High	52.61	45.20	44.51	49.75	69.60
Low	37.68	30.49	31.88	33.65	35.76
Close	43.82	37.25	41.44	39.35	49.14
Return on average assets	0.92%	0.86%	0.82%	0.89%	1.10%
Return on average equity	9.75	9.35	8.53	8.89	10.51
Average equity to average assets	9.40	9.17	9.60	9.96	10.49
Total risk-based capital ratio	11.92	12.20	12.45	14.18	14.09

ITEM 7. *MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following presents management's discussion and analysis of the Company's consolidated financial condition, changes in condition, and results of operations. This review highlights the major factors affecting results of operations and any significant changes in financial conditions for the three-year period ended December 31, 2012. It should be read in conjunction with the accompanying Consolidated Financial Statements and other financial statistics appearing elsewhere in the report.

SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

The information included or incorporated by reference in this report contains forward-looking statements of expected future developments within the meaning of and pursuant to the safe harbor provisions established by Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may refer to financial condition, results of operations, plans, objectives, future financial performance and business of the Company, including, without limitation:

- Statements that are not historical in nature; and
- Statements preceded by, followed by or that include the words "believes," "expects," "may," "should," "could," "anticipates," "estimates," "intends," or similar words or expressions.

Forward-looking statements are not guarantees of future performance or results. You are cautioned not to put undue reliance on any forward-looking statement which speaks only as of the date it was made. Forward-looking statements reflect management's expectations and are based on currently available data; however, they involve risks, uncertainties and assumptions. Actual results may differ materially from those contemplated by the forward-looking statements due to, among others, the following factors:

- Changes in the interest rate environment;
- General economic and political conditions, either nationally, internationally or in the Company's footprint, may be less favorable than expected;
- Legislative or regulatory changes;
- Changes in the securities markets impacting mutual fund performance and flows;
- Changes in operations;
- The ability to successfully and timely integrate acquisitions;
- Competitive pressures among financial services companies may increase significantly;
- Changes in technology may be more difficult or expensive than anticipated;
- Changes in the ability of customers to repay loans;
- Changes in loan demand may adversely affect liquidity needs;
- Changes in employee costs; and
- Results of litigation claims.

Any forward-looking statements should be read in conjunction with information about risks and uncertainties set forth in this report and in documents incorporated herein by reference. Forward-looking statements speak only as of the date they are made, and the Company does not intend to review or revise any particular forward-looking statement in light of events that occur thereafter or to reflect the occurrence of unanticipated events, except as required by federal securities laws.

Results of Operations

Overview

The Company continues to focus on the following five strategies which management believes will improve net income and strengthen the balance sheet.

The first strategy is to grow the Company's fee-based businesses. As the industry continues to experience economic uncertainty, the Company has continued to emphasize its fee-based operations. With a diverse source of revenues, this strategy has helped reduce the Company's exposure to sustained low interest rates. During 2012, noninterest income increased $43.8 million, or 10.6 percent, to $458.1 million for the year ended December 31, 2012, compared to the same period in 2011. Trust and securities processing income increased $16.7 million, or 8.0 percent, for year-to-date December 31, 2012 compared to the same period in 2011. Gains from the sale of securities available for sale of $20.2 million were recognized during 2012 compared to $16.1 million for 2011. Other noninterest income increased $14.6 million, or 109.7 percent, primarily driven by an $8.7 million adjustment decreasing the contingent consideration liabilities on acquisitions. These adjustments were due to the adoption of new accounting guidance related to fair value measurements and additional changes in cash flow projections. Fair value adjustments on interest rate swap transactions increased $2.4 million compared to 2011. Gains of $0.6 million were recognized on the sale of two branches during 2012.

The second strategy is a focus on net interest income through loan and deposit growth. During 2012, continued progress on this strategy was illustrated by an increase in net interest income of $3.1 million, or 1.0 percent, from the previous year. The Company has continued to show increased net interest income in a historically low rate environment through the effects of increased volume of average earning assets and a low cost of funds in its balance sheet. Average earning assets increased by $1.0 billion, or 8.4 percent, from 2011. Average loan balances increased $495.1 million, or 10.4 percent, for year-to-date December 31, 2012 compared to the same period in 2011. Earning asset growth was primarily funded with a $86.2 million increase in average interest-bearing deposits, or 1.4 percent, and an $84.8 million increase in average noninterest-bearing deposits, or 24.7 percent, compared to 2011 respectively. Net interest margin, on a tax-equivalent basis, decreased 19 basis points, and net interest spread decreased 18 basis points compared to 2011, respectively.

The third strategy is a focus on improving operating efficiencies. At December 31, 2012, the Company had 119 branches. The Company continues to emphasize increasing its primary retail customer base by providing a broad offering of services through our existing branch network. These efforts have resulted in the total loan and deposits growth previously discussed. The Company continues to invest in technological advances that will help management drive operating efficiencies through improved data analysis and automation. Starting in 2011, the Company has converted to a new financial and human resource software that is integrated and enterprise wide. During 2012, additional systems infrastructure enhancements have been implemented. In addition to the use of automation technology, the Company has merged the subsidiary banks into a single chartered entity. This will enhance regulatory capital and the implementation of strategic initiatives. With the related core systems conversion to be conducted in 2013, operating efficiencies are anticipated. The Company will continue to evaluate its cost structure for opportunities to moderate expense growth without sacrificing growth initiatives.

The fourth strategy is a focus on capital management. The Company places a significant emphasis on the maintenance of a strong capital position, which management believes promotes investor confidence, provides access to funding sources under favorable terms, and enhances the Company's ability to capitalize on business growth and acquisition opportunities. The Company continues to maximize shareholder value through a mix of reinvesting in organic growth, evaluating acquisition opportunities that complement the strategies, increasing dividends over time and properly utilizing a share buy-back strategy. At December 31, 2012, the Company had $1.3 billion in total shareholders' equity. This is an increase of $88.2 million, or 7.4 percent, compared to total shareholders' equity at December 31, 2011. At December 31, 2012, the Company had a total risk-based capital ratio of 11.92 percent. The Company repurchased 472,956 shares at an average price of $43.17 per share during 2012. Further, the Company paid $33.6 million in dividends during 2012, which represents a 5.2 percent increase compared to 2011.

The fifth strategy is to deliver *the* unparalleled customer experience. The Company delivers products and services through outstanding associates who are focused on a high-touch customer service model. The Company continues to hire key associates within the core segments that are focused on achieving our strategies through a high level of service. The Company's associates exhibit pride, power, and passion each day to enable the Company to retain a strong customer base and focus on growing this base to obtain the financial results noted below.

Earnings Summary

The Company recorded consolidated net income of $122.7 million for the year ended December 31, 2012. This represents a 15.3 percent increase over 2011. Net income for 2011 was $106.5 million, or an increase of 17.0 percent compared to 2010. Basic earnings per share for the year ended December 31, 2012, were $3.07 per share compared to $2.66 per share in 2011 and $2.27 per share in 2010. Basic earnings per share for 2012 increased 15.4 percent over 2011, which increased 17.2 percent over 2010. Fully diluted earnings per share for the year ended December 31, 2012, were $3.04 per share compared to $2.64 per share in 2011 and $2.26 per share in 2010.

The Company's net interest income increased to $320.1 million in 2012 compared to $317.0 million in 2011 and $310.6 million in 2010. In total, a favorable volume variance outpaced the impact from an unfavorable rate variance, resulting in a $3.1 million increase in net interest income in 2012, compared to 2011. Upon further examination, the reduced cost of funding on the volume growth of interest-bearing deposits reduced the impact from an unfavorable rate variance on earning assets, resulting in the net favorable volume variance described. See Table 1 on page 23. The favorable volume variance on earning assets was predominately driven by the increase in average loan balances of $495.1 million, or 10.4 percent, for 2012 compared to the same period in 2011. This was more than offset by an unfavorable rate variance in the same categories. However, a 12 basis points reduction in rate on a volume increase of $86.2 million on interest-bearing deposits drove the resulting increase in net interest income. While decreasing due to the current low rate environment, the Company continues to see benefit from interest-free funds. The impact of this benefit is illustrated on Table 2 on page 24. The $6.4 million increase in net interest income in 2011, compared to 2010, is primarily a result of a favorable volume variance. The favorable volume variance was driven by a 6.6 percent increase in the average balance of taxable securities, a 40.3 percent increase in tax-exempt securities, and a 5.9 percent increase in the average balance of loans and loans held for sale. This was partially offset by an unfavorable rate variance in tax-exempt securities and loans, or a 74 basis points and 34 basis points decrease in yield, respectively. The current credit environment has made it difficult to anticipate the future of the Company's margins. The magnitude and duration of this impact will be largely dependent upon the Federal Reserve's policy decisions and market movements. See Table 19 on page 46 for an illustration of the impact of a rate increase or decrease on net interest income as of December 31, 2012.

The Company had an increase of $43.8 million, or 10.6 percent, in noninterest income in 2012, compared to 2011, and a $54.0 million, or 15.0 percent, increase in 2011, compared to 2010. The increase in 2012 is primarily attributable to higher trust and securities processing income, gains on the sale of securities available for sale, and adjustments of the contingent consideration liabilities on acquisitions. Trust and securities processing income increased $16.7 million, or 8.0 percent, for the year ended December 31, 2012, compared to the same period in 2011. Gains from the sale of securities available for sale of $20.2 million were recognized during 2012 compared to $16.1 million for 2011. Other noninterest income increased $14.6 million, or 109.7 percent, primarily driven by an $8.7 million adjustment decreasing the contingent consideration liabilities on acquisitions. These adjustments were due to the adoption of new accounting guidance related to fair value measurements and additional changes in cash flow projections. The change in noninterest income in 2012 from 2011, and 2011 from 2010 is illustrated on Table 5 on page 27.

Noninterest expense increased in 2012 by $27.7 million, or 4.9 percent, compared to 2011 and increased in 2011 by $50.1 million, or 9.8 percent, compared to 2010. Salary and employee benefit expense increased by $25.1 million, or 8.5 percent, offset by a $7.8 million escrow fund established during the second quarter of 2011

to settle a class action lawsuit. Marketing and business development increased $4.5 million compared to 2011 driven by increased advertising campaigns and business development. Other noninterest expense increased $3.0 million, or 10.2 percent, primarily driven by an increase in contingent consideration liabilities on acquisitions of $3.5 million compared to 2011. The increase in noninterest expense in 2012 from 2011, and 2011 from 2010 is illustrated on Table 6 on page 28.

Net Interest Income

Net interest income is a significant source of the Company's earnings and represents the amount by which interest income on earning assets exceeds the interest expense paid on liabilities. The volume of interest earning assets and the related funding sources, the overall mix of these assets and liabilities, and the rates paid on each affect net interest income. Table 1 summarizes the change in net interest income resulting from changes in volume and rates for 2012, 2011 and 2010.

Net interest margin is calculated as net interest income on a fully tax equivalent basis (FTE) as a percentage of average earning assets. A critical component of net interest income and related net interest margin is the percentage of earning assets funded by interest-free sources. Table 2 analyzes net interest margin for the three years ended December 31, 2012, 2011 and 2010. Net interest income, average balance sheet amounts and the corresponding yields earned and rates paid for the years 2008 through 2012 are presented in a table following "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 44 and 45. Net interest income is presented on a tax-equivalent basis to adjust for the tax-exempt status of earnings from certain loans and investments, which are primarily obligations of state and local governments.

Table 1

RATE-VOLUME ANALYSIS ***(in thousands)***

This analysis attributes changes in net interest income either to changes in average balances or to changes in average rates for earning assets and interest-bearing liabilities. The change in net interest income is due jointly to both volume and rate and has been allocated to volume and rate in proportion to the relationship of the absolute dollar amount of the change in each. All rates are presented on a tax-equivalent basis and give effect to the disallowance of interest expense for federal income tax purposes, related to certain tax-free assets. The loan average balances and rates include nonaccrual loans.

Average Volume		Average Rate		2012 vs. 2011	Increase (Decrease)		
2012	2011	2012	2011		Volume	Rate	Total
				Change in interest earned on:			
$ 5,251,278	$ 4,756,165	4.14%	4.61%	Loans	$20,571	$(22,256)	$(1,685)
				Securities:			
4,612,510	4,224,456	1.76	2.01	Taxable	6,816	(10,923)	(4,107)
1,862,786	1,497,834	3.11	3.54	Tax-exempt	10,458	(7,001)	3,457
26,459	31,273	0.46	0.32	Federal funds sold and resell agreements	(22)	42	20
547,817	837,807	0.33	0.39	Interest-bearing due from banks	(947)	(548)	(1,495)
53,227	51,927	2.34	2.64	Other	25	(183)	(158)
12,354,077	11,399,462	2.91	3.18	Total	36,901	(40,869)	(3,968)
				Change in interest incurred on:			
6,265,040	6,178,795	0.28	0.40	Interest-bearing deposits	240	(7,452)	(7,212)
1,410,478	1,471,011	0.13	0.12	Federal funds purchased and repurchase agreements	(81)	253	172
11,514	36,580	2.86	0.93	Other	(716)	704	(12)
$ 7,687,032	$ 7,686,386	0.26%	0.35%	Total	(557)	(6,495)	(7,052)
				Net interest income	$37,458	$(34,374)	$ 3,084

Average Volume		Average Rate		2011 vs. 2010	Increase (Decrease)		
2011	2010	2011	2010		Volume	Rate	Total
				Change in interest earned on:			
$ 4,756,165	$ 4,490,587	4.61%	4.95%	Loans	$12,228	$(14,949)	$ (2,721)
				Securities:			
4,224,456	3,964,661	2.01	2.28	Taxable	5,235	(10,524)	(5,289)
1,497,834	1,067,689	3.54	4.28	Tax-exempt	13,908	(8,638)	5,270
31,273	44,383	0.32	0.36	Federal funds sold and resell agreements	(42)	(16)	(58)
837,807	593,518	0.39	0.66	Interest-bearing due from banks	958	(1,588)	(630)
51,927	41,489	2.64	1.91	Other	274	300	574
11,399,462	10,202,327	3.18	3.56	Total	32,561	(35,415)	(2,854)
				Change in interest incurred on:			
6,178,795	5,656,508	0.40	0.59	Interest-bearing deposits	2,082	(10,901)	(8,819)
1,471,011	1,409,349	0.12	0.14	Federal funds purchased and repurchase agreements	72	(377)	(305)
36,580	42,313	0.93	1.02	Other	(53)	(36)	(89)
$ 7,686,386	$ 7,108,170	0.35%	0.50%	Total	2,101	(11,314)	(9,213)
				Net interest income	$30,460	$(24,101)	$ 6,359

Table 2

ANALYSIS OF NET INTEREST MARGIN ***(in thousands)***

	2012	2011	2010
Average earning assets	$12,354,077	$11,399,462	$10,202,327
Interest-bearing liabilities	7,687,032	7,686,386	7,108,170
Interest-free funds	$ 4,667,045	$ 3,713,076	$ 3,094,157
Free funds ratio (free funds to earning assets)	37.78%	32.57%	30.33%
Tax-equivalent yield on earning assets	2.91%	3.18%	3.56%
Cost of interest-bearing liabilities	0.26	0.35	0.50
Net interest spread	2.65%	2.83%	3.06%
Benefit of interest-free funds	0.10	0.11	0.15
Net interest margin	2.75%	2.94%	3.21%

The Company experienced an increase in net interest income of $3.1 million, or 1.0 percent, for the year 2012, compared to 2011. This follows an increase of $6.4 million, or 2.1 percent, for the year 2011, compared to 2010. As illustrated in Table 1, the 2011 increase is due to a favorable volume variance. The most significant portion of this favorable volume variance is associated with higher loan balances in 2012 and the higher security balances in 2011, respectively. In 2012, the favorable volume variances for earning assets were outpaced by the rate variances. However, the Company reduced the average cost of interest-bearing liabilities by 12 basis points during 2012 and 19 basis points in 2011, resulting in the positive increase in net interest income.

The decrease in the cost of funds has led to a declining beneficial impact from interest-free funds. However, the Company still maintains a significant portion of its deposit funding with noninterest-bearing demand deposits. Noninterest-bearing demand deposits represented 42.2 percent, 38.8 percent and 32.0 percent of total outstanding deposits at December 31, 2012, 2011 and 2010, respectively. As illustrated in Table 2, the impact from these interest-free funds was 10 basis points in 2012, compared to 11 basis points in 2011 and 15 basis points in 2010.

The Company has experienced a repricing of its earning assets and interest-bearing liabilities during the 2012 interest rate cycle. The average rate on earning assets during 2012 has decreased by 27 basis points, while the average rate on interest-bearing liabilities decreased by 9 basis points, resulting in a 18 basis point decline in spread. The volume of loans has increased from an average of $4.8 billion in 2011 to an average of $5.3 billion in 2012. Loan-related earning assets tend to generate a higher spread than those earned in the Company's investment portfolio. By design, the Company's investment portfolio is relatively short in duration and liquid in its composition of assets. If the Federal Reserve's Open Market Committee maintains rates at current levels, the Company anticipates a negative impact to interest income as a result. The magnitude of this impact will be largely dependent upon the Federal Reserve's policy decisions, market movements and the duration of this rate environment.

During 2013, approximately $1.5 billion of securities are expected to have principal repayments and be reinvested. This includes approximately $421 million which will have principal repayments during the first quarter of 2013. The total investment portfolio had an average life of 40.0 months and 32.8 months as of December 31, 2012 and 2011, respectively. It should be noted that the Company also had a portfolio of short-term investments as of the end of both 2012 and 2011. At December 31, 2012, the amount of such investments was approximately $215 million, and without these investments, the average life of the investment portfolio would have been 41.2 months. At December 31, 2011, the amount of such short-term investments was approximately $157 million, and without these short-term investments, the average life of the investment portfolio would have been 33.6 months.

Provision and Allowance for Loan Losses

The allowance for loan losses (ALL) represents management's judgment of the losses inherent in the Company's loan portfolio as of the balance sheet date. An analysis is performed quarterly to determine the appropriate balance of the ALL. This analysis considers items such as historical loss trends, a review of individual loans, migration analysis, current economic conditions, loan growth and characteristics, industry or segment concentration and other factors. After the balance sheet analysis is performed for the ALL, the provision for loan losses is computed as the amount required to adjust the ALL to the appropriate level.

Table 3 presents the components of the allowance by loan portfolio segment. The Company manages the ALL against the risk in the entire loan portfolio and therefore, the allocation of the ALL to a particular loan segment may change in the future. Management of the Company believes the present ALL is adequate considering the Company's loss experience, delinquency trends and current economic conditions. Future economic conditions and borrowers' ability to meet their obligations, however, are uncertainties which could affect the Company's ALL and/or need to change its current level of provision. For more information on loan portfolio segments and ALL methodology refer to Note 3 to the Consolidated Financial Statements.

Table 3

ALLOCATION OF ALLOWANCE FOR LOAN LOSSES *(in thousands)*

This table presents an allocation of the allowance for loan losses by loan portfolio segment. The breakdown is based on a number of qualitative factors; therefore, the amounts presented are not necessarily indicative of actual future charge-offs in any particular category.

	December 31				
Loan Category	**2012**	**2011**	**2010**	**2009**	**2008**
Commercial	$43,390	$37,927	$39,138	$40,420	$31,617
Real estate	15,506	20,486	18,557	13,321	9,737
Consumer	12,470	13,593	16,243	10,128	10,893
Leases	60	11	14	270	50
Total allowance	$71,426	$72,017	$73,952	$64,139	$52,297

Table 4 presents a five-year summary of the Company's ALL. Also, please see "Quantitative and Qualitative Disclosures About Market Risk—Credit Risk" on pages 48 and 49 in this report for information relating to nonaccrual, past due, restructured loans, and other credit risk matters. For more information on loan portfolio segments and ALL methodology refer to Note 3 of the Consolidated Financial Statements.

As illustrated in Table 4 below, the ALL decreased as a percentage of total loans to 1.26 percent as of December 31, 2012, compared to 1.45 percent as of December 31, 2011. Based on the factors above, management of the Company had a reduction of expense of $4.7 million, or 21.2 percent, related to the provision for loan losses in 2012, compared to 2011. This decrease is primarily attributable to improvements in the credit characteristics of the loan portfolio. This compares to a $9.3 million, or 29.6 percent, decrease in the provision for loan losses in 2011, compared to 2010.

Table 4

ANALYSIS OF ALLOWANCE FOR LOAN LOSSES ***(in thousands)***

	2012	2011	2010	2009	2008
Allowance-beginning of year	$ 72,017	$ 73,952	$ 64,139	$ 52,297	$ 45,986
Provision for loan losses	17,500	22,200	31,510	32,100	17,850
Allowance of banks and loans acquired	—	—	—	—	216
Charge-offs:					
Commercial	(8,446)	(12,693)	(6,644)	(5,532)	(4,281)
Consumer					
Credit card	(11,148)	(13,493)	(15,606)	(13,625)	(8,092)
Other	(1,530)	(1,945)	(2,979)	(4,911)	(4,147)
Real estate	(932)	(532)	(258)	(881)	(61)
Total charge-offs	(22,056)	(28,663)	(25,487)	(24,949)	(16,581)
Recoveries:					
Commercial	1,136	813	637	1,419	1,338
Consumer					
Credit card	1,766	2,366	1,327	1,334	1,253
Other	1,035	1,317	1,797	1,936	2,220
Real estate	28	32	29	2	15
Total recoveries	3,965	4,528	3,790	4,691	4,826
Net charge-offs	(18,091)	(24,135)	(21,697)	(20,258)	(11,755)
Allowance-end of year	$ 71,426	$ 72,017	$ 73,952	$ 64,139	$ 52,297
Average loans, net of unearned interest	$5,243,264	$4,748,909	$4,478,377	$4,356,187	$4,175,658
Loans at end of year, net of unearned interest	5,686,749	4,960,343	4,583,683	4,314,705	4,388,148
Allowance to loans at year-end	1.26%	1.45%	1.61%	1.49%	1.19%
Allowance as a multiple of net charge-offs	3.95x	2.98x	3.41x	3.17x	4.45x
Net charge-offs to:					
Provision for loan losses	103.38%	108.71%	68.86%	63.11%	65.86%
Average loans	0.35	0.51	0.48	0.47	0.28

Noninterest Income

A key objective of the Company is the growth of noninterest income to enhance profitability and provide steady income, as fee-based services are typically non-credit related and are not generally affected by fluctuations in interest rates. Noninterest income increased $43.8 million, or 10.6 percent, to $458.1 million for the year ended December 31, 2012, compared to the same period in 2011. The increase in 2012 is primarily attributable to higher trust and securities processing income, gains on the sale of securities available for sale, and adjustments of the contingent consideration liabilities on acquisitions. The increase in 2011 is primarily attributed to higher trust and securities processing income and higher bankcard fees.

The Company's fee-based services provide the opportunity to offer multiple products and services to customers which management believes will more closely align the customer's product demand with the Company. The Company's ongoing focus is to continue to develop and offer multiple products and services to its customers. The Company is currently emphasizing fee-based services including trust and securities processing, bankcard, securities trading/brokerage and cash/treasury management. Management believes that it can offer these products and services both efficiently and profitably, as most have common platforms and support structures.

Table 5

SUMMARY OF NONINTEREST INCOME ***(in thousands)***

	Year Ended December 31						
				Dollar Change		Percent Change	
	2012	2011	2010	12-11	11-10	12-11	11-10
Trust and securities processing	$225,094	$208,392	$160,356	$16,702	$48,036	8.0%	30.0%
Trading and investment banking	30,359	27,720	29,211	2,639	(1,491)	9.5	(5.1)
Service charges on deposit accounts	78,694	74,659	77,617	4,035	(2,958)	5.4	(3.8)
Insurance fees and commissions	4,095	4,375	5,565	(280)	(1,190)	(6.4)	(21.4)
Brokerage fees	11,105	9,950	6,345	1,155	3,605	11.6	56.8
Bankcard fees	60,567	59,767	54,804	800	4,963	1.3	9.1
Gains on sales of securities available for sale, net	20,232	16,125	8,315	4,107	7,810	25.5	93.9
Other	27,976	13,344	18,157	14,632	(4,813)	>100.0	(26.5)
Total noninterest income	$458,122	$414,332	$360,370	$43,790	$53,962	10.6%	15.0%

Noninterest income and the year-over-year changes in noninterest income are summarized in Table 5 above. The dollar change and percent change columns highlight the respective net increase or decrease in the categories of noninterest income in 2012 compared to 2011, and in 2011 compared to 2010.

Trust and securities processing income consists of fees earned on personal and corporate trust accounts, custody of securities services, trust investments and money management services, and mutual fund assets servicing. This income category increased by $16.7 million, or 8.0 percent in 2012, compared to 2011, and increased by $48.0 million, or 30.0 percent in 2011, compared to 2010. The Company increased fund administration and custody services fee income by $4.6 million and $6.8 million in 2012 and 2011, respectively. Advisory fee income from the Scout Funds increased $9.0 million in 2012 compared to 2011 and $14.4 million in 2011 compared to 2010. Fee income from institutional and personal investment management services increased $3.4 million in 2012 and $23.2 million in 2011. Management continues to emphasize sales of services to both new and existing clients as well as increasing and improving the distribution channels.

Gains on sales of securities available for sale increased $4.1 million in 2012 compared to 2011 and increased by $7.8 million in 2011 compared to 2010.

Other noninterest income increased in 2012 by $14.6 million, or 109.7 percent, primarily driven by $8.7 million in adjustments decreasing the contingent consideration liabilities on acquisitions. These adjustments were due to the adoption of new accounting guidance related to fair value measurements and additional changes in cash flow projections.

Noninterest Expense

Noninterest expense increased in both 2012 and 2011 compared to the respective prior years. Noninterest expense increased in 2012 by $27.7 million, or 4.9 percent, compared to 2011 and increased in 2011 by $50.1 million, or 9.8 percent, compared to 2010. The main drivers of this increase in 2012 were salaries and employee benefits expense, marketing and business development, a legal settlement, and increases in the contingent consideration liability on acquisitions. Table 6 below summarizes the components of noninterest expense and the respective year-over-year changes for each category.

Table 6

SUMMARY OF NONINTEREST EXPENSE ***(in thousands)***

	Year Ended December 31						
				Dollar Change		Percent Change	
	2012	2011	2010	12-11	11-10	12-11	11-10
Salaries and employee benefits	$319,852	$294,756	$267,213	$25,096	$27,543	8.5%	10.3%
Occupancy, net	37,927	38,406	36,251	(479)	2,155	(1.2)	5.9
Equipment	43,465	42,728	44,934	737	(2,206)	1.7	(4.9)
Supplies and services	21,045	22,166	18,841	(1,121)	3,325	(5.1)	17.6
Marketing and business development	24,604	20,150	18,348	4,454	1,802	22.1	9.8
Processing fees	51,191	49,985	45,502	1,206	4,483	2.4	9.9
Legal and consulting	17,980	15,601	14,046	2,379	1,555	15.2	11.1
Bankcard	18,154	15,600	16,714	2,554	(1,114)	16.4	(6.7)
Amortization of other intangible assets	14,775	16,100	11,142	(1,325)	4,958	(8.2)	44.5
Regulatory fees	9,447	10,395	13,448	(948)	(3,053)	(9.1)	(22.7)
Class action litigation settlement	—	7,800	—	(7,800)	7,800	>100.0	>100.0
Other	32,014	29,059	26,183	2,955	2,876	10.2	11.0
Total noninterest expense	$590,454	$562,746	$512,622	$27,708	$50,124	4.9%	9.8%

Salaries and employee benefits expense increased $25.1 million, or 8.5 percent, and $27.5 million, or 10.3 percent, in 2012 and 2011, respectively. The increase in both 2012 and 2011 is primarily due to higher employee base salaries, higher commissions and bonuses and higher cost of benefits. Base salaries increased by $15.1 million, or 8.2 percent, in 2012, compared to the same period in 2011. Commissions and bonuses increased by $2.5 million, or 4.1 percent, in 2012, compared to the same period in 2011. Employee benefits increased by $7.4 million, or 15.8 percent, in 2012, compared to the same period in 2011.

Marketing and business development increased $4.5 million, or 22.1 percent, in 2012. This increase is driven by increased advertising campaigns and business development.

During the second quarter of 2011, the Company and its subsidiaries, UMB Bank, n.a., UMB Bank Colorado, n.a., UMB Bank Arizona, n.a., and UMB National Bank of America entered into an agreement to settle a class action lawsuit. While admitting no wrongdoing, in order to fully and finally resolve the litigation and avoid any further expense and distraction caused by the litigation, the Company established a $7.8 million escrow fund in accordance with this agreement.

Other noninterest expense increased $3.0 million, or 10.2 percent, primarily driven by an increase in contingent consideration liabilities on acquisitions of $3.5 million compared to 2011.

Income Taxes

Income tax expense totaled $47.5 million, $39.9 million, and $35.8 million in 2012, 2011 and 2010, respectively. These amounts equate to effective rates of 27.9 percent, 27.3 percent, and 28.3 percent for 2012, 2011 and 2010, respectively. The decrease in the effective tax rate from 2010 to 2011 is primarily attributable to an increase in the valuation allowance recorded during 2010. The increase in the effective tax rate from 2011 to 2012 results from changes in the portion of income earned from tax-exempt municipal securities and an increase in the state marginal tax rate.

For further information on income taxes refer to Note 16 of the Notes to Consolidated Financial Statements.

Business Segments

The Company has strategically aligned its operations into the following four reportable segments (collectively, "Business Segments"): Bank, Payment Solutions, Institutional Investment Management, and Asset Servicing. Business segment financial results produced by the Company's internal management accounting system are evaluated regularly by the Executive Committee in deciding how to allocate resources and assess performance for individual Business Segments. The Business Segments were redefined during the first quarter of 2012 to reflect the Executive Committee's changes in executive management responsibilities for each of the core businesses, the products and services provided and the types of customers served, and how financial information is currently evaluated by management. The management accounting system assigns balance sheet and income statement items to each business segment using methodologies that are refined on an ongoing basis. In 2011, the Business Segments were Commercial Financial Services, Institutional Financial Services, and Personal Financial Services. For comparability purposes, amounts in all periods presented are based on methodologies in effect at December 31, 2012. Previously reported results have been reclassified to conform to the current organizational structure.

Table 7

Bank Operating Results

	Year Ended December 31,		Dollar Change	Percent Change
	2012	2011	12-11	12-11
Net interest income	$275,178	$273,481	$ 1,697	0.62%
Provision for loan losses	8,098	11,060	(2,962)	(26.78)
Noninterest income	216,688	205,877	10,811	5.25
Noninterest expense	383,034	378,065	4,969	1.31
Income before taxes	100,734	90,233	10,501	11.64
Income tax expense	26,533	23,085	3,448	14.94
Net income	$ 74,201	$ 67,148	$ 7,053	10.50%

Bank's net income increased by $7.1 million, or 10.5 percent, to $74.2 million compared to the same period for the prior year. This increase was driven by increased noninterest income, increased net interest income, a decrease in provision for loan losses offset by a slight increase in noninterest expense. Noninterest income increased $10.8 million, or 5.3 percent, over the same period in 2011. The noninterest income growth compared to 2011 was driven by increased securities gains of $4.1 million, increased bond trading income of $2.6 million and increased miscellaneous income of $8.6 million. The increase in miscellaneous income was attributable to a $3.0 million increase related to an adjustment in contingent consideration liabilities on acquisitions due to new accounting guidance, a $2.4 million increase in fair value adjustments on interest rate swap transactions and $0.6 million in gains on the sale of two branches during 2012. These increases were offset by a decrease in card services income of $6.7 million primarily driven by the impact of the Durbin amendment on interchange income. Provision decreased by $3.0 million, or 26.8 percent, due to improvements in the credit characteristics of the loan portfolio in this segment. Noninterest expense increased $5.0 million, or 1.3 percent, to $383.0 million as compared to 2011. The growth in noninterest expense is attributable to an increase in marketing expense of $2.5 million and a $10.4 million increase in support services. These increases are offset by the $7.8 million overdraft class action lawsuit settlement recorded in 2011.

Table 8

Payment Solutions Operating Results

	Year Ended December 31,		Dollar Change	Percent Change
	2012	2011	12-11	12-11
Net interest income	$43,351	$42,101	$ 1,250	2.97%
Provision for loan losses	9,402	11,140	(1,738)	(15.60)
Noninterest income	65,723	54,702	11,021	20.15
Noninterest expense	68,903	56,367	12,536	22.24
Income before taxes	30,769	29,296	1,473	5.03
Income tax expense	9,430	9,002	428	4.75
Net income	$21,339	$20,294	$ 1,045	5.15%

Payments Solutions net income increased $1.0 million, or 5.2 percent, to $21.3 million from the prior year. Net interest margin increased by $1.3 million, or 3.0 percent, due to growth in earning assets, but offset by a reduction in funds transfer pricing credit on deposits. Provision expense decreased by $1.7 million, or 15.6 percent, due to lower charge offs and enhanced credit quality in the card portfolio. Noninterest income increased $11.0 million, or 20.2 percent, driven by a $7.5 million increase in cards services income due to increased sales volume for commercial card, retail credit card, and healthcare services. There was also an additional $3.4 million increase in deposit service charge income from institutional cash management and healthcare services customers driven from new business growth as well as an acquisition of customers. Noninterest expense increased by $12.5 million, or 22.2 percent, primarily from increased staffing, advertising, consulting and legal fees, and in bankcard processing fees associated with the increase in sales volume. Salaries and benefits expense increased $3.8 million, bankcard processing fees increased $2.4 million, advertising expense increased $2.0 million, legal and consulting increased $0.7 million, and support services increased $2.9 million compared to 2011.

Table 9

Institutional Investment Management Operating Results

	Year Ended December 31,		Dollar Change	Percent Change
	2012	2011	12-11	12-11
Net interest income	$ 2	$ 45	$ (43)	(95.56)%
Provision for loan losses	—	—	—	—
Noninterest income	100,093	83,955	16,138	19.22
Noninterest expense	70,527	64,050	6,477	10.11
Income before taxes	29,568	19,950	9,618	48.21
Income tax expense	8,269	5,534	2,735	49.42
Net income	$ 21,299	$14,416	$ 6,883	47.75%

Institutional Investment Management net income increased $6.9 million, or 47.8 percent, to $21.3 million for the 2012 compared to the prior year. This increase is due to a large increase in noninterest income offset by an increase in noninterest expense. Noninterest income increased $16.1 million, or 19.2 percent, to $100.1 million primarily due to an $11.2 million increase in advisory fees due to increased asset values year-to-date compared to the prior year and the addition of a new administrative fee added in early 2012. Another driver was a $4.3 million adjustment decreasing the contingent consideration liabilities on acquisitions in this segment related to new accounting guidance to fair value measurements. Noninterest expense increased $6.5 million, or 10.1 percent, to $70.5 million compared to a year ago. This increase was due to a $1.1 million increase in salaries

and benefits, a $0.9 million increase in third party distribution expense and a $3.1 million increase in contingent consideration liabilities on acquisitions related to cash flow estimate changes on acquisitions compared to last year.

Table 10

Asset Servicing Operating Results

	Year Ended December 31,		Dollar Change	Percent Change
	2012	2011	12-11	12-11
Net interest income	$ 1,525	$ 1,346	$ 179	13.30%
Provision for loan losses	—	—	—	—
Noninterest income	75,618	69,798	5,820	8.34
Noninterest expense	67,990	64,264	3,726	5.80
Income before taxes	9,153	6,880	2,273	33.04
Income tax expense	3,275	2,266	1,009	44.53
Net income	$ 5,878	$ 4,614	$1,264	27.39%

Asset Servicing net income increased $1.3 million, or 27.4 percent, to $5.9 million compared to the prior year. Noninterest income increased $5.8 million, or 8.3 percent, driven primarily by new business added in transfer agent, alternative investment, and fund administration services. Net interest margin increased by $0.2 million, or 13.3 percent, due to an increase in deposits in the last quarter, offset by an overall decrease in deposit funds transfer credit. Noninterest expense increased $3.7 million, or 5.8 percent, due primarily to staffing added to support new business, increasing salary and benefit expense by $4.7 million, or 17.7 percent, compared to 2011. This increase was offset by a decrease in processing fees of $0.9 million and amortization expense of intangibles of $0.5 million compared to last year.

Balance Sheet Analysis

Loans and Loans Held For Sale

Loans represent the Company's largest source of interest income. Loan balances held for investment increased by $726.4 million, or 14.6 percent, in 2012. Commercial loans had the most significant growth in outstanding balances in 2012, compared to 2011. Commercial real estate and home equity loans had smaller increases compared to 2011. These increases were offset by small decreases in consumer loans and construction real estate.

Table 11

ANALYSIS OF LOANS BY TYPE ***(in thousands)***

	December 31				
	2012	2011	2010	2009	2008
Commercial	$2,873,694	$2,234,817	$1,937,052	$1,963,533	$2,128,512
Commercial—credit card	104,320	95,339	84,544	65,273	59,196
Real estate—construction	78,486	84,590	128,520	106,914	89,960
Real estate—commercial	1,435,811	1,394,555	1,294,897	1,141,447	1,030,227
Leases	19,084	3,834	7,055	7,510	9,895
Total business-related	4,511,395	3,813,135	3,452,068	3,284,677	3,317,790
Real estate—residential	212,363	185,886	193,157	218,081	181,935
Real estate—HELOC	573,923	533,032	476,057	435,814	377,740
Consumer—credit card	334,518	333,646	322,208	231,254	194,958
Consumer—other	54,550	94,644	140,193	144,879	315,725
Total consumer-related	1,175,354	1,147,208	1,131,615	1,030,028	1,070,358
Loans before allowance and loans held for sale	5,686,749	4,960,343	4,583,683	4,314,705	4,388,148
Allowance for loan losses	(71,426)	(72,017)	(73,952)	(64,139)	(52,297)
Net loans before loans held for sale	5,615,323	4,888,326	4,509,731	4,250,566	4,335,851
Loans held for sale	3,877	10,215	14,414	17,523	21,886
Net loans and loans held for sale	$5,619,200	$4,898,541	$4,524,145	$4,268,089	$4,357,737
As a % of total loans and loans held for sale					
Commercial	50.49%	44.96%	42.13%	45.32%	48.27%
Commercial—credit card	1.83	1.92	1.84	1.51	1.34
Real estate—construction	1.38	1.70	2.80	2.47	2.04
Real estate—commercial	25.23	28.06	28.16	26.35	23.36
Leases	0.34	0.08	0.15	0.17	0.22
Total business-related	79.27	76.72	75.08	75.82	75.23
Real estate—residential	3.73	3.74	4.20	5.03	4.13
Real estate—HELOC	10.09	10.72	10.35	10.06	8.57
Consumer—credit card	5.88	6.71	7.01	5.34	4.42
Consumer—other	0.96	1.90	3.05	3.35	7.15
Total consumer-related	20.66	23.07	24.61	23.78	24.27
Loans held for sale	0.07	0.21	0.31	0.40	0.50
Total loans and loans held for sale	100.0%	100.0%	100.0%	100.0%	100.0%

Included in Table 11 is a five-year breakdown of loans by type. Business-related loans continue to represent the largest segment of the Company's loan portfolio, comprising approximately 79.3 percent and 76.7 percent of total loans and loans held for sale at the end of 2012 and 2011, respectively.

Commercial loans represent the largest percent of total loans. Commercial loans have increased $638.9 million, or 28.6 percent, compared to 2011. Commercial loans have also increased to 50.5 percent of total loans compared to 45.0 percent in 2011. The Company has also increased its capacity to lend through increased commitments over 2011. Commercial line utilization has remained lower compared to prior years due to the current economic conditions.

As a percentage of total loans, commercial real estate and real estate construction loans now comprise 26.6 percent of total loans, compared to 29.8 percent at the end of 2011. Commercial real estate increased

41.3 million, or 3.0 percent, compared to 2011. This increase was offset by a $6.1 million, or 7.2 percent, decrease in construction real estate. Generally, these loans are made for working capital or expansion purposes and are primarily secured by real estate with a maximum loan-to-value of 80 percent. Most of these properties are owner-occupied and/or have other collateral or guarantees as security.

Bankcard loans including both commercial and consumer categories have increased $9.9 million, or 2.3 percent in 2012, compared to 2011. The increase in bankcard loans is due primarily to continued promotional activity and rewards programs associated with the various card products.

Other consumer loans continued to decrease in total amount outstanding and as a percentage of loans. These loans decreased $40.1 million, or 42.4 percent, compared to 2011 and decreased to 1.0 percent of total loans in 2012 compared to 1.9 percent in 2011. This decrease was driven by a reduction in auto loans with reduced demand for other consumer credit as well.

Real estate home equity loans (HELOC) have increased $40.9 million, or 7.7 percent, compared to 2011, but decreased slightly to 10.1 percent of total loans compared to 2011. The HELOC growth was a result of the success of multiple promotions, as well as market penetration within the Company's current customer base through its current distribution channels.

Nonaccrual, past due and restructured loans are discussed under "Credit Risk" within the Quantitative and Qualitative Disclosure about Market Risk in Item 7A on pages 48 and 49 of this report.

Investment Securities

The Company's security portfolio provides liquidity as a result of the composition and average life of the underlying securities. This liquidity can be used to fund loan growth or to offset the outflow of traditional funding sources. In addition to providing a potential source of liquidity, the security portfolio can be used as a tool to manage interest rate sensitivity. The Company's goal in the management of its securities portfolio is to maximize return within the Company's parameters of liquidity goals, interest rate risk and credit risk. The Company maintains high liquidity levels while investing in only high-grade securities. The security portfolio generates the Company's second largest component of interest income.

Securities available for sale and securities held to maturity comprised 52.0 percent and 50.0 percent of earning assets as of December 31, 2012 and 2011, respectively. Total investment securities totaled $7.1 billion at December 31, 2012, compared to $6.3 billion at year-end 2011. Management expects deposit balance changes, loan demand, and collateral pledging requirements for public funds to be the primary factors impacting changes in the level of security holdings.

Securities available for sale comprised 97.2 percent of the Company's investment securities portfolio at December 31, 2012, compared to 97.3 percent at year-end 2011. Securities available for sale had a net unrealized gain of $134.8 million at year-end, compared to a net unrealized gain of $128.0 million the preceding year. These amounts are reflected, on an after-tax basis, in the Company's other comprehensive income in shareholders' equity, as an unrealized gain of $85.6 million at year-end 2012, compared to an unrealized gain of $81.1 million for 2011.

The securities portfolio achieved an average yield on a tax-equivalent basis of 2.1 percent for 2012, compared to 2.4 percent in 2011, and 2.7 percent in 2010. The decrease in yield is due to the replacement of higher yielding securities with lower yielding securities as the investment portfolio is reinvested. The average life of the securities portfolio was 40.0 months at December 31, 2012, compared to 32.8 months at year-end 2011. The increase in average life from December 31, 2012 and December 31, 2011 was related to a strategy of buying longer-term investments in order to increase the average life of the portfolio.

Included in Tables 12 and 13 are analyses of the cost, fair value and average yield (tax-equivalent basis) of securities available for sale and securities held to maturity.

The securities portfolio contains securities that have unrealized losses and are not deemed to be other-than-temporarily impaired (see the table of these securities in Note 4 to the Consolidated Financial Statements on page 72 of this document). The unrealized losses in the Company's investments in direct obligations of U.S. treasury obligations, U.S. government agencies, federal agency mortgage-backed securities, municipal securities, and Corporates were caused by changes in interest rates. Because the Company does not have the intent to sell these securities, it is more likely than not that the Company will not be required to sell these securities before a recovery of fair value. The Company expects to recover its cost basis in the securities and does not consider these investments to be other-than-temporarily impaired at December 31, 2012.

Table 12

SECURITIES AVAILABLE FOR SALE ***(in thousands)***

December 31, 2012	Amortized Cost	Fair Value
U.S. Treasury	$ 116,856	$ 117,851
U.S. Agencies	1,019,640	1,026,115
Mortgage-backed	3,480,006	3,556,193
State and political subdivisions	1,842,715	1,892,684
Corporates	337,706	338,887
Commercial Paper	5,733	5,733
Total	$6,802,656	$6,937,463

December 31, 2011	Amortized Cost	Fair Value
U.S. Treasury	$ 184,523	$ 189,325
U.S. Agencies	1,615,637	1,632,009
Mortgage-backed	2,437,282	2,492,348
State and political subdivisions	1,642,844	1,694,036
Corporates	99,620	100,164
Commercial Paper	—	—
Total	$5,979,906	$6,107,882

	U.S. Treasury Securities		U.S. Agency Securities	
December 31, 2012	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield
Due in one year or less	$ 2,005	0.98%	$ 252,983	1.03%
Due after 1 year through 5 years	96,026	0.89	773,132	0.87
Due after 5 years through 10 years	19,820	1.67	—	—
Due after 10 years	—	—	—	—
Total	$117,851	1.02%	$1,026,115	0.91%

	Mortgage-backed Securities		State and Political Subdivisions	
December 31, 2012	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield
Due in one year or less	$ 56,799	3.04%	$ 217,581	2.96%
Due after 1 year through 5 years	3,325,225	2.11	826,808	2.84
Due after 5 years through 10 years	171,013	1.89	692,953	3.23
Due after 10 years	3,156	3.34	155,342	3.25
Total	$3,556,193	2.11%	$1,892,684	3.03%

December 31, 2012	Corporates		Commercial Paper		
	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield	Total Fair Value
Due in one year or less	$ 37,723	1.06%	$5,733	0.40%	$ 572,824
Due after 1 year through 5 years	301,164	1.09	—	—	5,322,355
Due after 5 years through 10 years	—	—	—	—	883,786
Due after 10 years	—	—	—	—	158,498
Total	$338,887	1.09%	$5,733	0.40%	$6,937,463

December 31, 2011	U.S. Treasury Securities		U.S. Agency Securities	
	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield
Due in one year or less	$ —	— %	$ 525,045	1.41%
Due after 1 year through 5 years	184,265	1.32	1,106,964	1.17
Due after 5 years through 10 years	5,060	1.98	—	—
Due after 10 years	—	—	—	—
Total	$189,325	1.34%	$1,632,009	1.25%

December 31, 2011	Mortgage-backed Securities		State and Political Subdivisions	
	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield
Due in one year or less	$ 66,084	4.62%	$ 271,922	3.17%
Due after 1 year through 5 years	2,140,763	2.55	815,473	3.12
Due after 5 years through 10 years	267,696	2.78	515,414	3.75
Due after 10 years	17,805	4.12	91,227	3.61
Total	$2,492,348	2.65%	$1,694,036	3.34%

December 31, 2011	Corporates		Commercial Paper		
	Fair Value	Weighted Average Yield	Fair Value	Weighted Average Yield	Total Fair Value
Due in one year or less	$ —	— %	$—	— %	$ 863,051
Due after 1 year through 5 years	100,164	1.34	—	—	4,347,629
Due after 5 years through 10 years	—	—	—	—	788,170
Due after 10 years	—	—	—	—	109,032
Total	$100,164	1.51%	$—	— %	$6,107,882

Table 13

SECURITIES HELD TO MATURITY ***(in thousands)***

December 31, 2012	Amortized Cost	Fair Value	Weighted Average Yield/Average Maturity
Due in one year or less	$ 1,751	$ 1,976	4.81%
Due after 1 year through 5 years	31,802	35,887	3.06%
Due after 5 years through 10 years	28,084	31,691	3.21%
Due over 10 years	53,119	59,941	3.14%
Total	$114,756	$129,495	10 yr. 8 mo.
December 31, 2011			
Due in one year or less	$ 256	$ 293	1.55%
Due after 1 year through 5 years	30,154	34,560	3.28%
Due after 5 years through 10 years	17,562	20,128	4.38%
Due over 10 years	41,274	47,306	3.46%
Total	$ 89,246	$102,287	11 yr. 0 mo.

Other Earning Assets

Federal funds transactions essentially are overnight loans between financial institutions, which allow for either the daily investment of excess funds or the daily borrowing of another institution's funds in order to meet short-term liquidity needs. The net sold position was $32.7 million at December 31, 2012, and $13.1 million at December 31, 2011.

The Bank buys and sells federal funds as agent for non-affiliated banks. Because the transactions are pursuant to agency arrangements, these transactions do not appear on the balance sheet and averaged $348.6 million in 2012 and $408.9 million in 2011.

At December 31, 2012, the Company held securities bought under agreements to resell of $57.2 million compared to $53.0 million at year end 2011. The Company used these instruments as short-term secured investments, in lieu of selling federal funds, or to acquire securities required for collateral purposes. These investments averaged $22.0 million in 2012 and $27.5 million in 2011.

The Company also maintains an active securities trading inventory. The average holdings in the securities trading inventory in 2012 were $53.2 million, compared to $51.9 million in 2011, and were recorded at market value. As discussed in the "Quantitative and Qualitative Disclosures About Market Risk—Trading Account" in Part II, Item 7A on page 48, the Company offsets the trading account securities by the sale of exchange-traded financial futures contracts, with both the trading account and futures contracts marked to market daily.

Interest-bearing due from banks totaled $720.5 million as of December 31, 2012 compared to $1.16 billion as of December 31, 2011 and includes amounts due from the Federal Reserve Bank and from certificates of deposits held at other financial institutions. The amount due from the Federal Reserve Bank totaled $698.6 million and $1,013.1 million at December 31, 2012 and 2011, respectively. The amounts due from certificates of deposit totaled $21.9 million and $151.0 million at December 31, 2012 and 2011, respectively.

Deposits and Borrowed Funds

Deposits represent the Company's primary funding source for its asset base. In addition to the core deposits garnered by the Company's retail branch structure, the Company continues to focus on its cash management

services, as well as its asset management and mutual fund servicing segments in order to attract and retain additional core deposits. Deposits totaled $11.7 billion at December 31, 2012, and $10.2 billion at year end 2011. Deposits averaged $10.5 billion in 2012 and $9.6 billion in 2011. The Company continually strives to expand, improve and promote its cash management services in order to attract and retain commercial funding customers.

Noninterest–bearing demand deposits averaged $4.3 billion in 2012 and $3.4 billion in 2011. These deposits represented 40.5 percent of average deposits in 2012, compared to 35.6 percent in 2011. The Company's large commercial customer base provides a significant source of noninterest–bearing deposits. Many of these commercial accounts do not earn interest; however, they receive an earnings credit to offset the cost of other services provided by the Company.

Table 14

MATURITIES OF TIME DEPOSITS OF $100,000 OR MORE ***(in thousands)***

	December 31	
	2012	2011
Maturing within 3 months	$364,449	$462,992
After 3 months but within 6 months	99,700	142,852
After 6 months but within 12 months	122,514	135,225
After 12 months	155,402	191,870
Total	$742,065	$932,939

Table 15

ANALYSIS OF AVERAGE DEPOSITS ***(in thousands)***

	2012	2011	2010	2009	2008
Amount					
Noninterest-bearing demand	$ 4,256,618	$3,414,843	$2,795,458	$2,372,456	$1,936,170
Interest-bearing demand and savings	5,021,526	4,731,300	4,059,615	3,631,486	3,162,015
Time deposits under $100,000	577,656	661,957	728,804	782,469	833,033
Total core deposits	9,855,800	8,808,100	7,583,877	6,786,411	5,931,218
Time deposits of $100,000 or more	665,858	785,537	868,089	797,614	601,052
Total deposits	$10,521,658	$9,593,637	$8,451,966	$7,584,025	$6,532,270
As a % of total deposits					
Noninterest-bearing demand	40.46%	35.59%	33.07%	31.28%	29.64%
Interest-bearing demand and savings	47.72	49.32	48.03	47.88	48.41
Time deposits under $100,000	5.49	6.90	8.63	10.32	12.75
Total core deposits	93.67	91.81	89.73	89.48	90.80
Time deposits of $100,000 or more	6.33	8.19	10.27	10.52	9.20
Total deposits	100.00%	100.00%	100.00%	100.00%	100.00%

Repurchase agreements are transactions involving the exchange of investment funds by the customer for securities by the Company, under an agreement to repurchase the same issues at an agreed-upon price and date. Securities sold under agreements to repurchase and federal funds purchased totaled $1.8 billion at December 31, 2012, and $1.9 billion at December 31, 2011. These agreements averaged $1.4 and $1.5 billion in 2012 and 2011, respectively. The Company enters into these transactions with its downstream correspondent banks, commercial customers, and various trust, mutual fund and local government relationships.

Table 16

SHORT-TERM DEBT ***(in thousands)***

	2012		2011	
	Amount	Rate	Amount	Rate
At December 31:				
Federal funds purchased	$ —	0.00%	$ 2,796	0.02%
Repurchase agreements	1,787,270	0.33	1,948,031	0.11
Other	—	0.00	12,000	1.10
Total	$1,787,270	0.33%	$1,962,827	0.12%
Average for year:				
Federal funds purchased	$ 35,589	0.06%	$ 32,804	0.05%
Repurchase agreements	1,374,888	0.14	1,438,207	0.12
Other	5,656	1.17	25,296	0.12
Total	$1,416,133	0.14%	$1,496,307	0.12%
Maximum month-end balance:				
Federal funds purchased	$ 65,343		$ 46,208	
Repurchase agreements	1,787,270		1,948,031	
Other	—		26,798	

The Company had two fixed-rate advances at December 31, 2012, from the Federal Home Loan Banks at rates of 5.89 percent. These advances, collateralized by the Company's securities, are used to offset interest rate risk of longer-term fixed-rate loans.

Capital Resources and Liquidity

The Company places a significant emphasis on the maintenance of a strong capital position, which promotes investor confidence, provides access to funding sources under favorable terms, and enhances the Company's ability to capitalize on business growth and acquisition opportunities. The Company is not aware of any trends, demands, commitments, events or uncertainties that would materially change its capital position or affect its liquidity in the foreseeable future. Capital is managed for each subsidiary based upon its respective risks and growth opportunities as well as regulatory requirements.

Total shareholders' equity was $1.3 billion at December 31, 2012, compared to $1.2 billion one year earlier. During each year, management has the opportunity to repurchase shares of the Company's stock if it concludes that the repurchases would enhance overall shareholder value. During 2012 and 2011, the Company acquired 472,956 shares and 238,834 shares of its common stock, respectively.

Risk-based capital guidelines established by regulatory agencies establish minimum capital standards based on the level of risk associated with a financial institution's assets. A financial institution's total capital is required to equal at least 8% of risk-weighted assets. At least half of that 8% must consist of Tier 1 core capital, and the remainder may be Tier 2 supplementary capital. The risk-based capital guidelines indicate the specific risk weightings by type of asset. Certain off-balance-sheet items (such as standby letters of credit and binding loan commitments) are multiplied by credit conversion factors to translate them into balance sheet equivalents before assigning them specific risk weightings. Due to the Company's high level of core capital and substantial portion of earning assets invested in government securities, the Tier 1 capital ratio of 11.05 percent and total capital ratio of 11.92 percent substantially exceed the regulatory minimums.

For further discussion of capital and liquidity, see the "Liquidity Risk" section of Item 7A, Quantitative and Qualitative Disclosures about Market Risk on page 46 of this report.

Table 17

RISK-BASED CAPITAL *(in thousands)*

This table computes risk-based capital in accordance with current regulatory guidelines. These guidelines as of December 31, 2012, excluded net unrealized gains or losses on securities available for sale from the computation of regulatory capital and the related risk-based capital ratios.

	Risk-Weighted Category				
	0%	20%	50%	100%	Total
Risk-Weighted Assets					
Loans held for sale	$ —	$ 839	$ 2,939	$ 99	$ 3,877
Loans and leases	—	44,886	221,925	5,419,938	5,686,749
Securities available for sale	2,079,107	4,356,945	23,166	343,440	6,802,658
Securities held to maturity	—	114,756	—	—	114,756
Federal funds and resell agreements	—	89,868	—	—	89,868
Trading securities	400	11,793	12,914	30,657	55,764
Cash and due from banks	782,452	605,822	—	—	1,388,274
All other assets	11,779	—	—	431,532	443,311
Category totals	2,873,738	5,224,909	260,944	6,225,666	14,585,257
Risk-weighted totals	—	1,044,982	130,472	6,225,666	7,401,120
Off-balance-sheet items (risk-weighted)	—	825	1,017	983,268	985,110
Total risk-weighted assets	$ —	$1,045,807	$ 131,489	$7,208,934	$ 8,386,230

	Tier1	Tier2	Total
Regulatory Capital			
Shareholders' equity	$1,279,345	$ —	$1,279,345
Accumulated other comprehensive gains	(85,588)	—	(85,588)
Goodwill and intangibles	(267,291)	—	(267,291)
Allowance for loan losses	—	73,292	73,292
Total capital	$ 926,466	$ 73,292	$ 999,758

	Company
Capital ratios	
Tier 1 capital to risk-weighted assets	11.05%
Total capital to risk-weighted assets	11.92%
Leverage ratio (Tier 1 to total average assets less goodwill and intangibles)	6.81%

For further discussion of regulatory capital requirements, see Note 10, "Regulatory Requirements" with the Notes to Consolidated Financial Statements under Item 8 on pages 78 and 79.

Commitments, Contractual Obligations and Off-balance Sheet Arrangements

The Company's main off-balance sheet arrangements are loan commitments, commercial and standby letters of credit, futures contracts and forward exchange contracts, which have maturity dates rather than payment due dates. These commitments and contingent liabilities are not required to be recorded on the Company's balance sheet. Since commitments associated with letters of credit and lending and financing arrangements may expire unused, the amounts shown do not necessarily reflect the actual future cash funding requirements. See Table 18 below, as well as Note 14, "Commitments, Contingencies and Guarantees" in the Notes to Consolidated

Financial Statements under Item 8 on pages 85 through 87 for detailed information and further discussion of these arrangements. Management does not anticipate any material losses from its off-balance sheet arrangements.

Table 18

COMMITMENTS, CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET ARRANGEMENTS *(in thousands)*

The table below details the contractual obligations for the Company as of December 31, 2012. The Company has no capital leases or long-term purchase obligations. Includes principal payments only.

	Payments due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Contractual Obligations					
Fed funds purchased and repurchase agreements	$1,787,270	$1,787,270	$ —	$ —	$ —
Short-term debt obligations	—	—	—	—	—
Long-term debt obligations	5,879	1,773	2,616	1,186	304
Operating lease obligations	65,396	8,215	14,487	12,698	29,996
Time open and C.D.'s	1,282,334	992,595	196,661	87,013	6,065
Total	$3,140,879	$2,789,853	$213,764	$100,897	$36,365

As of December 31, 2012, the total liabilities for unrecognized tax benefits were $4.3 million. The Company cannot reasonably estimate the timing of the future payments of these liabilities. Therefore, these liabilities have been excluded from the table above. See Note 16 to the consolidated financial statements for information regarding the liabilities associated with unrecognized tax benefits.

The table below (a continuation of Table 18 above) details the commitments, contingencies and guarantees for the Company as of December 31, 2012.

	Maturities due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Commitments, Contingencies and Guarantees					
Commitments to extend credit for loans (excluding credit card loans)	$2,458,444	$ 414,158	$354,934	$1,010,126	$679,226
Commitments to extend credit under credit card loans	2,184,415	2,184,415	—	—	—
Commercial letters of credit	1,041	1,041	—	—	—
Standby letters of credit	343,503	217,864	84,335	41,304	—
Futures contracts	7,500	7,500	—	—	—
Forward foreign exchange contracts	2,005	2,005	—	—	—
Spot foreign exchange contracts	2,910	2,910	—	—	—
Total	$4,999,818	$2,829,893	$439,269	$1,051,430	$679,226

Critical Accounting Policies and Estimates

Management's Discussion and Analysis of financial condition and results of operations discusses the Company's Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets

and liabilities and the disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to customers and suppliers, allowance for loan losses, bad debts, investments, financing operations, long-lived assets, taxes, other contingencies and litigation. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which have formed the basis for making such judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Under different assumptions or conditions, actual results may differ from the recorded estimates.

Management believes that the Company's critical accounting policies are those relating to: the allowance for loan losses, goodwill and other intangibles, revenue recognition, accounting for stock-based compensation, accounting for uncertainty in income taxes, and fair value measurements.

Allowance for Loan Losses

The Company's allowance for loan losses represents management's judgment of the loan losses inherent in the loan portfolio. The allowance is reviewed quarterly, considering both quantitative and qualitative factors such as historical trends, internal ratings, migration analysis, current economic conditions, loan growth and individual impairment testing.

Larger commercial loans are individually reviewed for potential impairment. For these loans, if management deems it probable that the borrower cannot meet its contractual obligations with respect to payment or timing such loans are deemed to be impaired under current accounting standards. Such loans are then reviewed for potential impairment based on management's estimate of the borrower's ability to repay the loan given the availability of cash flows, collateral and other legal options. Any allowance related to the impairment of an individually impaired loan is based on the present value of discounted expected future cash flows, the fair value of the underlying collateral, or the fair value of the loan. Based on this analysis, some loans that are classified as impaired do not have a specific allowance as the discounted expected future cash flows or the fair value of the underlying collateral exceeds the Company's basis in the impaired loan.

The Company also maintains an internal risk grading system for other loans not subject to individual impairment. An estimate of the inherent loan losses on such risk-graded loans is based on a migration analysis which computes the net charge-off experience related to each risk category.

An estimate of inherent losses is computed on remaining loans based on the type of loan. Each type of loan is segregated into a pool based on the nature of such loans. This includes remaining commercial loans that have a low risk grade, as well as other homogenous loans. Homogenous loans include automobile loans, credit card loans and other consumer loans. Allowances are established for each pool based on the loan type using historical loss rates, certain statistical measures and loan growth.

An estimate of the total inherent loss is based on the above three computations. From this an adjustment can be made based on other factors management considers to be important in evaluating the probable losses in the portfolio such as general economic conditions, loan trends, risk management and loan administration and changes in internal policies. For more information on loan portfolio segments and ALL methodology refer to Note 3 to the Consolidated Financial Statements.

Goodwill and Other Intangibles

Goodwill is tested for impairment annually and more frequently whenever events or changes in circumstance indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. During the quarter ended December 31, 2012, the Company changed its goodwill testing date from November 30 to October 1. The selection of October 1 as the annual testing date is preferable as the Company

will have more time and greater availability of accounting resources because the new testing date is two months earlier relative to the fiscal year-end close and reporting process. As a result of the change in the annual goodwill impairment testing date, the Company completed a test as of October 1, 2012 and no more than 12 months elapsed between annual tests. The change in accounting principle related to changing the annual goodwill impairment testing date did not accelerate, delay, or cause an impairment charge. Due to the significant judgments and estimates that are utilized in the goodwill impairment test, the Company determined it was impracticable to objectively determine, without the use of hindsight, the assumptions that would have been used as of each October 1 for periods before October 1, 2012. As such, the Company prospectively applied the change in the annual goodwill impairment testing date from October 1, 2012.

To test goodwill for impairment, the Company performs a qualitative assessment of each reporting unit. If the Company determines, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not greater than the carrying amount, the two-step impairment test is not required. Otherwise, the Company compares the fair value of its reporting units to their carrying amounts to determine if an impairment is indicated. If an impairment is indicated, the implied fair value of the reporting unit's goodwill is compared to its carrying amount. An impairment loss is measured as the excess of the carrying value of a reporting unit's goodwill over its implied fair value. As a result of such impairment tests, the Company has not recognized an impairment charge.

For customer-based identifiable intangibles, the Company amortizes the intangibles over their estimated useful lives of up to seventeen years. When facts and circumstances indicate potential impairment of amortizing intangible assets, the Company evaluates the fair value of the asset and compares it to the carrying value for possible impairment. For more information see "Goodwill and Other Intangibles" in Note 7 in the Notes to the Consolidated Financial Statements.

Revenue Recognition

Revenue recognition includes the recording of interest on loans and securities and is recognized based on a rate multiplied by the principal amount outstanding and also includes the impact of the amortization of related premiums and discounts. Interest accrual is discontinued when, in the opinion of management, the likelihood of collection becomes doubtful, or the loan is past due for a period of ninety days or more unless the loan is both well-secured and in the process of collection. Other noninterest income is recognized as services are performed or revenue-generating transactions are executed.

Accounting for Stock-Based Compensation

The amount of compensation recognized is based primarily on the value of the awards on the grant date. To value stock options, the Company uses the Black-Scholes model, which requires the input of several variables. The expected option life is derived from historical exercise patterns and represents the amount of time that options granted are expected to be outstanding. The expected volatility is based on a combination of historical and implied volatilities of the Company's stock. The interest rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. The fair value of the stock on the grant date is used to value awards of restricted stock. Forfeitures are estimated at the grant date and reduce the expense recognized. The forfeiture rate is adjusted annually based on experience. The value of the awards, adjusted for forfeitures, is amortized using the straight-line method over the requisite service period. Management of the Company believes that it is probable that all current performance-based awards will achieve the performance target. Please see the discussion of the "Accounting for Stock-Based Compensation" under Note 1 and Note 11 in the Notes to the Consolidated Financial Statements under Item 8 on pages 58 and 80.

Accounting for Uncertainty in Income Taxes

The Company is subject to income taxes in the U.S. federal and various states jurisdictions. The calculation of tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in

these jurisdictions. The Company records the financial statement effects of an income tax position when it is more likely than not that the position will be sustained on the basis of the technical merits. We recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The measurement of any unrecognized tax benefit is based on management's best judgment. These liabilities may change as a result of changes in tax laws and regulations, interpretations of law by taxing authorities, and income tax examinations among other factors. Due to the complexity of these uncertainties, the ultimate resolution may differ from the current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which they are determined. See the discussion of "Liabilities Associated with Unrecognized Tax Benefits" under Note 16 in the Notes to the Consolidated Financial Statements.

Fair Value Measurements

Fair value is measured in accordance with U.S. GAAP, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value include the market approach, income approach and cost approach. The market approach uses prices or relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach involves discounting future amounts to a single present amount and is based on current market expectations about those future amounts. The cost approach is based on the amount that currently would be required to replace the service capacity of the asset.

U.S. GAAP establishes a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows:

Level 1—Quoted prices (unadjusted) in active markets for identical assets or liabilities that are available at the measurement date.

Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3—Unobservable inputs for the asset or liability for which there is little, if any, market activity at the measurement date. Unobservable inputs reflect assumptions about what market participants would use to price the asset or liability. The inputs are developed based on the best information available in the circumstances, which might include the Company's own financial data such as internally developed pricing models and discounted cash flow methodologies, as well as instruments for which the fair value determination requires significant management judgment.

The Company's fair value measurements involve various valuation techniques and models, which involve inputs that are observable, when available, and include available-for-sale, trading securities, and contingent consideration measured at fair value on a recurring basis.

Fair value pricing information obtained from third party data providers and pricing services for investment securities are reviewed for appropriateness on a periodic basis. The third party service providers are also analyzed to understand and evaluate the valuation methodologies utilized. This review includes an analysis of current market prices compared to pricing provided by the third party pricing service to assess the relative accuracy of the data provided.

The following table presents, for the periods indicated, the average earning assets and resulting yields, as well as the average interest-bearing liabilities and resulting yields, expressed in both dollars and rates.

FIVE YEAR AVERAGE BALANCE SHEETS/YIELDS AND RATES ***(tax-equivalent basis) (in millions)***

	2012			2011		
	Average Balance	Interest Income/ Expense (1)	Rate Earned/ Paid (1)	Average Balance	Interest Income/ Expense (1)	Rate Earned/ Paid (1)
ASSETS						
Loans, net of unearned interest (FTE) (2) (3)	$ 5,251.3	$217.6	41.4%	$ 4,756.2	$219.4	4.61%
Securities:						
Taxable	4,612.5	81.0	1.76	4,224.5	85.1	2.01
Tax-exempt (FTE)	1,862.8	57.9	3.11	1,497.8	53.0	3.54
Total securities	6,475.3	138.9	2.14	5,722.3	138.1	2.41
Federal funds sold and resell agreements	26.5	0.1	0.46	31.3	0.1	0.32
Interest-bearing	547.8	1.8	0.33	837.8	3.3	0.39
Other earning assets (FTE)	53.2	1.2	2.34	51.9	1.4	2.64
Total earning assets (FTE)	12,354.1	359.6	2.91	11,399.5	362.3	3.18
Allowance for loan losses	(73.0)			(73.0)		
Cash and due from banks	402.1			396.9		
Other assets	706.0			693.9		
Total assets	$13,389.2			$12,417.3		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing demand and savings deposits	$ 5,021.5	$ 6.5	0.13%	$ 4,731.3	$ 8.0	0.17%
Time deposits under $100,000	577.6	4.9	0.85	662.0	7.8	1.18
Time deposits of $100,000 or more	665.9	6.0	0.90	785.5	8.8	1.12
Total interest bearing deposits	6,265.0	17.4	0.28	6,178.8	24.6	0.40
Short-term debt	5.6	0.1	1.75	25.3	0.2	0.79
Long-term debt	5.9	0.3	5.08	11.3	0.2	1.77
Federal funds purchased and repurchase agreements	1,410.5	1.9	0.13	1,471.0	1.7	0.12
Total interest bearing liabilities	7,687.0	19.7	0.26	7,686.4	26.7	0.35
Noninterest bearing demand deposits	4,256.6			3,414.8		
Other	187.3			177.4		
Total	12,130.9			11,278.6		
Total shareholders' equity	1,258.3			1,138.7		
Total liabilities and shareholders' equity	$13,389.2			$12,417.3		
Net interest income (FTE)		$339.9			$335.6	
Net interest spread			2.65%			2.83%
Net interest margin			2.75%			2.94%

(1) Interest income and yields are stated on a fully tax-equivalent (FTE) basis, using a rate of 35%. The tax-equivalent interest income and yields give effect to disallowance of interest expense, for federal income tax purposes related to certain tax-free assets. Rates earned/paid may not compute to the rates shown due to presentation in millions. The tax-equivalent interest income totaled $19.9 million $18.6 million, $16.6 million, $16.7 million, and $13.9 million in 2012, 2011, 2010, 2009, and 2008, respectively.

(2) Loan fees are included in interest income. Such fees totaled $11.0 million $11.6 million, $13.0 million, $13.8 million, and $13.2 million in 2012, 2011, 2010, 2009, and 2008, respectively.

(3) Loans on non-accrual are included in the computation of average balances. Interest income on these loans is also included in loan income.

FIVE YEAR AVERAGE BALANCE SHEETS/YIELDS AND RATES ***(in millions) (continued)***

2010			2009			2008			
Average Balance	Interest Income/ Expense (1)	Rate Earned/ Paid (1)	Average Balance	Interest Income/ Expense (1)	Rate Earned/ Paid (1)	Average Balance	Interest Income/ Expense (1)	Rate Earned/ Paid (1)	Average Balance Five-Year Compound Growth Rate
$ 4,490.6	$222.1	4.95%	$ 4,383.6	$215.6	4.92%	$4,193.9	$242.0	5.77%	5.85%
3,964.7	90.4	2.28	3,432.4	106.5	3.10	2,616.5	110.4	4.22	15.45
1,067.7	45.7	4.28	916.3	45.7	4.98	764.1	39.8	5.20	17.03
5,032.4	136.1	2.71	4,348.7	152.2	3.50	3,380.6	150.2	4.44	15.85
44.4	0.2	0.36	54.1	0.3	0.49	321.8	7.8	2.42	(39.25)
593.5	3.9	0.66	492.9	4.1	0.83	66.8	0.4	0.68	100.00
41.4	0.8	1.91	33.5	0.8	2.39	40.6	1.5	3.69	(1.71)
10,202.3	363.1	3.56	9,312.8	373.0	4.00	8,003.7	401.9	5.02	11.03
(69.1)			(57.3)			(49.5)			11.58
388.9			345.2			487.6			(2.98)
586.1			510.0			456.2			11.26
$11,108.2			$10,110.7			$8,897.9			10.37%
$ 4,059.6	$ 10.1	0.25%	$ 3,631.4	$ 16.1	0.45%	$3,162.0	$ 37.8	1.20%	14.02%
728.8	11.8	1.62	782.5	18.4	2.35	833.0	30.7	3.69	(3.32)
868.1	11.5	1.32	797.6	15.4	1.93	601.1	21.2	3.53	13.90
5,656.5	33.4	0.59	5,211.5	49.9	0.96	4,596.1	89.7	1.95	11.11
23.2	—	0.00	19.8	—	1.28	17.4	0.6	1.28	13.39
19.1	0.4	0.03	32.1	1.3	4.53	36.3	1.7	4.53	(21.33)
1,409.3	2.0	0.14	1,351.2	2.0	0.15	1,288.9	21.3	1.65	5.07
7,108.1	35.8	0.50	6,614.6	53.2	0.80	5,938.7	113.3	1.90	9.66
2,795.5			2,372.5			1,936.2			13.16
137.7			117.0			89.9			27.92
10,041.3			9,104.1			7,964.8			10.85
1,066.9			1,006.6			933.1			6.20
$11,108.2			$10,110.7			$8,897.9			10.37%
	$327.3			$319.7			$288.6		
		3.06%			3.20%			3.12%	
		3.21%			3.43%			3.60%	

ITEM 7A. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

Risk Management

Market risk is a broad term for the risk of economic loss due to adverse changes in the fair value of a financial instrument. These changes may be the result of various factors, including interest rates, foreign exchange prices, commodity prices or equity prices. Financial instruments that are subject to market risk can be classified either as held for trading or held for purposes other than trading.

The Company is subject to market risk primarily through the effect of changes in interest rates of its assets held for purposes other than trading. The following discussion of interest risk, however, combines instruments held for trading and instruments held for purposes other than trading because the instruments held for trading represent such a small portion of the Company's portfolio that the interest rate risk associated with them is immaterial.

Interest Rate Risk

In the banking industry, a major risk exposure is changing interest rates. To minimize the effect of interest rate changes to net interest income and exposure levels to economic losses, the Company manages its exposure to changes in interest rates through asset and liability management within guidelines established by its Funds Management Committee (FMC) and approved by the Company's Board of Directors. The FMC is responsible for approving and ensuring compliance with asset/liability management policies, including interest rate exposure. The Company's primary method for measuring and analyzing consolidated interest rate risk is the Net Interest Income Simulation Analysis. The Company also uses a Net Portfolio Value model to measure market value risk under various rate change scenarios and a gap analysis to measure maturity and repricing relationships between interest-earning assets and interest-bearing liabilities at specific points in time. The Company does not use hedges or swaps to manage interest rate risk except for limited use of futures contracts to offset interest rate risk on certain securities held in its trading portfolio.

Overall, the Company attempts to manage interest rate risk by positioning the balance sheet to maximize net interest income while maintaining an acceptable level of interest rate and credit risk, remaining mindful of the relationship among profitability, liquidity, interest rate risk and credit risk.

Net Interest Income Modeling

The Company's primary interest rate risk tool, the Net Interest Income Simulation Analysis, measures interest rate risk and the effect of interest rate changes on net interest income and net interest margin. This analysis incorporates all of the Company's assets and liabilities together with forecasted changes in the balance sheet and assumptions that reflect the current interest rate environment. Through these simulations, management estimates the impact on net interest income of a 300 basis point upward or a 100 basis point downward gradual change (e.g. ramp) of market interest rates over a one year period. Assumptions are made to project rates for new loans and deposits based on historical analysis, management outlook and repricing strategies. Asset prepayments and other market risks are developed from industry estimates of prepayment speeds and other market changes. The results of these simulations can be significantly influenced by assumptions utilized and management evaluates the sensitivity of the simulation results on a regular basis.

Table 19 shows the expected net interest income increase or decrease over the next twelve months as of December 31, 2012 and 2011.

Table 19

MARKET RISK *(in thousands)*

	Net Interest Income	
Rate Change in Basis Points	**December 31, 2012 Amount of Change**	**December 31, 2011 Amount of Change**
300	$20,471	$20,555
200	13,576	12,176
100	6,501	6,679
Static	—	—
(100)	N/A	N/A

The Company is positioned close to neutral with respect to interest rate changes and slightly positive in rising rate environments at December 31, 2012. Large increases in interest rates are projected to cause increases in net interest income with smaller changes having little impact. Due to the already low interest rate environment interest rates on liabilities are so low that there is little room for further rate reductions. The Company did not include a 100 basis point falling scenario. For projected increases in rates, net interest income is projected to

increase due to the Company being positioned to adjust yields on assets with changes in market rates more than the cost of paying liabilities is projected to increase.

Repricing Mismatch Analysis

The Company also evaluates its interest rate sensitivity position in an attempt to maintain a balance between the amount of interest-bearing assets and interest-bearing liabilities which are expected to mature or reprice at any point in time. While a traditional repricing mismatch analysis (gap analysis) provides a snapshot of interest rate risk, it does not take into consideration that assets and liabilities with similar repricing characteristics may not, in fact, reprice at the same time or the same degree. Also, it does not necessarily predict the impact of changes in general levels of interest rates on net interest income.

Management attempts to structure the balance sheet to provide for the repricing of approximately equal amounts of assets and liabilities within specific time intervals. Table 20 is a static gap analysis, which presents the Company's assets and liabilities, based on their repricing or maturity characteristics and reflecting principal amortization. Table 21 presents the break-out of fixed and variable rate loans by repricing or maturity characteristics for each loan class.

Table 20

INTEREST RATE SENSITIVITY ANALYSIS ***(in millions)***

December 31, 2012	1-90 Days	91-180 Days	181-365 Days	Total	1-5 Years	Over 5 Years	Total
Earning assets							
Loans	$ 3,381.3	$ 249.4	$ 408.2	$ 4,038.9	$1,547.6	$ 104.1	$ 5,690.6
Securities	627.7	412.5	707.7	1,747.9	3,710.1	1,620.6	7,078.6
Federal funds sold and resell agreements	89.9	—	—	89.9	—	—	89.9
Other	756.6	4.9	3.5	765.0	11.2	—	776.2
Total earning assets	$ 4,855.5	$ 666.8	$ 1,119.4	$ 6,641.7	$5,268.9	$ 1,724.7	$13,635.3
% of total earning assets	35.6%	4.9%	8.2%	48.7%	38.6%	12.7%	100.0%
Funding sources							
Interest-bearing demand and savings	$ 957.6	$ 718.1	$ 1,436.3	$ 3,112.0	$ 190.9	$ 2,147.6	$ 5,450.5
Time deposits	507.4	221.2	264.0	992.6	283.6	6.1	1,282.3
Federal funds purchased and repurchase agreements	1,787.3	—	—	1,787.3	—	—	1,787.3
Borrowed funds	5.9	—	—	5.9	—	—	5.9
Noninterest-bearing sources	3,040.5	72.3	132.2	3,245.0	749.7	1,114.6	5,109.3
Total funding sources	$ 6,298.7	$ 1,011.6	$ 1,832.5	$ 9,142.8	$1,224.2	$ 3,268.3	$13,635.3
% of total earning assets	46.2%	7.4%	13.5%	67.1%	9.0%	23.9%	100.0%
Interest sensitivity gap	$(1,443.2)	$ (344.8)	$ (713.1)	$(2,501.1)	$4,044.7	$(1,543.6)	
Cumulative gap	(1,443.2)	(1,788.0)	(2,501.1)	(2,501.1)	1,543.6	—	
As a % of total earning assets	(10.6)%	(13.1)	(18.4)	(18.4)	11.2	—	
Ratio of earning assets to funding sources	0.77	0.66	0.61	0.73	4.30	0.53	
Cumulative ratio of Earning Assets 2012	0.77	0.76	0.73	0.73	1.15	1.00	
to Funding Sources 2011	0.80	0.80	0.77	0.77	1.21	1.00	

Table 21

Maturities and Sensitivities to Changes in Interest Rates

This table details loan maturities by variable and fixed rates as of December 31, 2012 (in thousands):

	Due in one year or less	Due after one year through five years	Due after five years	Total
Variable Rate				
Commercial	$1,984,141	$ 21,511	$ —	$2,005,652
Commercial – Credit Card	104,320	—	—	104,320
Real Estate – Construction	43,443	8,156	—	51,599
Real Estate – Commercial	299,762	104,006	2,148	405,916
Real Estate – Residential	37,842	42,186	14,981	95,009
Real Estate – HELOC	14,090	—	—	14,090
Consumer – Credit Card	334,518	—	—	334,518
Consumer – Other	17,834	13	—	17,847
Leases	19,084	—	—	19,084
Total variable rate loans	2,855,034	175,872	17,129	3,048,035
Fixed Rate				
Commercial	$ 350,526	$ 489,441	$ 28,075	$ 868,042
Commercial – Credit Card	—	—	—	—
Real Estate – Construction	13,883	12,345	659	26,887
Real Estate – Commercial	365,693	622,962	41,240	1,029,895
Real Estate – Residential	44,666	59,955	16,610	121,231
Real Estate – HELOC	386,094	173,723	16	559,833
Consumer – Credit Card	—	—	—	—
Consumer – Other	23,046	13,298	359	36,703
Leases	—	—	—	—
Total fixed rate loans	1,183,908	1,371,724	86,959	2,642,591
Total loans and loans held for sale	$4,038,942	1,547,596	104,088	5,690,626

Trading Account

The Company's subsidiary, UMB Bank, n.a. carries taxable governmental securities in a trading account that is maintained according to Board-approved policy and procedures. The policy limits the amount and type of securities that can be carried in the trading account and requires compliance with any limits under applicable law and regulations, and mandates the use of a value-at-risk methodology to manage price volatility risks within financial parameters. The risk associated with the carrying of trading securities is offset by the sale of exchange-traded financial futures contracts, with both the trading account and futures contracts marked to market daily.

This account had a balance of $55.8 million as of December 31, 2012, compared to $58.1 million as of December 31, 2011.

Other Market Risk

The Company does not have material commodity price risks or derivative risks.

Credit Risk

Credit risk represents the risk that a customer or counterparty may not perform in accordance with contractual terms. The Company utilizes a centralized credit administration function, which provides information

on the Bank's risk levels, delinquencies, an internal ranking system and overall credit exposure. Loan requests are centrally reviewed to ensure the consistent application of the loan policy and standards. In addition, the Company has an internal loan review staff that operates independently of the Bank. This review team performs periodic examinations of the bank's loans for credit quality, documentation and loan administration. The respective regulatory authority of the Bank also reviews loan portfolios.

Another means of ensuring loan quality is diversification of the portfolio. By keeping its loan portfolio diversified, the Company has avoided problems associated with undue concentrations of loans within particular industries. Commercial real estate loans comprise only 25.2 percent of total loans at December 31, 2012, with no history of significant losses. The Company has no significant exposure to highly-leveraged transactions and has no foreign credits in its loan portfolio.

The allowance for loan losses (ALL) is discussed on pages 25 and 26. Also, please see Table 4 for a five-year analysis of the ALL. The adequacy of the ALL is reviewed quarterly, considering such items as historical loss trends including a migration analysis, a review of individual loans, current economic conditions, loan growth and characteristics, industry or segment concentration and other factors. A primary indicator of credit quality and risk management is the level of non-performing loans. Non-performing loans include both nonaccrual loans and restructured loans. The Company's non-performing loans increased $2.5 million from December 31, 2011, and increased $0.4 million compared to December 31, 2010. While the Company plans to increase its loan portfolio, management does not intend to compromise the Company's high credit standards as it grows its loan portfolio. The impact of future loan growth on the allowance for loan losses is uncertain as it is dependent on many factors including asset quality and changes in the overall economy.

The Company had $3.5 million in other real estate owned as of December 31, 2012. There was $6.0 million of other real estate owned at December 31, 2011. Loans past due more than 90 days totaled $3.6 million at December 31, 2012, compared to $6.0 million at December 31, 2011.

A loan is generally placed on nonaccrual status when payments are past due 90 days or more and/or when management has considerable doubt about the borrower's ability to repay on the terms originally contracted. The accrual of interest is discontinued and recorded thereafter only when actually received in cash.

Certain loans are restructured to provide a reduction or deferral of interest or principal due to deterioration in the financial condition of the respective borrowers. The Company had $12.5 million of restructured loans at December 31, 2012, and $6.0 million at December 31, 2011.

Table 22 summarizes the various aspects of credit quality discussed above.

Table 22

LOAN QUALITY (in thousands)

	December 31				
	2012	2011	2010	2009	2008
Nonaccrual loans	$16,376	$22,650	$24,925	$21,263	$ 8,675
Restructured loans on nonaccrual	11,727	2,931	217	2,000	141
Total non-performing loans	28,103	25,581	25,142	23,263	8,816
Other real estate owned	3,524	5,959	4,387	5,203	1,558
Total non-performing assets	$31,627	$31,540	$29,529	$28,466	$10,374
Loans past due 90 days or more	$ 3,554	$ 5,998	$ 5,480	$ 8,319	$ 6,923
Restructured loans accruing	752	3,089	—	—	—
Allowance for loans losses	71,426	72,017	73,952	64,139	52,297
Ratios					
Non-performing loans as a % of loans	0.49%	0.52%	0.55%	0.54%	0.20%
Non-performing assets as a % of loans plus other real estate owned	0.56	0.64	0.64	0.66	0.24
Non-performing assets as a % of total assets	0.21	0.23	0.24	0.24	0.09
Loans past due 90 days or more as a % of loans	0.06	0.12	0.12	0.18	0.16
Allowance for Loan Losses as a % of loans	1.26	1.45	1.61	1.48	1.19
Allowance for Loan Losses as a multiple of non-performing loans	2.54x	2.82x	2.94x	2.76x	5.93x

Liquidity Risk

Liquidity represents the Company's ability to meet financial commitments through the maturity and sale of existing assets or availability of additional funds. The Company believes that the most important factor in the preservation of liquidity is maintaining public confidence that facilitates the retention and growth of a large, stable supply of core deposits and wholesale funds. Ultimately, public confidence is generated through profitable operations, sound credit quality and a strong capital position. The primary source of liquidity for the Company is regularly scheduled payments on and maturity of assets, which include $6.9 billion of high-quality securities available for sale. The liquidity of the Company and the Bank is also enhanced by its activity in the federal funds market and by its core deposits.

Another factor affecting liquidity is the amount of deposits and customer repurchase agreements that have pledging requirements. All customer repurchase agreements require collateral in the form of a security. The U.S. Government, other public entities, and certain trust depositors require the Company to pledge securities if their deposit balances are greater than the FDIC-insured deposit limitations. These pledging requirements affect liquidity risk in that the related security cannot otherwise be disposed due to the pledging restriction. At December 31, 2012, approximately 81.2 percent of the securities available-for-sale were pledged or used as collateral; compared to 89.1 percent at December 31, 2011.

The Company also has other commercial commitments that may impact liquidity. These commitments include unused commitments to extend credit, standby letters of credit, and commercial letters of credit. The total amount of these commercial commitments at December 31, 2012, was $5.0 billion. The Company believes that since many of these commitments expire without being drawn upon, the total amount of these commercial commitments does not necessarily represent the future cash requirements of the Company.

The Company's cash requirements consist primarily of dividends to shareholders, debt service, operating expenses, and treasury stock purchases. Management fees and dividends received from bank and non-bank subsidiaries traditionally have been sufficient to satisfy these requirements and are expected to be sufficient in the future. The Bank is subject to various rules regarding payment of dividends to the Company. For the most part, the bank can pay dividends at least equal to its current year's earnings without seeking prior regulatory approval.

To enhance general working capital needs, the Company has a revolving line of credit with Wells Fargo, N.A. which allows the Company to borrow up to $25.0 million for general working capital purposes. The interest rate applied to borrowed balances will be at the Company's option either 1.00 percent above LIBOR or 1.75 percent below Prime on the date of an advance. The Company will also pay a 0.2 percent unused commitment fee for unused portions of the line of credit. As shown above, the Company had no advances outstanding at December 31, 2012.

Operational Risk

The Company is exposed to numerous types of operational risk. Operational risk generally refers to the risk of loss resulting from the Company's operations, including, but not limited to the risk of fraud by employees or persons outside the Company, the execution of unauthorized transactions by employees or others, errors relating to transaction processing and systems, and breaches of the internal control system and compliance requirements. This risk of loss also includes the potential legal or regulatory actions that could arise as a result of an operational deficiency, or as a result of noncompliance with applicable regulatory standards. Included in the legal and regulatory issues with which the Company must comply are a number of rules resulting from the enactment of the Sarbanes-Oxley Act of 2002.

The Company operates in many markets and places reliance on the ability of its employees and systems to properly process a high number of transactions. In the event of a breakdown in the internal control systems, improper operation of systems or improper employee actions, the Company could suffer financial loss, face regulatory action and suffer damage to its reputation. In order to address this risk, management maintains a system of internal controls with the objective of providing proper transaction authorization and execution, safeguarding of assets from misuse or theft, and ensuring the reliability of financial and other data.

The Company maintains systems of controls that provide management with timely and accurate information about the Company's operations. These systems have been designed to manage operational risk at appropriate levels given the Company's financial strength, the environment in which it operates, and considering factors such as competition and regulation. The Company has also established procedures that are designed to ensure that policies relating to conduct, ethics and business practices are followed on a uniform basis. In certain cases, the Company has experienced losses from operational risk. Such losses have included the effects of operational errors that the Company has discovered and included as expense in the statement of income. While there can be no assurance that the Company will not suffer such losses in the future, management continually monitors and works to improve its internal controls, systems and corporate-wide processes and procedures.

ITEM 8. ***FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA***

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
UMB Financial Corporation and Subsidiaries
Kansas City, Missouri

We have audited the accompanying statements of financial condition of UMB Financial Corporation and subsidiaries (the "Company") as of December 31, 2012 and 2011, and the related statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of UMB Financial Corporation and subsidiaries as of December 31, 2012 and 2011, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2012, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 25, 2013 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ Deloitte & Touche LLP

Kansas City, Missouri
February 25, 2013

CONSOLIDATED BALANCE SHEETS
UMB FINANCIAL CORPORATION AND SUBSIDIARIES
(in thousands, except share data)

	December 31	
	2012	2011
ASSETS		
Loans	$ 5,686,749	$ 4,960,343
Allowance for loan losses	(71,426)	(72,017)
Net loans	5,615,323	4,888,326
Loans held for sale	3,877	10,215
Investment securities:		
Available for sale	6,937,463	6,107,882
Held to maturity (market value of $129,495 and $102,287, respectively)	114,756	89,246
Trading	55,764	58,142
Federal Reserve Bank stock and other	26,333	22,212
Total investment securities	7,134,316	6,277,482
Federal funds sold and securities purchased under agreements to resell	89,868	66,078
Interest-bearing due from banks	720,500	1,164,007
Cash and due from banks	667,774	446,580
Bank premises and equipment, net	244,600	227,936
Accrued income	69,749	75,997
Goodwill	209,758	211,114
Other intangibles	68,803	84,331
Other assets	102,628	89,332
Total assets	$14,927,196	$13,541,398
LIABILITIES		
Deposits:		
Noninterest-bearing demand	$ 4,920,581	$ 3,941,372
Interest-bearing demand and savings	5,450,450	4,680,125
Time deposits under $100,000	540,269	615,475
Time deposits of $100,000 or more	742,065	932,939
Total deposits	11,653,365	10,169,911
Federal funds purchased and repurchase agreements	1,787,270	1,950,827
Short-term debt	—	12,000
Long-term debt	5,879	6,529
Accrued expenses and taxes	182,468	186,380
Other liabilities	18,869	24,619
Total liabilities	13,647,851	12,350,266
SHAREHOLDERS' EQUITY		
Common stock, $1.00 par value; 80,000,000 shares authorized, 55,056,730 shares issued and 40,340,878 and 40,426,342 shares outstanding, respectively	55,057	55,057
Capital surplus	732,069	723,299
Retained earnings	787,015	697,923
Accumulated other comprehensive income	85,588	81,099
Treasury stock, 14,715,852 and 14,630,388 shares, at cost, respectively	(380,384)	(366,246)
Total shareholders' equity	1,279,345	1,191,132
Total liabilities and shareholders' equity	$14,927,196	$13,541,398

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF INCOME
UMB FINANCIAL CORPORATION AND SUBSIDIARIES
(in thousands, except share and per share data)

	Year Ended December 31		
	2012	2011	2010
INTEREST INCOME			
Loans	$ 217,391	$ 219,076	$ 221,797
Securities:			
Available for sale—taxable interest	81,013	85,120	90,409
Available for sale—tax exempt interest	35,960	33,079	27,998
Held to maturity—tax exempt interest	2,264	1,687	1,499
Total securities income	119,237	119,886	119,906
Federal funds sold and resell agreements	121	102	159
Interest-bearing due from banks	1,789	3,284	3,914
Trading securities	1,147	1,305	731
Total interest income	339,685	343,653	346,507
INTEREST EXPENSE			
Deposits	17,416	24,628	33,447
Federal funds purchased and repurchase agreements	1,884	1,712	2,017
Other	329	340	430
Total interest expense	19,629	26,680	35,894
Net interest income	320,056	316,973	310,613
Provision for loan losses	17,500	22,200	31,510
Net interest income after provision for loan losses	302,556	294,773	279,103
NONINTEREST INCOME			
Trust and securities processing	225,094	208,392	160,356
Trading and investment banking	30,359	27,720	29,211
Service charges on deposit accounts	78,694	74,659	77,617
Insurance fees and commissions	4,095	4,375	5,565
Brokerage fees	11,105	9,950	6,345
Bankcard fees	60,567	59,767	54,804
Gains on sales of securities available for sale, net	20,232	16,125	8,315
Other	27,976	13,344	18,157
Total noninterest income	458,122	414,332	360,370
NONINTEREST EXPENSE			
Salaries and employee benefits	319,852	294,756	267,213
Occupancy, net	37,927	38,406	36,251
Equipment	43,465	42,728	44,934
Supplies and services	21,045	22,166	18,841
Marketing and business development	24,604	20,150	18,348
Processing fees	51,191	49,985	45,502
Legal and consulting	17,980	15,601	14,046
Bankcard	18,154	15,600	16,714
Amortization of other intangible assets	14,775	16,100	11,142
Regulatory fees	9,447	10,395	13,448
Class action litigation settlement	—	7,800	—
Other	32,014	29,059	26,183
Total noninterest expense	590,454	562,746	512,622
Income before income taxes	170,224	146,359	126,851
Income tax expense	47,507	39,887	35,849
Net income	$ 122,717	$ 106,472	$ 91,002
PER SHARE DATA			
Net income—basic	$ 3.07	$ 2.66	$ 2.27
Net income—diluted	3.04	2.64	2.26
Weighted average shares outstanding	40,034,428	40,034,435	40,071,751

See Notes to Consolidated Financial Statements.

UMB FINANCIAL CORPORATION
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Year Ended December 31		
	2012	**2011**	**2010**
Net Income	$122,717	$106,472	$ 91,002
Other comprehensive income, net of tax:			
Unrealized gains on securities:			
Change in unrealized holding gains, net	27,164	104,204	(15,601)
Less: Reclassifications adjustment for gains included in net income	(20,232)	(16,125)	(8,315)
Change in unrealized gains on securities during the period	6,932	88,079	(23,916)
Income tax (expense) benefit	(2,443)	(32,445)	8,927
Other comprehensive income (loss)	4,489	55,634	(14,989)
Comprehensive income	$127,206	$162,106	$ 76,013

See Notes to Consolidated Financial Statements.

STATEMENTS OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY
UMB FINANCIAL CORPORATION AND SUBSIDIARIES
(dollars in thousands, except per share data)

	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
Balance January 1, 2010	$55,057	$712,774	$562,748	$ 40,454	$(355,482)	$1,015,551
Total comprehensive income			91,002	(14,989)		76,013
Cash Dividends ($0.75 per share)	—	—	(30,335)	—	—	(30,335)
Purchase of treasury stock	—	—	—	—	(8,879)	(8,879)
Issuance of equity awards	—	(1,673)	—	—	1,798	125
Recognition of equity based compensation	—	5,953	—	—	—	5,953
Net tax benefit related to equity compensation plans	—	152	—	—	—	152
Sale of treasury stock	—	540	—	—	298	838
Exercise of stock options	—	560	—	—	882	1,442
Balance December 31, 2010	$55,057	$718,306	$623,415	$ 25,465	$(361,383)	$1,060,860
Total comprehensive income			106,472	55,634		162,106
Cash Dividends ($0.79 per share)	—	—	(31,964)	—	—	(31,964)
Purchase of treasury stock	—	—	—	—	(9,142)	(9,142)
Issuance of equity awards	—	(2,244)	—	—	2,484	240
Recognition of equity based compensation	—	6,510	—	—	—	6,510
Net tax benefit related to equity compensation plans	—	79	—	—	—	79
Sale of treasury stock	—	295	—	—	315	610
Exercise of stock options	—	353	—	—	1,480	1,833
Balance December 31, 2011	$55,057	$723,299	$697,923	$ 81,099	$(366,246)	$1,191,132
Total comprehensive income			122,717	4,489		127,206
Cash Dividends ($0.83 per share)	—	—	(33,625)	—	—	(33,625)
Purchase of treasury stock	—	—	—	—	(20,419)	(20,419)
Issuance of equity awards	—	(1,911)	—	—	2,156	245
Recognition of equity based compensation	—	6,917	—	—	—	6,917
Net tax benefit related to equity compensation plans	—	359	—	—	—	359
Sale of treasury stock	—	587	—	—	389	976
Exercise of stock options	—	2,818	—	—	3,736	6,554
Balance December 31, 2012	$55,057	$732,069	$787,015	$ 85,588	$(380,384)	$1,279,345

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
UMB FINANCIAL CORPORATION AND SUBSIDIARIES
(in thousands)

	Year Ended December 31		
	2012	2011	2010
OPERATING ACTIVITIES			
Net income	$ 122,717	$ 106,472	$ 91,002
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for loan losses	17,500	22,200	31,510
Depreciation and amortization	40,847	42,931	39,376
Deferred income tax expense (benefit)	3,675	(197)	(13,226)
Net decrease (increase) in trading securities and other earning assets	2,378	(15,662)	(4,266)
Gains on sales of securities available for sale	(20,232)	(16,125)	(8,315)
(Gains) losses on sales of assets	(904)	175	(368)
Amortization of securities premiums, net of discount accretion	50,435	44,909	32,088
Originations of loans held for sale	(237,997)	(204,099)	(217,965)
Net gains on sales of loans held for sale	(2,010)	(1,598)	(1,379)
Proceeds from sales of loans held for sale	246,345	209,896	222,453
Issuance of equity awards	245	240	125
Equity based compensation	6,917	6,510	5,953
Changes in:			
Accrued income	6,248	656	(11,704)
Accrued expenses and taxes	8,376	16,990	246
Other assets and liabilities, net	(20,796)	(255)	14,464
Net cash provided by operating activities	223,744	213,043	179,994
INVESTING ACTIVITIES			
Proceeds from maturities of securities held to maturity	9,756	8,814	9,574
Proceeds from sales of securities available for sale	1,016,129	1,012,068	649,083
Proceeds from maturities of securities available for sale	1,691,293	1,561,960	1,994,810
Purchases of securities held to maturity	(39,642)	(34,788)	(16,193)
Purchases of securities available for sale	(3,561,042)	(3,008,900)	(3,421,255)
Net increase in loans	(738,343)	(407,232)	(215,442)
Net (increase) decrease in fed funds sold and resell agreements	(23,790)	169,098	94,589
Net decrease in interest bearing balances due from other financial institutions	129,076	20,117	114,570
Purchases of bank premises and equipment	(44,038)	(35,557)	(32,592)
Net cash received (paid) for acquisitions	17,597	(8,134)	(159,154)
Proceeds from sales of bank premises and equipment	1,473	182	2,793
Net cash used in investing activities	(1,541,531)	(722,372)	(979,217)
FINANCING ACTIVITIES			
Net increase in demand and savings deposits	1,737,072	1,286,818	655,039
Net decrease in time deposits	(272,627)	(145,648)	(160,936)
Net (decrease) increase in fed funds purchased and repurchase Agreements	(163,557)	(133,515)	156,735
Net change in short-term debt	(12,000)	(22,020)	4,548
Proceeds from long-term debt	1,029	500	—
Repayment of long-term debt	(1,679)	(4,055)	(15,416)
Payment of contingent consideration on acquisitions	(17,371)	(8,316)	—
Cash dividends paid	(33,787)	(31,801)	(30,328)
Net tax benefit related to equity compensation plans	359	79	152
Proceeds from exercise of stock options and sales of treasury shares	7,530	2,443	2,280
Purchases of treasury stock	(20,419)	(9,142)	(8,879)
Net cash provided by financing activities	1,224,550	935,343	603,195
(Decrease) increase in cash and due from banks	(93,237)	426,014	(196,028)
Cash and due from banks at beginning of year	1,459,631	1,033,617	1,229,645
Cash and due from banks at end of year	$ 1,366,394	$ 1,459,631	$ 1,033,617
Supplemental disclosures:			
Income taxes paid	$ 44,074	$ 41,041	$ 48,116
Total interest paid	20,975	28,148	40,128

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. *SUMMARY OF ACCOUNTING POLICIES*

UMB Financial Corporation (the Company) is a bank holding company, which offers a wide range of banking and other financial services to its customers through its branches and offices in the states of Missouri, Kansas, Colorado, Illinois, Oklahoma, Arizona, Nebraska, Pennsylvania, South Dakota, Indiana, Wisconsin, Utah, New Jersey, and Massachusetts. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions also impact reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Following is a summary of the more significant accounting policies to assist the reader in understanding the financial presentation.

Consolidation

The Company and its wholly owned subsidiaries are included in the consolidated financial statements (references hereinafter to the "Company" in these Notes to Consolidated Financial Statements include wholly owned subsidiaries). Intercompany accounts and transactions have been eliminated.

Revenue Recognition

Interest on loans and securities is recognized based on rate times the principal amount outstanding. This includes the impact of amortization of premiums and discounts. Interest accrual is discontinued when, in the opinion of management, the likelihood of collection becomes doubtful. Other noninterest income is recognized as services are performed or revenue-generating transactions are executed.

Cash and Due From Banks

Cash on hand, cash items in the process of collection, and amounts due from correspondent banks are included in cash and due from banks.

Interest-bearing Due From Banks

Amounts due from the Federal Reserve Bank which are interest-bearing for all periods presented, and amounts due from certificates of deposits held at other financial institutions are included in interest-bearing due from banks. The amounts due from the Federal Reserve Bank presented in the table below are considered cash and cash equivalents. The amounts due from certificates of deposit totaled $21.9 million and $151.0 million at December 31, 2012 and 2011, respectively.

This table provides a summary of cash and due from banks as presented on the Consolidated Statement of Cash Flows as of December 31, 2012 and 2011 (in thousands):

	Year Ended December 31	
	2012	2011
Due from the Federal Reserve	$ 698,620	$1,013,051
Cash and due from banks	667,774	446,580
Cash and due from banks at end of year	$1,366,394	$1,459,631

Loans and Loans Held for Sale

Loans are classified by the portfolio segments of commercial, real estate, consumer, and leases. The portfolio segments are further disaggregated into the loan classes of commercial, commercial credit card, real estate—construction, real estate—commercial, real estate—residential, real estate—HELOC, consumer—credit card, consumer—other, and leases.

A loan is considered to be impaired when management believes it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan. If a loan is impaired, the Company records a valuation allowance equal to the carrying amount of the loan in excess of the present value of the estimated future cash flows discounted at the loan's effective rate, based on the loan's observable market price or the fair value of the collateral if the loan is collateral dependent.

A loan is accounted for as a troubled debt restructuring when a concession had been granted to a debtor experiencing financial difficulties. The Company's modifications generally include interest rate adjustments, and amortization and maturity date extensions. These modifications allow the debtor short-term cash relief to allow them to improve their financial condition. Restructured loans are individually evaluated for impairment as part of the allowance for loan loss analysis.

Loans, including those that are considered to be impaired and restructured, are evaluated regularly by management. Loans are considered delinquent when payment has not been received within 30 days of its contractual due date. Loans are placed on non-accrual status when the collection of interest or principal is 90 days or more past due, unless the loan is adequately secured and in the process of collection. When a loan is placed on non-accrual status, any interest previously accrued but not collected is reversed against current income. Loans may be returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. Interest payments received on non-accrual loans are applied to principal unless the remaining principal balance has been determined to be fully collectible.

The adequacy of the allowance for loan losses is based on management's continuing evaluation of the pertinent factors underlying the quality of the loan portfolio, including actual loan loss experience, current economic conditions, detailed analysis of individual loans for which full collectability may not be assured, determination of the existence and realizable value of the collateral and guarantees securing such loans. The actual losses, notwithstanding such considerations, however, could differ from the amounts estimated by management.

The Company maintains a reserve, separate from the allowance for loan losses, to address the risk of loss associated with loan contingencies, which is included in the accrued expenses and taxes line item in the Consolidated Balance Sheet. In order to maintain the reserve for off-balance sheet items at an appropriate level, a provision to increase or reduce the reserve is included in the Company's Consolidated Statement of Income. The level of the reserve will be adjusted as needed to maintain the reserve at a specified level in relation to contingent loan risk. The risk of loss arising from un-funded loan commitments has been assessed by dividing the contingencies into pools of similar loan commitments and by applying two factors to each pool. The gross amount of contingent exposure is first multiplied by a potential use factor to estimate the degree to which the unused commitments might reasonably be expected to be used in a time of high usage. The resultant figure is then multiplied by a factor to estimate the risk of loss assuming funding of these loans. The potential loss estimates for each segment of the portfolio are added to arrive at a total potential loss estimate that is used to set the reserve.

Loans held for sale are carried at the lower of aggregate cost or market value. Loan fees (net of certain direct loan origination costs) on loans held for sale are deferred until the related loans are sold or repaid. Gains or losses on loan sales are recognized at the time of sale and determined using the specific identification method.

Securities

Debt securities available for sale principally include U.S. Treasury and agency securities, mortgage-backed securities, certain securities of state and political subdivisions, and corporates. Securities classified as available for sale are measured at fair value. Unrealized holding gains and losses are excluded from earnings and reported in accumulated other comprehensive income (loss) until realized. Realized gains and losses on sales are computed by the specific identification method at the time of disposition and are shown separately as a component of noninterest income.

Securities held to maturity are carried at amortized historical cost based on management's intention, and the Company's ability to hold them to maturity. The Company classifies certain securities of state and political subdivisions as held to maturity.

Trading securities, acquired for subsequent sale to customers, are carried at market value. Market adjustments, fees and gains or losses on the sale of trading securities are considered to be a normal part of operations and are included in trading and investment banking income.

Goodwill and Other Intangibles

Goodwill is tested for impairment annually and more frequently whenever events or changes in circumstance indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. During the quarter ended December 31, 2012, the Company changed its goodwill testing date from November 30 to October 1. The selection of October 1 as the annual testing date is preferable as the Company will have more time and greater availability of accounting resources because the new testing date is two months earlier relative to the fiscal year-end close and reporting process. As a result of the change in the annual goodwill impairment testing date, the Company completed a test as of October 1, 2012 and no more than 12 months elapsed between annual tests. The change in accounting principle related to changing the annual goodwill impairment testing date did not accelerate, delay, or cause an impairment charge. Due to the significant judgments and estimates that are utilized in the goodwill impairment test, the Company determined it was impracticable to objectively determine, without the use of hindsight, the assumptions that would have been used as of each October 1 for periods before October 1, 2012. As such, the Company prospectively applied the change in the annual goodwill impairment testing date from October 1, 2012.

To test goodwill for impairment, the Company performs a qualitative assessment of each reporting unit. If the Company determines, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not greater than the carrying amount, the two-step impairment test is not required. Otherwise, the Company compares the fair value of its reporting units to their carrying amounts to determine if an impairment is indicated. If an impairment is indicated, the implied fair value of the reporting unit's goodwill is compared to its carrying amount. An impairment loss is measured as the excess of the carrying value of a reporting unit's goodwill over its implied fair value. As a result of such impairment tests, the Company has not recognized an impairment charge.

No goodwill impairments were recognized in 2012, 2011, or 2010. Other intangible assets are amortized over a period of up to 17 years and are evaluated for impairment when events or circumstances dictate. No intangible asset impairments were recognized in 2012, 2011, or 2010. The Company does not have any indefinite lived intangible assets.

Bank Premises and Equipment

Bank premises and equipment are stated at cost less accumulated depreciation, which is computed primarily on the straight line method. Bank premises are depreciated over 15 to 40 year lives, while equipment is depreciated over lives of 3 to 20 years. Gains and losses from the sale of bank premises and equipment are included in other noninterest income.

Impairment of Long-Lived Assets

Long-lived assets, including premises and equipment, are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or group of assets may not be recoverable. The impairment review includes a comparison of future cash flows expected to be generated by the asset or group of assets to their current carrying value. If the carrying value of the asset or group of assets exceeds expected cash flows (undiscounted and without interest charges), an impairment loss is recognized to the extent the carrying value exceeds fair value.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are measured based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the periods in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The provision for deferred income taxes represents the change in the deferred income tax accounts during the year excluding the tax effect of the change in net unrealized gain (loss) on securities available for sale.

The Company records deferred tax assets to the extent these assets will more likely than not be realized. All available evidence is considered in making such determination, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies and recent financial operations. A valuation allowance is recorded for the portion of deferred tax assets that do not meet the more-likely-than-not threshold, and any changes to the valuation allowance are recorded in income tax expense.

The Company records the financial statement effects of an income tax position when it is more likely than not, based on the technical merits, that it will be sustained upon examination. A tax position that meets the more-likely-than-not recognition threshold is measured and recorded as the largest amount of tax benefit that is greater than 50 percent likely of being realized upon ultimate settlement with a taxing authority. Previously recognized tax benefits are derecognized in the first period in which it is no longer more likely than not that the tax position will be sustained. The benefit associated with previously unrecognized tax positions are generally recognized in the first period in which the more-likely-than-not threshold is met at the reporting date, the tax matter is ultimately settled through negotiation or litigation or when the related statute of limitations for the relevant taxing authority to examine and challenge the tax position has expired. The recognition, derecognition and measurement of tax positions are based on management's best judgment given the facts, circumstance and information available at the reporting date.

The Company recognizes accrued interest related to unrecognized tax benefits in interest expense and penalties in other noninterest expense. Accrued interest and penalties are included within the related liability lines in the consolidated balance sheet. During 2012, the Company accrued an immaterial amount in interest and penalties, and as of December 31, 2012, has recognized an immaterial liability for interest and penalties related to the unrecognized tax benefits.

Derivatives

The Company records all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Currently, none of the Company's derivatives are designated in qualifying hedging relationships, as the derivatives are not used to manage risks within the Company's assets or liabilities. As such, all changes in fair value of the Company's derivatives are recognized directly in earnings.

Per Share Data

Basic income per share is computed based on the weighted average number of shares of common stock outstanding during each period. Diluted year-to-date income per share includes the dilutive effect of 398,939; 275,522; and 240,673 shares issuable upon the exercise of stock options granted by the Company at December 31, 2012, 2011, and 2010, respectively.

Options issued under employee benefit plans to purchase 504,938; 879,588, and 1,081,564 shares of common stock were outstanding at December 31, 2012, 2011, and 2010, respectively, but were not included in the computation of diluted earnings per share because the options were anti-dilutive.

Accounting for Stock-Based Compensation

The Company measures the cost of employee services received in exchange for an award of equity instruments based on the fair value of the award on the date of the grant. The grant date fair value is estimated using either an option-pricing model which is consistent with the terms of the award or an observed market price, if such a price exists. Such cost is generally recognized over the vesting period during which an employee is required to provide service in exchange for the award and, in some cases, when performance metrics are met. The Company also estimates the number of instruments that will ultimately be issued by applying a forfeiture rate to each grant.

2. *NEW ACCOUNTING PRONOUNCEMENTS*

Fair Value Measurements and Disclosure Requirements In May 2011, the FASB issued ASU No. 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs" (ASU 2011-04), which amends the FASB Standards Codification to change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. The Company adopted this standard for the quarter ended March 31, 2012 which resulted in a $6.9 million ($4.7 million, net of tax) reduction of the contingent consideration liabilities and a corresponding increase to other non-interest income due to the Company changing its fair value methodology. The adoption of this accounting pronouncement also resulted in additional fair value financial statement disclosures.

Presentation of Comprehensive Income In June 2011, the FASB issued ASU No. 2011-05, "Comprehensive Income: Presentation of Comprehensive Income" (ASU 2011-05), which amends the FASB Standards Codification to allow the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of changes in stockholders' equity. These amendments do not change the items that must be reported in other comprehensive income or when an item of other comprehensive income must be reclassified to net income. ASU 2011-05 was effective for the Company for the period ended March 31, 2012; however, certain provisions related to the presentation of reclassification adjustments have been deferred by ASU No. 2011-12 (ASU 2011-12) "Comprehensive Income (Topic 220)—Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05." ASU 2011-12 allows entities to continue to report reclassifications out of accumulated other comprehensive income consistent with the presentation requirements in effect before ASU 2011-05. All other requirements in ASU 2011-05 are not affected by ASU 2011-12. The Company adopted ASU 2011-05 for the quarter ended March 31, 2012 with no material impact on its financial statements except for a change in presentation. In February 2013, the FASB issued ASU No. 2013-02, "Comprehensive Income: Reporting of Amounts Reclassified out of Accumulated Other Comprehensive Income," which adds new disclosure requirements for items reclassified out of accumulated other comprehensive income. The new disclosure requirements are effective for fiscal years beginning after December 15, 2012. The adoption of this accounting pronouncement will have no impact on the Company's financial statements except for additional financial statement disclosures.

Disclosures about Offsetting Assets and Liabilities In December 2011, the FASB issued ASU No. 2011-11, "Disclosures about Offsetting Assets and Liabilities" (ASU 2011-11), regarding the offset of certain assets & liabilities within the balance sheet. This ASU created new disclosure requirements about the nature of an entity's rights of setoff and related arrangements associated with its financial instruments and derivative instruments. The disclosure requirements are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods therein, with retrospective application required. The adoption of this accounting pronouncement will have no impact on the Company's financial statement disclosures.

Testing Indefinite-Lived Intangible Assets for Impairment In July 2012, the FASB issued ASU No. 2012-02, "Testing Indefinite-Lived Intangible Assets for Impairment" (ASU 2012-02), which amends the guidance in Accounting Standards Codification (ASC) 350-30 on testing indefinite-lived assets, other than goodwill, for impairment. An entity testing an indefinite-lived intangible asset for impairment has the option of performing a qualitative assessment before calculating the fair value of the asset. If the entity determines, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not greater than the carrying amount, the two-step impairment test would not be required. The amendments are effective for interim and annual impairment tests performed for fiscal years beginning after September 15, 2012 with early adoption permitted. The adoption of this accounting pronouncement will have no impact on the Company's financial statements.

Subsequent Accounting for an Indemnification Asset In October 2012, the FASB issued ASU No. 2012-06, "Subsequent Accounting for an Indemnification Asset Recognized at the Acquisition Date as a Result of a Government-Assisted Acquisition of a Financial Institution" (ASU 2012-06), which addresses diversity in practice regarding the subsequent measurement of an indemnification asset in a government-assisted acquisition of a financial institution that includes a loss-sharing agreement. The amendments are effective for interim and annual reporting periods beginning on or after December 15, 2012 with early adoption permitted. The adoption of this accounting pronouncement will have no impact on the Company's financial statements.

3. *LOANS AND ALLOWANCE FOR LOAN LOSSES*

Loan Origination/Risk Management

The Company has certain lending policies and procedures in place that are designed to minimize the level of risk within the loan portfolio. Diversification of the loan portfolio manages the risk associated with fluctuations in economic conditions. The Company maintains an independent loan review department that reviews and validates the credit risk program on a continual basis. Management regularly evaluates the results of the loan reviews. The loan review process complements and reinforces the risk identification and assessment decisions made by lenders and credit personnel, as well as the Company's policies and procedures.

Commercial loans are underwritten after evaluating and understanding the borrower's ability to operate profitably and prudently expand its business. Commercial loans are made based on the identified cash flows of the borrower and on the underlying collateral provided by the borrower. The cash flows of the borrower, however, may not be as expected and the collateral securing these loans may fluctuate in value. Most commercial loans are secured by the assets being financed or other business assets such as accounts receivable or inventory and may incorporate a personal guarantee. In the case of loans secured by accounts receivable, the availability of funds for the repayment of these loans may be substantially dependent on the ability of the borrower to collect amounts from its customers. Commercial credit cards are generally unsecured and are underwritten with criteria similar to commercial loans including an analysis of the borrower's cash flow, available business capital, and overall credit-worthiness of the borrower.

Commercial real estate loans are subject to underwriting standards and processes similar to commercial loans, in addition to those of real estate loans. These loans are viewed primarily as cash flow loans and secondarily as loans secured by real estate. Commercial real estate lending typically involves higher loan principal amounts, and the repayment of these loans is largely dependent on the successful operation of the

property securing the loan or the business conducted on the property securing the loan. The Company requires an appraisal of the collateral be made at origination on an as-needed basis, in conformity with current market conditions and regulatory requirements. The underwriting standards address both owner and non-owner occupied real estate.

Construction loans are underwritten using feasibility studies, independent appraisal reviews, sensitivity analysis or absorption and lease rates and financial analysis of the developers and property owners. Construction loans are based upon estimates of costs and value associated with the complete project. Construction loans often involve the disbursement of substantial funds with repayment substantially dependent on the success of the ultimate project. Sources of repayment for these types of loans may be pre-committed permanent loans from approved long-term borrowers, sales of developed property or an interim loan commitment from the Company until permanent financing is obtained. These loans are closely monitored by on-site inspections and are considered to have higher risks than other real estate loans due to their repayment being sensitive to interest rate changes, governmental regulation of real property, economic conditions, and the availability of long-term financing.

Underwriting standards for residential real estate and home equity loans are based on the borrower's loan-to-value percentage, collection remedies, and overall credit history.

Consumer loans are underwritten based on the borrower's repayment ability. The Company monitors delinquencies on all of its consumer loans and leases and periodically reviews the distribution of FICO scores relative to historical periods to monitor credit risk on its credit card loans. The underwriting and review practices combined with the relatively small loan amounts that are spread across many individual borrowers, minimizes risk. Consumer loans and leases that are 90 days past due or more are considered non-performing.

This table provides a summary of loan classes and an aging of past due loans as of December 31, 2012 (in thousands):

	Year Ended December 31, 2012					
	30-89 Days Past Due and Accruing	Greater than 90 Days Past Due and Accruing	Non-Accrual Loans	Total Past Due	Current	Total Loans
Commercial:						
Commercial	$ 5,170	$ 93	$14,122	$19,385	$2,854,309	$2,873,694
Commercial—credit card	561	43	61	665	103,655	104,320
Real estate:						
Real estate—construction	3,750	—	1,263	5,013	73,473	78,486
Real estate—commercial	3,590	113	8,170	11,873	1,423,938	1,435,811
Real estate—residential	1,371	49	666	2,086	210,277	212,363
Real estate—HELOC	1,324	50	225	1,599	572,324	573,923
Consumer:						
Consumer—credit card	2,989	2,955	2,285	8,229	326,289	334,518
Consumer—other	1,116	251	1,311	2,678	51,872	54,550
Leases	—	—	—	—	19,084	19,084
Total loans	$19,871	$3,554	$28,103	$51,528	$5,635,221	$5,686,749

This table provides a summary of loan classes and an aging of past due loans as of December 31, 2011 (in thousands):

	Year Ended December 31, 2011					
	30-89 Days Past Due and Accruing	Greater than 90 Days Past Due and Accruing	Non-Accrual Loans	Total Past Due	Current	Total Loans
Commercial:						
Commercial	$ 2,986	$ 767	$ 9,234	$12,987	$2,221,830	$2,234,817
Commercial—credit card	896	284	—	1,180	94,159	95,339
Real estate:						
Real estate—construction	430	—	642	1,072	83,518	84,590
Real estate—commercial	2,368	313	7,218	9,899	1,384,656	1,394,555
Real estate—residential	1,713	247	1,660	3,620	182,266	185,886
Real estate—HELOC	819	41	696	1,556	531,476	533,032
Consumer:						
Consumer—credit card	2,858	3,394	4,638	10,890	322,756	333,646
Consumer—other	1,260	952	1,493	3,705	90,939	94,644
Leases	—	—	—	—	3,834	3,834
Total loans	$13,330	$5,998	$25,581	$44,909	$4,915,434	$4,960,343

The Company sold $246.3 million, $209.9 million, and $222.5 million of residential real estate and student loans during the periods ended December 31, 2012, 2011, and 2010 respectively.

The Company has ceased the recognition of interest on loans with a carrying value of $28.1 million and $25.6 million at December 31, 2012 and 2011, respectively. Restructured loans totaled $12.5 million and $6.0 million at December 31, 2012 and 2011, respectively. Loans 90 days past due and still accruing interest amounted to $3.6 million and $6.0 million at December 31, 2012 and 2011, respectively. There was an insignificant amount of interest recognized on impaired loans during 2012, 2011, and 2010.

Credit Quality Indicators

As part of the on-going monitoring of the credit quality of the Company's loan portfolio, management tracks certain credit quality indicators including trends related to the risk grading of specified classes of loans, net charge-offs, non-performing loans, and general economic conditions.

The Company utilizes a risk grading matrix to assign a rating to each of its commercial, commercial real estate, and construction real estate loans. The loan rankings are summarized into the following categories: Non-watch list, Watch, Special Mention, and Substandard. Any loan not classified in one of the categories described below is considered to be a Non-watch list loan. A description of the general characteristics of the loan ranking categories is as follows:

- **Watch**—This rating represents credit exposure that presents higher than average risk and warrants greater than routine attention by Company personnel due to conditions affecting the borrower, the Borrower's industry or the economic environment. These conditions have resulted in some degree of uncertainty that results in higher than average credit risk.
- **Special Mention**—This rating reflects a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or the institution's credit position at some future date. The rating is not adversely classified and does not expose an institution to sufficient risk to warrant adverse classification.

- **Substandard**—This rating represents an asset inadequately protected by the current sound worth and paying capacity of the borrower or of the collateral pledged, if any. Assets so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. Loans in this category are characterized by the distinct possibility that the bank will sustain some loss if the deficiencies are not corrected. Loss potential, while existing in the aggregate amount of substandard assets, does not have to exist in individual assets classified substandard. This category may include loans where the collection of full principal is doubtful or remote.

All other classes of loans are generally evaluated and monitored based on payment activity. Non-performing loans include restructured loans on non-accrual and all other non-accrual loans.

This table provides an analysis of the credit risk profile of each loan class as of December 31, 2012 (in thousands):

Credit Exposure
Credit Risk Profile by Risk Rating

	Commercial	Real estate-construction	Real estate-commercial
	2012	2012	2012
Non-watch list	$2,670,925	$75,631	$1,325,460
Watch	98,636	518	63,278
Special Mention	29,462	14	11,613
Substandard	74,671	2,323	35,460
Total	$2,873,694	$78,486	$1,435,811

Credit Exposure
Credit Risk Profile Based on Payment Activity

	Commercial–credit card	Real estate-residential	Real estate-HELOC
	2012	2012	2012
Performing	$104,259	$211,697	$573,698
Non-performing	61	666	225
Total	$104,320	$212,363	$573,923

	Consumer-credit card	Consumer-other	Leases
	2012	2012	2012
Performing	$332,233	$53,239	$19,084
Non-performing	2,285	1,311	—
Total	$334,518	$54,550	$19,084

This table provides an analysis of the credit risk profile of each loan class as of December 31, 2011 (in thousands):

Credit Exposure
Credit Risk Profile by Risk Rating

	Commercial	Real estate-construction	Real estate-commercial
	2011	2011	2011
Non-watch list	$2,064,658	$83,100	$1,275,280
Watch	100,499	355	27,777
Special Mention	16,688	—	35,019
Substandard	52,972	1,135	56,479
Total	$2,234,817	$84,590	$1,394,555

Credit Exposure
Credit Risk Profile Based on Payment Activity

	Commercial – credit card	Real estate-residential	Real estate-HELOC
	2011	2011	2011
Performing	$95,339	$184,226	$532,336
Non-performing	—	1,660	696
Total	$95,339	$185,886	$533,032

	Consumer-credit card	Consumer-other	Leases
	2011	2011	2011
Performing	$329,008	$93,151	$3,834
Non-performing	4,638	1,493	—
Total	$333,646	$94,644	$3,834

Allowance for Loan Losses

The allowance for loan losses is a reserve established through a provision for loan losses charged to expense, which represents management's judgment of inherent probable losses within the Company's loan portfolio as of the balance sheet date. The allowance is necessary to reserve for estimated loan losses and risks inherent in the loan portfolio. Accordingly, the methodology is based on historical loss trends. The Company's process for determining the appropriate level of the allowance for loan losses is designed to account for credit deterioration as it occurs. The provision for probable loan losses reflects loan quality trends, including the levels of and trends related to non-accrual loans, past due loans, potential problem loans, criticized loans and net charge-offs or recoveries, among other factors.

The level of the allowance reflects management's continuing evaluation of industry concentrations, specific credit risks, loan loss experience, current loan portfolio quality, present economic, political and regulatory conditions and unidentified losses inherent in the current loan portfolio. Portions of the allowance may be allocated for specific loans; however, the entire allowance is available for any loan that, in management's judgment, should be charged off. While management utilizes its best judgment and information available, the adequacy of the allowance is dependent upon a variety of factors beyond the Company's control, including, among other things, the performance of the Company's loan portfolio, the economy, changes in interest rates and changes in the regulatory environment.

The Company's allowance for loan losses consists of specific valuation allowances and general valuation allowances based on historical loan loss experience for similar loans with similar characteristics and trends, general economic conditions and other qualitative risk factors both internal and external to the Company.

The allowances established for probable losses on specific loans are based on a regular analysis and evaluation of problem loans. Loans are classified based on an internal risk grading process that evaluates the obligor's ability to repay, the underlying collateral, if any, and the economic environment and industry in which the borrower operates. When a loan is considered impaired, the loan is analyzed to determine the need, if any, to specifically allocate a portion of the allowance for loan losses to the loan. Specific valuation allowances are determined by analyzing the borrower's ability to repay amounts owed, collateral deficiencies, the relative risk ranking of the loan and economic conditions affecting the borrower's industry.

General valuation allowances are calculated based on the historical loss experience of specific types of loans including an evaluation of the time span and volume of the actual charge-off. The Company calculates historical loss ratios for pools of similar loans with similar characteristics based on the proportion of actual charge-offs experienced to the total population of loans in the pool. The historical loss ratios are updated based on actual charge-off experience. A valuation allowance is established for each pool of similar loans based upon the product of the historical loss ratio, time span to charge-off, and the total dollar amount of the loans in the pool. The Company's pools of similar loans include similarly risk-graded groups of commercial loans, commercial real estate loans, commercial credit card, home equity loans, consumer real estate loans and consumer and other loans. The Company also considers a loan migration analysis for criticized loans. This analysis includes an assessment of the probability that a loan will move to a loss position based on its risk rating. The consumer credit card pool is evaluated based on delinquencies and credit scores. In addition, a portion of the allowance is determined by a review of qualitative factors by Management.

ALLOWANCE FOR LOAN LOSSES AND RECORDED INVESTMENT IN LOANS

This table provides a rollforward of the allowance for loan losses by portfolio segment for the year ended December 31, 2012 (in thousands):

	Year Ended December 31, 2012				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 37,927	$ 20,486	$ 13,593	$ 11	$ 72,017
Charge-offs	(8,446)	(932)	(12,678)	—	(22,056)
Recoveries	1,136	28	2,801	—	3,965
Provision	12,773	(4,076)	8,754	49	17,500
Ending Balance	$ 43,390	$ 15,506	$ 12,470	$ 60	$ 71,426
Ending Balance: individually evaluated for impairment	$ 1,393	$ 781	$ —	$ —	$ 2,174
Ending Balance: collectively evaluated for impairment	41,997	14,725	12,470	60	69,252
Loans:					
Ending Balance: loans	$2,978,014	$2,300,583	$389,068	$19,084	$5,686,749
Ending Balance: individually evaluated for impairment	15,057	11,203	49	—	26,309
Ending Balance: collectively evaluated for impairment	2,962,957	2,289,380	389,019	19,084	5,660,440

This table provides a rollforward of the allowance for loan losses by portfolio segment for the year ended December 31, 2011 (in thousands):

	Year Ended December 31, 2011				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 39,138	$ 18,557	$ 16,243	$ 14	$ 73,952
Charge-offs	(12,693)	(532)	(15,438)	—	(28,663)
Recoveries	813	32	3,683	—	4,528
Provision	10,669	2,429	9,105	(3)	22,200
Ending Balance	$ 37,927	$ 20,486	$ 13,593	$ 11	$ 72,017
Ending Balance: individually evaluated for impairment	$ 3,662	$ 268	$ —	$ —	$ 3,930
Ending Balance: collectively evaluated for impairment	34,266	20,217	13,593	11	68,087
Loans:					
Ending Balance: loans	$2,330,156	$2,198,063	$428,290	$3,834	$4,960,343
Ending Balance: individually evaluated for impairment	11,061	12,468	23	—	23,552
Ending Balance: collectively evaluated for impairment	2,319,095	2,185,595	428,267	3,834	4,936,791

This table provides a rollforward of the allowance for loan losses by portfolio segment for the year ended December 31, 2010 (in thousands):

	Year Ended December 31, 2010				
	Commercial	Real estate	Consumer	Leases	Total
Allowance for loan losses:					
Beginning balance	$ 40,430	$ 13,311	$ 10,128	$ 270	$ 64,139
Charge-offs	(6,644)	(258)	(18,585)	—	(25,487)
Recoveries	637	29	3,124	—	3,790
Provision	4,715	5,475	21,576	(256)	31,510
Ending Balance	$ 39,138	$ 18,557	$ 16,243	$ 14	$ 73,952
Ending Balance: individually evaluated for impairment	$ 798	$ 1,762	$ —	$ —	$ 2,560
Ending Balance: collectively evaluated for impairment	38,340	16,795	16,243	14	71,392
Loans:					
Ending Balance: loans	$2,021,597	$2,092,630	$462,401	$7,055	$4,583,683
Ending Balance: individually evaluated for impairment	11,913	8,886	15	—	20,814
Ending Balance: collectively evaluated for impairment	2,009,684	2,083,744	462,386	7,055	4,562,869

Impaired Loans

This table provides an analysis of impaired loans by class for the year ended December 31, 2012 (in thousands):

	Year Ended December 31, 2012					
	Unpaid Principal Balance	Recorded Investment with No Allowance	Recorded Investment with Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment
Commercial:						
Commercial	$22,453	$12,119	$2,938	$15,057	$1,393	$13,287
Commercial—credit card	—	—	—	—	—	—
Real estate:						
Real estate—construction	276	276	—	276	—	118
Real estate—commercial	9,334	6,777	2,213	8,990	733	9,925
Real estate—residential	2,357	1,714	223	1,937	48	2,622
Real estate—HELOC	—	—	—	—	—	—
Consumer:						
Consumer—credit card	—	—	—	—	—	—
Consumer—other	51	49	—	49	—	43
Leases	—	—	—	—	—	—
Total	$34,471	$20,935	$5,374	$26,309	$2,174	$25,995

This table provides an analysis of impaired loans by class for the year ended December 31, 2011 (in thousands):

	Year Ended December 31, 2011					
	Unpaid Principal Balance	Recorded Investment with No Allowance	Recorded Investment with Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment
Commercial:						
Commercial	$14,368	$ 2,940	$ 8,121	$11,061	$3,662	$ 8,038
Commercial—credit card	—	—	—	—	—	—
Real estate:						
Real estate—construction	90	50	—	50	—	15
Real estate—commercial	9,323	7,983	1,247	9,230	226	7,000
Real estate—residential	3,568	2,329	859	3,188	42	2,312
Real estate—HELOC	—	—	—	—	—	—
Consumer:						
Consumer—credit card	—	—	—	—	—	—
Consumer—other	23	23	—	23	—	28
Leases	—	—	—	—	—	—
Total	$27,372	$13,325	$10,227	$23,552	$3,930	$17,393

This table provides an analysis of impaired loans by class for the year ended December 31, 2010 (in thousands):

	Year Ended December 31, 2010					
	Unpaid Principal Balance	Recorded Investment with No Allowance	Recorded Investment with Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment
Commercial:						
Commercial	$13,497	$10,180	$1,733	$11,913	$ 798	$15,426
Commercial—credit card	—	—	—	—	—	—
Real estate:						
Real estate—construction	—	—	—	—	—	121
Real estate—commercial	7,415	439	6,612	7,051	1,475	4,092
Real estate—residential	2,071	612	1,223	1,835	287	2,535
Real estate—HELOC	—	—	—	—	—	—
Consumer:						
Consumer—credit card	—	—	—	—	—	—
Consumer—other	15	15	—	15	—	6
Leases	—	—	—	—	—	—
Total	$22,998	$11,246	$9,568	$20,814	$2,560	$22,180

Troubled Debt Restructurings

The Company adopted ASU No. 2011-02, "A Creditor's Determination of Whether a Restructuring is a Troubled Debt Restructuring," as of July 1, 2011. This update provides additional guidance on evaluating whether a modification or restructuring of a receivable is a TDR. A loan modification is considered a TDR when a concession had been granted to a debtor experiencing financial difficulties. The Company assessed loan modifications made to borrowers experiencing financial distress occurring after January 1, 2011. The Company's modifications generally include interest rate adjustments, principal reductions, and amortization and maturity date extensions. These modifications allow the debtor short-term cash relief to allow them to improve their financial condition. The Company's restructured loans are individually evaluated for impairment and evaluated as part of the allowance for loan loss as described above in the Allowance for Loan Losses section of this note. The Company had $534 thousand in commitments to lend to borrowers with loan modifications classified as TDR's.

The Company made no TDR's in the last 12 months that had payment defaults for the year ended December 31, 2012.

This table provides a summary of loans restructured by class for the years ended December 31, 2012 and 2011 (in thousands):

	Year Ended December 31, 2012			Year Ended December 31, 2011		
	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Troubled Debt Restructurings						
Commercial:						
Commercial	7	$9,800	$9,775	3	$1,750	$1,750
Commercial—credit card	—	—	—	—	—	—
Real estate:						
Real estate—construction	—	—	—	—	—	—
Real estate—commercial	1	54	54	2	2,806	2,866
Real estate—residential	—	—	—	3	1,462	1,462
Real estate—HELOC	—	—	—	—	—	—
Consumer:						
Consumer—credit card	—	—	—	—	—	—
Consumer—other	—	—	—	—	—	—
Leases	—	—	—	—	—	—
Total	8	$9,854	$9,829	8	$6,018	$6,078

4. *SECURITIES*

Securities Available for Sale

This table provides detailed information about securities available for sale at December 31, 2012 and 2011 (in thousands):

2012	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 116,856	$ 1,166	$ (171)	$ 117,851
U.S. Agencies	1,019,640	6,597	(122)	1,026,115
Mortgage-backed	3,480,006	78,600	(2,413)	3,556,193
State and political subdivisions	1,842,715	51,341	(1,372)	1,892,684
Corporates	337,706	1,945	(764)	338,887
Commercial Paper	5,733	—	—	5,733
Total	$6,802,656	$139,649	$(4,842)	$6,937,463

2011	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 184,523	$ 4,802	$ -	$ 189,325
U.S. Agencies	1,615,637	16,434	(62)	1,632,009
Mortgage-backed	2,437,282	55,985	(919)	2,492,348
State and political subdivisions	1,642,844	51,336	(144)	1,694,036
Corporates	99,620	566	(22)	100,164
Commercial Paper	—	—	—	—
Total	$5,979,906	$129,123	$(1,147)	$6,107,882

The following table presents contractual maturity information for securities available for sale at December 31, 2012 (in thousands):

	Amortized Cost	Fair Value
Due in 1 year or less	$ 513,241	$ 516,025
Due after 1 year through 5 years	1,969,083	1,997,130
Due after 5 years through 10 years	686,760	712,773
Due after 10 years	153,566	155,342
Total	3,322,650	3,381,270
Mortgage-backed securities	3,480,006	3,556,193
Total securities available for sale	$6,802,656	$6,937,463

Securities may be disposed of before contractual maturities due to sales by the Company or because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Proceeds from the sales of securities available for sale were $1.0 billion for both 2012 and 2011. Securities transactions resulted in gross realized gains of $20.2 million for 2012, $16.2 million for 2011, and $8.5 million for 2010. The gross realized losses were $30 thousand for 2012, $70 thousand for 2011, and $229 thousand for 2010.

Trading Securities

The net unrealized gains on trading securities at December 31, 2012 were $403 thousand, net unrealized gains on trading securities were $571 thousand for 2011, and net unrealized losses on trading securities were $10 thousand for 2010. Net unrealized gains/losses were included in trading and investment banking income on the consolidated statements of income.

Securities Held to Maturity

The table below provides detailed information for securities held to maturity at December 31, 2012 and 2011 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2012				
State and political subdivisions	$114,756	$14,739	$—	$129,495
2011				
State and political subdivisions	$ 89,246	$13,041	$—	$102,287

The following table presents contractual maturity information for securities held to maturity at December 31, 2012 (in thousands):

	Amortized Cost	Fair Value
Due in 1 year or less	$ 1,751	$ 1,976
Due after 1 year through 5 years	31,802	35,887
Due after 5 years through 10 years	28,084	31,691
Due after 10 years	53,119	59,941
Total securities held to maturity	$114,756	$129,495

Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

There were no sales of securities held to maturity during 2012, 2011, or 2010.

Securities available for sale and held to maturity with a market value of $5.9 billion at December 31, 2012, and $5.4 billion at December 31, 2011, were pledged to secure U.S. Government deposits, other public deposits and certain trust deposits as required by law.

The following table shows the Company's available for sale investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2012 and 2011 (in thousands).

2012	Less than 12 months		12 months or more		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury	$ 29,747	$ (171)	$ —	$—	$ 29,747	$ (171)
U.S. Agencies	295,747	(122)	—	—	295,747	(122)
Mortgage-backed	398,384	(2,413)	—	—	398,384	(2,413)
State and political subdivisions	132,951	(1,358)	2,604	(14)	135,555	(1,372)
Corporates	178,564	(764)	—	—	178,564	(764)
Commercial Paper	5,733	—	—	—	5,733	—
Total temporarily-impaired debt securities available for sale	$1,041,126	$(4,828)	$2,604	$ (14)	$1,043,730	$(4,842)

2011	Less than 12 months		12 months or more		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury	$ —	$ —	$ —	$—	$ —	$ —
U.S. Agencies	66,992	(62)	—	—	66,992	(62)
Mortgage-backed	226,081	(919)	—	—	226,081	(919)
State and political subdivisions	45,918	(139)	2,571	(5)	48,489	(144)
Corporates	12,471	(22)	—	—	12,471	(22)
Commercial Paper	—	—	—	—	—	—
Total temporarily-impaired debt securities available for sale	$351,462	$(1,142)	$2,571	$ (5)	$354,033	$(1,147)

The unrealized losses in the Company's investments in direct obligations of U.S. treasury obligations, U.S. government agencies, federal agency mortgage-backed securities, municipal securities, and corporates were caused by changes in interest rates. The Company does not have the intent to sell these securities and does not believe it is more likely than not that the Company will be required to sell these securities before a recovery of fair value. The Company expects to recover its cost basis in the securities and does not consider these investments to be other-than-temporarily impaired at December 31, 2012.

5. *SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL*

The Company regularly enters into agreements for the purchase of securities with simultaneous agreements to resell (resell agreements). The agreements permit the Company to sell or repledge these securities. Resell agreements were $57.2 million and $53.0 million at December 31, 2012 and 2011, respectively. The Company obtains possession of collateral with a market value equal to or in excess of the principal amount loaned under resell agreements.

6. *LOANS TO OFFICERS AND DIRECTORS*

Certain Company and principal Bank executive officers and directors, including companies in which those persons are principal holders of equity securities or are general partners, borrow in the normal course of business from the Bank. All such loans have been made on the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with unrelated parties. In addition, all such loans are current as to repayment terms.

For the years 2012 and 2011, an analysis of activity with respect to such aggregate loans to related parties appears below (in thousands):

	Year Ended December 31	
	2012	2011
Balance—beginning of year	$ 266,869	$ 302,894
New loans	487,455	212,800
Repayments	(274,033)	(248,825)
Balance—end of year	$ 480,291	$ 266,869

7. *GOODWILL AND OTHER INTANGIBLES*

Changes in the carrying amount of goodwill for the periods ended December 31, 2012 and December 31, 2011 by operating segment are as follows (in thousands):

	Bank	Institutional Investment Management	Asset Servicing	Total
Balances as of January 1, 2011	$144,109	$47,529	$19,476	$211,114
Balances as of December 31, 2011	$144,109	$47,529	$19,476	$211,114
Balances as of January 1, 2012	$144,109	$47,529	$19,476	$211,114
Goodwill disposals during period	$ (1,356)	—	—	$ (1,356)
Balances as of December 31, 2012	$142,753	$47,529	$19,476	$209,758

Following are the intangible assets that continue to be subject to amortization as of December 31, 2012 and 2011 (in thousands):

	As of December 31, 2012		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Core deposit intangible assets	$ 36,497	$30,403	$ 6,094
Customer relationships	103,960	42,399	61,561
Other intangible assets	3,247	2,099	1,148
Total intangible assets	$143,704	$74,901	$68,803
	As of December 31, 2011		
Core deposit intangible assets	$ 36,497	$28,629	$ 7,868
Customer relationships	105,544	30,645	74,899
Other intangible assets	3,247	1,683	1,564
Total intangible assets	$145,288	$60,957	$84,331

Amortization expense for the years ended December 31, 2012, 2011, and 2010 was $14.8 million, $16.1 million and $11.1 million, respectively. The following table discloses the estimated amortization expense of intangible assets in future years (in thousands):

For the year ending December 31, 2013	$13,219
For the year ending December 31, 2014	12,146
For the year ending December 31, 2015	9,550
For the year ending December 31, 2016	8,342
For the year ending December 31, 2017	7,098

8. *BANK PREMISES AND EQUIPMENT*

Bank premises and equipment consisted of the following (in thousands):

	December 31	
	2012	2011
Land	$ 45,578	$ 44,855
Buildings and leasehold improvements	295,147	284,843
Equipment	121,979	105,244
Software	105,284	96,047
	567,988	530,989
Accumulated depreciation	(237,054)	(223,884)
Accumulated amortization	(86,334)	(79,169)
Bank premises and equipment, net	$ 244,600	$ 227,936

Consolidated rental and operating lease expenses were $10.8 million in 2012, $10.1 million in 2011, and $8.7 million in 2010. Consolidated bank premises and equipment depreciation and amortization expenses were $26.1 million in 2012, $26.8 million in 2011, and $28.2 million in 2010.

Minimum future rental commitments as of December 31, 2012, for all non-cancelable operating leases are as follows (in thousands):

2013	$ 8,215
2014	7,487
2015	7,000
2016	6,396
2017	6,302
Thereafter	29,996
Total	$65,396

9. *BORROWED FUNDS*

The components of the Company's short-term and long-term debt are as follows (in thousands):

	December 31	
	2012	2011
Short-term debt:		
Federal Home Loan Bank Repo Advance 0.35% due 2012	—	2,000
Wells Fargo Bank 1.25% due 2012	—	10,000
Total short-term debt	—	12,000
Long-term debt:		
Federal Home Loan Bank 5.89% due 2014	514	893
Kansas Equity Fund IV, L.P. 0% due 2017	297	420
Kansas Equity Fund V, L.P. 0% due 2017	232	288
Kansas Equity Fund VI, L.P. 0% due 2017	499	629
Kansas Equity Fund IX, L.P. 0% due 2022	462	483
Kansas Equity Fund X, L.P. 0% due 2018	495	—
Kansas City Equity Fund 2007, L.L.C. 0% due 2016	308	531
Kansas City Equity Fund 2008, L.L.C. 0% due 2016	431	497
Kansas City Equity Fund 2009, L.L.C. 0% due 2017	637	770
St. Louis Equity Fund 2005 L.L.C. 0% due 2013	10	10
St. Louis Equity Fund 2006 L.L.C. 0% due 2013	32	67
St. Louis Equity Fund 2007 L.L.C. 0% due 2015	325	484
St. Louis Equity Fund 2008 L.L.C. 0% due 2016	460	610
St. Louis Equity Fund 2009 L.L.C. 0% due 2017	695	847
St. Louis Equity Fund 2012 L.L.C. 0% due 2019	482	—
Total long-term debt	5,879	6,529
Total borrowed funds	$5,879	$18,529

Aggregate annual repayments of long-term debt at December 31, 2012, are as follows (in thousands):

2013	$1,773
2014	1,431
2015	1,185
2016	725
2017	461
Thereafter	304
Total	$5,879

All of the Federal Home Loan Bank notes are secured by investment securities of the Company. Federal Home Loan Bank notes require monthly principal and interest payments and may require a penalty for payoff prior to the maturity date.

The Company has a revolving line of credit with Wells Fargo, N.A. which allows the Company to borrow up to $25.0 million for general working capital purposes. The interest rate applied to borrowed balances will be at the Company's option either 1.00 percent above LIBOR or 1.75 percent below Prime on the date of an advance. The Company will also pay a 0.2 percent unused commitment fee for unused portions of the line of credit. As shown above, the Company had a $10.0 million advance outstanding at December 31, 2011. The Company subsequently paid off the $10.0 million advance in July 2012 and currently has no outstanding balance on this line of credit.

The Company enters into sales of securities with simultaneous agreements to repurchase (repurchase agreements). The amounts received under these agreements represent short-term borrowings. The amount outstanding at December 31, 2012, was $1.8 billion (with accrued interest payable of $16 thousand). The amount outstanding at December 31, 2011, was $1.9 billion (with accrued interest payable of $18 thousand).

The carrying amounts and market values of the securities and the related repurchase liabilities and weighted average interest rates of the repurchase liabilities (grouped by maturity of the repurchase agreements) were as follows as of December 31, 2012 (in thousands):

Maturity of the Repurchase Liabilities	Securities Market Value	Repurchase Liabilities	Weighted Average Interest Rate
On Demand	$ 4,209	$ 4,201	0.01%
2 to 30 days	1,774,086	1,783,069	0.33
Total	$1,778,295	$1,787,270	0.33%

10. *REGULATORY REQUIREMENTS*

Payment of dividends by the Bank to the parent company is subject to various regulatory restrictions. For national banks, the governing regulatory agency must approve the declaration of any dividends generally in excess of the sum of net income for that year and retained net income for the preceding two years.

The Bank maintains a reserve balance with the Federal Reserve Bank as required by law. During 2012, this amount averaged $467.6 million, compared to $696.5 million in 2011.

The Company formerly had four subsidiary banks, UMB Bank, n.a., UMB Bank Colorado, n.a., UMB National Bank of America, n.a., and UMB Bank Arizona, n.a. These subsidiary banks were merged into the lead subsidiary bank UMB Bank, n.a. effective with the close of business on December 31, 2012.

The Company is required to maintain minimum amounts of capital to total "risk weighted" assets, as defined by the banking regulators. At December 31, 2012, the Company is required to have minimum Tier 1 and Total capital ratios of 4.0% and 8.0%, respectively. The Company's actual ratios at that date were 11.05% and 11.92%, respectively. The Company is required to have a minimum leverage ratio of 4.0%, and the leverage ratio at December 31, 2012, was 6.81%.

As of December 31, 2012, the most recent notification from the Office of Comptroller of the Currency categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well-capitalized the Bank must maintain total risk-based, Tier 1 risk-based and Tier 1 leverage ratios of 10.0%, 6.0% and 5.0%, respectively. There are no conditions or events since that notification that management believes have changed the Bank's category.

Actual capital amounts as well as required and well-capitalized Tier 1, Total and Tier 1 Leverage ratios as of December 31, for the Company and its banks are as follows (in thousands):

	2012					
	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Tier 1 Capital:						
UMB Financial Corporation	$926,465	11.05%	$335,449	4.00%	$ N/A	N/A%
UMB Bank, n. a.	875,645	10.54	332,363	4.00	498,544	6.00
Total Capital:						
UMB Financial Corporation	999,757	11.92	670,898	8.00	N/A	N/A
UMB Bank, n. a.	948,937	11.42	664,726	8.00	830,907	10.00
Tier 1 Leverage:						
UMB Financial Corporation	926,465	6.81	544,564	4.00	N/A	N/A
UMB Bank, n. a.	875,645	7.58	462,152	4.00	577,690	5.00
	2011					
Tier 1 Capital:						
UMB Financial Corporation	$823,187	11.20%	$294,029	4.00%	$ N/A	N/A%
UMB Bank, n. a.	643,972	10.68	241,188	4.00	361,782	6.00
UMB National Bank of America, n.a.	58,620	18.85	12,442	4.00	18,663	6.00
UMB Bank Colorado, n.a.	103,867	11.74	35,393	4.00	53,089	6.00
UMB Bank Arizona, n.a.	15,303	9.83	6,229	4.00	9,344	6.00
Total Capital:						
UMB Financial Corporation	896,924	12.20	588,058	8.00	N/A	N/A
UMB Bank, n. a.	707,010	11.73	482,376	8.00	602,971	10.00
UMB National Bank of America, n.a.	60,579	19.48	24,884	8.00	31,105	10.00
UMB Bank Colorado, n.a.	110,291	12.46	70,785	8.00	88,482	10.00
UMB Bank Arizona, n.a.	17,254	11.08	12,459	8.00	15,574	10.00
Tier 1 Leverage:						
UMB Financial Corporation	823,187	6.71	490,374	4.00	N/A	N/A
UMB Bank, n. a.	643,972	6.32	407,693	4.00	509,616	5.00
UMB National Bank of America, n.a.	58,620	9.02	26,006	4.00	32,507	5.00
UMB Bank Colorado, n.a.	103,867	7.00	59,352	4.00	74,190	5.00
UMB Bank Arizona, n.a.	15,303	10.87	5,633	4.00	7,041	5.00

11. *EMPLOYEE BENEFITS*

The Company has a discretionary noncontributory profit sharing plan, which features an employee stock ownership plan. This plan is for the benefit of substantially all eligible officers and employees of the Company and its subsidiaries. The Company has accrued and anticipates making a discretionary payment of $2.5 million in March 2013, for 2012. A $2.0 million contribution was paid in 2012, for 2011. A $2.0 million contribution was paid in 2011, for 2010.

The Company has a qualified 401(k) profit sharing plan that permits participants to make contributions by salary deduction. The Company made a matching contribution to this plan of $4.5 million in 2012, for 2011 and $3.2 million in 2011, for 2010. The Company anticipates making a matching contribution of $5.1 million in March 2013, for 2012.

The Company recognized $2.3 million, $2.1 million, and $2.1 million in expense related to outstanding stock options and $4.6 million, $4.4 million, and $4.0 million in expense related to outstanding restricted stock grants for the years ended December 31, 2012, 2011, and 2010, respectively. The Company has $4.3 million of unrecognized compensation expense related to the outstanding options and $10.4 million of unrecognized compensation expense related to outstanding restricted stock grants at December 31, 2012.

On April 18, 2002, the shareholders of the Company approved the 2002 Incentive Stock Options Plan (the 2002 Plan), which provides incentive options to certain key employees to receive up to 2,000,000 common shares of the Company. All options that are issued under the 2002 Plan are in effect for 10 years (except for any option granted to a person holding more than 10 percent of the Company's stock, in which case the option is in effect for five years). All options issued prior to 2005, under the 2002 Plan, could not be exercised until at least four years 11 months after the date they are granted. Options issued in 2006, 2007, and 2008 under the 2002 Plan, have a vesting schedule of 50 percent after three years; 75 percent after four years and 100 percent after four years and eleven months. Except under circumstances of death, disability or certain retirements, the options cannot be exercised after the grantee has left the employment of the Company or its subsidiaries. The exercise period for an option may be accelerated upon the optionee's qualified disability, retirement or death. All options expire at the end of the exercise period. Prior to 2006, the Company made no recognition in the balance sheet of the options until such options were exercised and no amounts applicable thereto were reflected in net income as all options were granted at strike prices at the then current fair value of the underlying shares. For options granted after January 1, 2006, compensation expense is recognized on unvested options outstanding. Options are granted at exercise prices of no less than 100 percent of the fair market value of the underlying shares based on the fair value of the option at date of grant. On January 25, 2011, the Board of Directors amended and froze the 2002 Plan such that no shares of Company stock shall thereafter be available for grants under the 2002 Plan. Existing awards granted under the 2002 Plan will continue in accordance with their terms under the 2002 Plan. The plan expired without modification on April 17, 2012.

The table below discloses the information relating to option activity in 2012, under the 2002 Plan:

Stock Options Under the 2002 Plan	Number of Shares	Weighted Average Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding—December 31, 2011	630,509	33.16		
Granted	—	—		
Canceled	(33,688)	32.40		
Exercised	(103,972)	26.76		
Outstanding—December 31, 2012	492,849	34.71	3.6	4,490,431
Exercisable—December 31, 2012	469,493	34.40		
Exercisable and expected to be exercisable—December 31, 2012	490,774	34.68	3.6	4,484,435

No options were granted under the 2002 Plan during 2010, 2011 or 2012. The total intrinsic value of options exercised during the year ended December 31, 2012, 2011, and 2010 was $2.0 million, $1.1 million, and $1.2 million, respectively. As of December 31, 2012, there was $147 thousand of unrecognized compensation cost related to the nonvested shares. The cost is expected to be recognized over a period of 0.9 years.

At the April 26, 2005, shareholders' meeting, the shareholders approved the UMB Financial Corporation Long-Term Incentive Compensation Plan (LTIP) which became effective as of January 1, 2005. The LTIP permits the issuance to selected officers of the Company service-based restricted stock grants, performance-based restricted stock grants and non-qualified stock options. Service-based restricted stock grants contain a service requirement. The performance-based restricted grants contain performance and service requirements. The non-qualified stock options contains a service requirement.

The LTIP reserves up to 5,250,000 shares of the Company's stock. Of the total, no more than 1,200,000 shares can be issued as restricted stock. No one eligible employee may receive more than $1.0 million in benefits under the LTIP during any one fiscal year taking into account the value of all stock options and restricted stock received during such fiscal year.

The service-based restricted stock grants contain a service requirement. In general the vesting schedule is 50 percent of the shares after three years of service, 75 percent after four years of service and 100 percent after five years of service. Some service-based restricted stock grants contain a three-year cliff vesting.

The performance-based restricted stock grants contain a service and a performance requirement. The performance requirement is based on a predetermined performance requirement over a three year period. The service requirement portion is a three year cliff vesting. If the performance requirement is not met, the executives do not receive the shares.

The dividends on service and performance-based restricted stock grants are treated as two separate transactions. First, cash dividends are paid on the restricted stock. Those cash dividends are then paid to purchase additional shares of restricted stock. Dividends earned as additional shares of restricted stock have the same terms as the associated grant. The dividends paid on the stock are recorded as a reduction to retained earnings (similar to all dividend transactions).

The table below discloses the status of the service-based restricted shares during 2012:

Service Based Restricted Stock	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested—December 31, 2011	309,015	$40.18
Granted	146,215	41.40
Canceled	(29,326)	40.71
Vested	(53,608)	40.76
Nonvested—December 31, 2012	372,296	$40.55

As of December 31, 2012, there was $8.9 million of unrecognized compensation cost related to the nonvested shares. The cost is expected to be recognized over a period of 3.0 years. Total fair value of shares vested during the year ended December 31, 2012, 2011, and 2010 was $2.3 million, $2.0 million, and $2.7 million respectively.

The table below discloses the status of the performance-based restricted shares during 2012:

Performance Based Restricted Stock	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested—December 31, 2011	111,528	$40.31
Granted	43,861	40.43
Canceled	(9,196)	40.76
Vested	(32,053)	41.37
Nonvested—December 31, 2012	114,140	$40.02

As of December 31, 2012, there was $1.5 million of unrecognized compensation cost related to the nonvested shares. The cost is expected to be recognized over a period of 1.6 years. Total fair value of shares vested during the years ended December 31, 2012, 2011 and 2010, was $1.3 million, $1.5 million and $1.2 million, respectively.

The non-qualified stock options carry a service requirement and will vest 50 percent after three years, 75 percent after four years and 100 percent after five years.

The table below discloses the information relating to non-qualified option activity in 2012 under the LTIP:

Stock Options Under the LTIP	Number of Shares	Weighted Average Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding—December 31, 2011	1,128,825	$38.30		
Granted	303,421	40.48		
Canceled	(79,609)	40.36		
Exercised	(106,526)	35.23		
Outstanding—December 31, 2012	1,246,111	38.97	6.6	$6,053,900
Exercisable—December 31, 2012	416,117	36.73		
Exercisable and expected to be exercisable—December 31, 2012	1,242,358	$38.57	6.3	$6,521,888

The Company uses the Black-Scholes pricing model to determine the fair value of its options. The assumptions for stock-based awards in the past three years utilized in the model are shown in the table below.

Black-Scholes pricing model:	2012	2011	2010
Weighted average fair value of the granted options	$ 8.83	$ 9.73	$ 8.32
Weighted average risk-free interest rate	1.14%	2.65%	2.77%
Expected option life in years	6.25	6.25	6.25
Expected volatility	27.02%	24.54%	23.25%
Expected dividend yield	1.95%	1.80%	1.96%

The expected option life is derived from historical exercise patterns and represents the amount of time that options granted are expected to be outstanding. The expected volatility is based on historical volatilities of the Company's stock. The risk-free interest rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The weighted average grant-date fair value of options granted during the years 2012, 2011, and 2010 was $8.83, $9.73, and $8.32. The total intrinsic value of options exercised during the years ended December 31, 2012, 2011 and 2010, was $1.3 million, $476 thousand and $178 thousand, respectively. As of December 31, 2012, there was $4.2 million of unrecognized compensation cost related to the nonvested shares. The cost is expected to be recognized over a period of 3.2 years.

Cash received from options exercised under all share based compensation plans was $6.6 million, $1.8 million, and $1.4 million for the years ended December 31, 2012, 2011, and 2010, respectively. The tax benefit realized for stock options exercised was $359 thousand in 2012, $79 thousand in 2011 and $152 thousand in 2010.

The Company has no specific policy to repurchase common shares to mitigate the dilutive impact of options; however, the Company has historically made adequate discretionary purchases to satisfy stock option exercise activity. See a description of the Company's share repurchase plan in Note 13 to the Consolidated Financial Statements provided in Item 8, page 85 of this report.

12. *BUSINESS SEGMENT REPORTING*

The Company has strategically aligned its operations into the following four reportable segments (collectively, "Business Segments"): Bank, Payment Solutions, Institutional Investment Management, and Asset Servicing. Business segment financial results produced by the Company's internal management accounting system are evaluated regularly by the Executive Committee in deciding how to allocate resources and assess performance for individual Business Segments. The Business Segments were redefined during the first quarter of 2012 to reflect the Executive Committee's changes in executive management responsibilities for each of the core businesses, the products and services provided and the types of customers served, and how financial information is currently evaluated by management. The management accounting system assigns balance sheet and income statement items to each business segment using methodologies that are refined on an ongoing basis. In 2011, the Business Segments were Commercial Financial Services, Institutional Financial Services, and Personal Financial Services. For comparability purposes, amounts in all periods presented are based on methodologies in effect at December 31, 2012. Previously reported results have been reclassified to conform to the current organizational structure.

The following summaries provide information about the activities of each segment:

The *Bank* provides a full range of banking services to commercial, retail, government and correspondent bank customers through the Company's branches, call center, internet banking, and ATM network. Services include traditional commercial and consumer banking, treasury management, leasing, foreign exchange, merchant bankcard, wealth management, brokerage, insurance, capital markets, investment banking, corporate trust, and correspondent banking.

Payment Solutions provides consumer and commercial credit and debit card, prepaid debit card solutions, healthcare services, and institutional cash management. Healthcare services include health savings account and flexible savings account products for healthcare providers, third-party administrators and large employers.

Institutional Investment Management provides equity and fixed income investment strategies in the intermediary and institutional markets via mutual funds, traditional separate accounts and sub-advisory relationships.

Asset Servicing provides services to the asset management industry, supporting a range of investment products, including mutual funds, alternative investments and managed accounts. Services include fund administration, fund accounting, investor services, transfer agency, distribution, marketing, custody, alternative investment services, managed account services, and collective and multiple-series trust services.

BUSINESS SEGMENT INFORMATION

Line of business/segment financial results were as follows (in thousands):

	Year Ended December 31, 2012				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income	$ 275,178	$ 43,351	$ 2	$ 1,525	$ 320,056
Provision for loan losses	8,098	9,402	—	—	17,500
Noninterest income	216,688	65,723	100,093	75,618	458,122
Noninterest expense	383,034	68,903	70,527	67,990	590,454
Income before taxes	100,734	30,769	29,568	9,153	170,224
Income tax expense	26,533	9,430	8,269	3,275	47,507
Net income	$ 74,201	$ 21,339	$ 21,299	$ 5,878	$ 122,717
Average assets	$10,949,000	$876,000	$ 82,000	$1,482,000	$13,389,000

	Year Ended December 31, 2011				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income	$ 273,481	$ 42,101	$ 45	$ 1,346	$ 316,973
Provision for loan losses	11,060	11,140	—	—	22,200
Noninterest income	205,877	54,702	83,955	69,798	414,332
Noninterest expense	378,065	56,367	64,050	64,264	562,746
Income before taxes	90,233	29,296	19,950	6,880	146,359
Income tax expense	23,085	9,002	5,534	2,266	39,887
Net income	$ 67,148	$ 20,294	$14,416	$ 4,614	$ 106,472
Average assets	$10,336,000	$717,000	$90,000	$1,274,000	$12,417,000

	Year Ended December 31, 2010				
	Bank	Payment Solutions	Institutional Investment Management	Asset Servicing	Total
Net interest income	$ 269,318	$ 39,856	$ —	$ 1,439	$ 310,613
Provision for loan losses	17,229	14,281	—	—	31,510
Noninterest income	187,304	47,481	60,987	64,598	360,370
Noninterest expense	352,512	50,554	50,034	59,522	512,622
Income before taxes	86,881	22,502	10,953	6,515	126,851
Income tax expense	24,937	5,682	2,888	2,342	35,849
Net income	$ 61,944	$ 16,820	$ 8,065	$ 4,173	$ 91,002
Average assets	$9,410,000	$554,000	$51,000	$1,093,000	$11,108,000

13. *COMMON STOCK AND EARNINGS PER SHARE*

The following table summarizes the share transactions for the three years ended December 31, 2012:

	Shares Issued	Shares in Treasury
Balance December 31, 2009	55,056,730	(14,617,123)
Purchase of Treasury Stock	—	(242,383)
Sale of Treasury Stock	—	21,735
Issued for stock options & restricted stock	—	211,122
Balance December 31, 2010	55,056,730	(14,626,649)
Purchase of Treasury Stock	—	(254,274)
Sale of Treasury Stock	—	16,218
Issued for stock options & restricted stock	—	234,317
Balance December 31, 2011	55,056,730	(14,630,388)
Purchase of Treasury Stock	—	(514,824)
Sale of Treasury Stock	—	21,950
Issued for stock options & restricted stock	—	407,410
Balance December 31, 2012	55,056,730	(14,715,852)

The Company's Board of Directors approved a plan to repurchase up to 2,000,000 shares of common stock annually at its 2009, 2010, 2011 and 2012 meetings. All open market share purchases under the share repurchase plans are intended to be within the scope of Rule 10b-18 promulgated under the Exchange Act. Rule 10b-18 provides a safe harbor for purchases in a given day if the Company satisfies the manner, timing and volume conditions of the rule when purchasing its own common shares. The Company has not made any repurchases other than through these plans.

Basic earnings per share are computed by dividing income available to common shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share gives effect to all potential common shares that were outstanding during the year.

The shares used in the calculation of basic and diluted earnings per share, are shown below:

	For the Years Ended December 31		
	2012	2011	2010
Weighted average basic common shares outstanding	40,034,428	40,034,435	40,071,751
Dilutive effect of stock options and restricted stock	398,939	275,522	239,924
Weighted average diluted common shares outstanding	40,433,367	40,309,957	40,311,675

14. *COMMITMENTS, CONTINGENCIES AND GUARANTEES*

In the normal course of business, the Company is a party to financial instruments with off-balance-sheet risk in order to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit, commercial letters of credit, standby letters of credit, and futures contracts. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the consolidated balance sheet. The contract or notional amount of those instruments reflects the extent of involvement the Company has in particular classes of financial instruments.

The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit, commercial letters of credit, and standby letters of credit is represented by the contract or notional amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the agreement. These conditions generally include, but are not limited to, each customer being current as to repayment terms of existing loans and no deterioration in the customer's financial condition. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. The interest rate is generally a variable rate. If the commitment has a fixed interest rate, the rate is generally not set until such time as credit is extended. For credit card customers, the Company has the right to change or terminate terms or conditions of the credit card account at any time. Since a large portion of the commitments and unused credit card lines are never actually drawn upon, the total commitment amount does not necessarily represent future cash requirements. The Company evaluates each customer's creditworthiness on an individual basis. The amount of collateral obtained, if deemed necessary by the Company upon extension of credit, is based on management's credit evaluation. Collateral held varies but may include accounts receivable, inventory, real estate, plant and equipment, stock, securities and certificates of deposit.

Commercial letters of credit are issued specifically to facilitate trade or commerce. Under the terms of a commercial letter of credit, as a general rule, drafts will be drawn when the underlying transaction is consummated as intended.

Standby letters of credit are conditional commitments issued by the Company payable upon the non-performance of a customer's obligation to a third party. The Company issues standby letters of credit for terms ranging from three months to three years. The Company generally requires the customer to pledge collateral to support the letter of credit. The maximum liability to the Company under standby letters of credit at December 31, 2012 and 2011, was $343.5 million and $320.1 million, respectively. As of December 31, 2012 and 2011, standby letters of credit totaling $62.5 million and $55.9 million, respectively, were with related parties to the Company.

The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities. The Company holds collateral supporting those commitments when deemed necessary. Collateral varies but may include such items as those described for commitments to extend credit.

Futures contracts are contracts for delayed delivery of securities or money market instruments in which the seller agrees to make delivery at a specified future date, of a specified instrument, at a specified yield. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in securities values and interest rates. Instruments used in trading activities are carried at market value and gains and losses on futures contracts are settled in cash daily. Any changes in the market value are recognized in trading and investment banking income.

The Company uses contracts to offset interest rate risk on specific securities held in the trading portfolio. Open futures contract positions average notional amount was $22.9 million and $34.7 million during the years ended December 31, 2012 and 2011, respectively. Net futures activity resulted in losses of $0.6 million, $1.1 million and $0.8 million for 2012, 2011, and 2010, respectively. The Company controls the credit risk of its futures contracts through credit approvals, limits and monitoring procedures.

The Company also enters into foreign exchange contracts on a limited basis. For operating purposes, the Company maintains certain balances in foreign banks. Foreign exchange contracts are purchased on a monthly basis to avoid foreign exchange risk on these foreign balances. The Company will also enter into foreign exchange contracts to facilitate foreign exchange needs of customers. The Company will enter into a contract to buy or sell a foreign currency at a future date only as part of a contract to sell or buy the foreign currency at the same future date to a customer. During 2012, contracts to purchase and to sell foreign currency averaged approximately $68.2 million compared to $39.9 million during 2011. The net gains on these foreign exchange contracts for 2012, 2011 and 2010 were $2.3 million, $2.2 million and $1.9 million, respectively.

With respect to group concentrations of credit risk, most of the Company's business activity is with customers in the states of Missouri, Kansas, Colorado, Oklahoma, Nebraska, Arizona, and Illinois. At December 31, 2012, the Company did not have any significant credit concentrations in any particular industry.

The following table summarizes the Company's off-balance sheet financial instruments as described above.

(in thousands)	Contract or Notional Amount December 31 2012	2011
Commitments to extend credit for loans (excluding credit card loans)	$2,458,444	$2,202,838
Commitments to extend credit under credit card loans	2,184,415	2,059,193
Commercial letters of credit	1,041	19,564
Standby letters of credit	343,503	320,119
Futures contracts	7,500	30,600
Forward foreign exchange contracts	2,005	119,200
Spot foreign exchange contracts	2,910	3,040

15. *ACQUISITIONS*

The following acquisitions were completed during the third and fourth quarters of 2010 and the second quarter of 2009. The pro-forma impact of these transactions was not material. Each of these acquisitions has a contingent consideration liability which has had payments and valuation adjustments applied since the acquisition date. A rollforward of these changes is included in Note 18 in the Notes to the Consolidated Financial Statements under Item 8 on pages 91 through 96.

On July 30, 2010, UMB Advisors, LLC ("UMB Advisors") and UMB Merchant Banc, LLC ("UMBMB", together with UMB Advisors, the "Buyers"), a subsidiary of UMB Financial Corporation, completed the purchase of substantially all of the assets of Prairie Capital Management LLC ("Prairie Capital") and PCM LLC ("PCM") for cash of $25.9 million and future consideration. After the completion of the transaction, UMB Advisors name was changed to Prairie Capital Management, LLC. Prairie Capital is in the business of providing investment management services, and PCM is the general partner of various investment funds and associated with Prairie Capital's business. UMB Advisors purchased substantially all of the assets of Prairie Capital's business, and UMBMB purchased substantially all of the assets of PCM's business. This acquisition increased the Company's assets under management base by $2.2 billion and increased the Company's servicing assets by $2.6 billion. Goodwill amounted to $32.2 million with the remaining purchase price allocated to cash, furniture, fixtures, prepaid assets, and unearned income. Identifiable intangible assets amounted to $19.4 million. Total goodwill and intangible assets are inclusive of contingent earn-out payments based on revenue targets over five years. This earn-out liability was estimated to be $26.0 million at the purchase date. Earn-out payments and valuation adjustments have been made resulting in a contingent earn-out liability of $21.3 million at December 31, 2012.

On September 1, 2010, Scout Investment Advisors, Inc. (Scout), a wholly-owned subsidiary of UMB Financial Corporation, completed the purchase of substantially all of the assets of Reams Asset Management Company, LLC ("Reams") for cash of $44.7 million and future consideration. Reams is a provider of investment management services to institutional clients and a manager of over $9.8 billion in fixed income assets. Reams is now operated as a division of Scout Investments, Inc. Goodwill amounted to $47.5 million with the remaining purchase price allocated to cash, furniture, fixtures, prepaid assets, and unearned income. Identifiable intangible assets totaled $26.0 million. Total goodwill and intangible assets are inclusive of contingent earn-out payments based on revenue and expense targets over five years. This earn-out liability was estimated to be $32.5 million at the purchase date. Earn-out payments and valuation adjustments were made resulting in a contingent earn-out liability of $21.4 million at December 31, 2012.

On May 7, 2009, UMB Fund Services, Inc., a subsidiary of UMB Financial Corporation, completed the purchase of 100 percent of the outstanding equity interests of J.D. Clark & Co., Inc. (J.D. Clark), a privately held, third-party fund service provider to alternative investment firms in a cash transaction of $23.1 million and future consideration. J.D. Clark, with $18 billion in assets under administration operates as a wholly-owned subsidiary of UMB Fund Services, Inc. J.D. Clark retained its name and continues its operations from Ogden, Utah.

Goodwill amounted to $19.5 million with the remaining purchase price allocated to $2.0 million in furniture, fixtures, and software and $1.2 million in accounts receivable. Identifiable intangible assets amounted to $24.8 million. Total goodwill and intangible assets are inclusive of contingent earn-out payments of approximately $23.7 million based on revenue and expense targets over four years. Earn-out payments and valuation adjustments have been made resulting in a contingent earn-out liability of $8.4 million at December 31, 2012.

16. *INCOME TAXES*

Income taxes as set forth below produce effective income tax rates of 27.9 percent in 2012, 27.3 percent in 2011, and 28.3 percent in 2010. These percentages are computed by dividing total income tax by the sum of such tax and net income.

Income tax expense includes the following components (in thousands):

	Year Ended December 31		
	2012	2011	2010
Current tax expense			
Federal	$40,837	$37,669	$ 46,127
State	2,995	2,415	2,948
Total current tax provision	43,832	40,084	49,075
Deferred tax expense			
Federal	2,862	(178)	(13,836)
State	813	(19)	610
Total deferred tax benefit	3,675	(197)	(13,226)
Total tax expense	$47,507	$39,887	$ 35,849

The reconciliation between the income tax expense and the amount computed by applying the statutory federal tax rate of 35% to income taxes is as follows (in thousands):

	Year Ended December 31		
	2012	2011	2010
Statutory federal income tax expense	$ 59,578	$ 51,226	$ 44,398
Tax-exempt interest income	(13,480)	(12,301)	(10,365)
State and local income taxes, net of federal tax benefits	2,475	1,193	431
Federal tax credits	(1,090)	(687)	(564)
Other	24	456	1,949
Total tax expense	$ 47,507	$ 39,887	$ 35,849

In preparing its tax returns, the Company is required to interpret complex tax laws and regulations to determine its taxable income. Periodically, the Company is subject to examinations by various taxing authorities that may give rise to differing interpretations of these complex laws. Upon examination, agreement of tax liabilities between the Company and the multiple tax jurisdictions in which the Company files tax returns may ultimately be different. The Company is currently not under federal audit by the Internal Revenue Service. The Company is in the examination process with one state taxing authority for tax years 2009 and 2010.

Deferred income tax expense (benefit) results from differences between the carrying value of assets and liabilities measured for financial reporting and the tax basis of assets and liabilities for income tax return purposes.

The significant components of deferred tax assets and liabilities are reflected in the following table (in thousands):

	December 31,	
	2012	2011
Deferred tax assets:		
Loans, principally due to allowance for loan losses	$ 27,148	$ 29,301
Stock-based compensation	5,486	4,637
Accrued expenses	12,813	8,968
Miscellaneous	5,369	4,257
Total deferred tax assets before valuation allowance	50,816	47,163
Valuation allowance	(2,775)	(2,605)
Total deferred tax assets	48,041	44,558
Deferred tax liabilities:		
Net unrealized gain on securities available for sale	(49,319)	(46,877)
Land, buildings and equipment	(26,049)	(25,448)
Original issue discount	(4,505)	—
Intangibles	(3,430)	(2,771)
Miscellaneous	(4,802)	(3,409)
Total deferred tax liabilities	(88,105)	(78,505)
Net deferred tax liability	$(40,064)	$(33,947)

The Company has various state net operating loss carryforwards of approximately $0.9 million as of December 31, 2012. These net operating losses expire at various times between 2013 and 2032. The Company has a full valuation allowance for these state net operating losses as they are not expected to be fully realized. In addition, the Company has a valuation allowance of $1.9 million to reduce certain state deferred tax assets to the amount of tax benefit management believes it will more likely than not realize.

The net deferred tax liability at December 31, 2012 and December 31, 2011 is included in accrued expenses and taxes.

Liabilities Associated With Unrecognized Tax Benefits

The Company, or one of its subsidiaries, files income tax returns in the U.S. federal jurisdiction and various states. With few exceptions, the Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for tax years prior to 2009 in the jurisdictions in which it files.

The gross amount of unrecognized tax benefits totaled $4.3 million and $4.1 million at December 31, 2012 and 2011, respectively. The total amount of unrecognized tax benefits that would impact the effective tax rate, if recognized, would be $2.8 million and $2.7 million at December 31, 2012 and December 31, 2011, respectively. The unrecognized tax benefit relates to state tax positions that have a corresponding federal tax benefit. While it is expected that the amount of unrecognized tax benefits will change in the next twelve months, the Company does not expect this change to have a material impact on the results of operations or the financial position of the Company.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

	December 31,	
	2012	2011
Unrecognized tax benefits—opening balance	$4,101	$3,898
Gross increases—tax positions in prior period	—	—
Gross decreases—tax positions in prior period	(141)	(374)
Gross increases—current-period tax positions	1,057	1,045
Settlements	—	—
Lapse of statute of limitations	(670)	(468)
Unrecognized tax benefits—ending balance	$4,347	$4,101

17. *DERIVATIVES AND HEDGING ACTIVITIES*

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk, primarily by managing the amount, sources, and duration of its assets and liabilities. The Company's existing interest rate derivatives result from a service provided to certain qualifying customers and, therefore, are not used to manage interest rate risk of the Company's assets or liabilities. The Company has entered into an offsetting position for each of these derivative instruments with a matching instrument from another financial institution in order to minimize its net risk exposure resulting from such transactions.

Fair Values of Derivative Instruments on the Balance Sheet

The table below presents the fair value of the Company's derivative financial instruments as of December 31, 2012 and 2011. The Company's derivative asset and derivative liability are located within the Other Assets and Other Liabilities, respectively, on the Company's Consolidated Balance Sheet.

This table provides a summary of the fair value of the Company's derivative assets and liabilities as of December 31, 2012 and December 31, 2011*(in thousands)*:

	Asset Derivatives		Liability Derivatives	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Fair value				
Derivatives not designated as hedging instruments				
Interest Rate Products	$3,503	$1,230	$3,625	$1,273
Total	$3,503	$1,230	$3,625	$1,273

Non-designated Hedges

None of the Company's derivatives are designated in qualifying hedging relationships. Derivatives not designated as hedges are not speculative and result from a service the Company provides to certain customers, which the Company implemented during the first quarter of 2010. The Company executes interest rate swaps with commercial banking customers to facilitate their respective risk management strategies. Those interest rate swaps are simultaneously offset by interest rate swaps that the Company executes with a third party, such that the Company minimizes its net risk exposure resulting from such transactions. As the interest rate swaps associated

with this program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings. As of December 31, 2012, the Company had twenty interest rate swaps with an aggregate notional amount of $196.1 million related to this program. During the years ended December 31, 2012 and 2011, the Company recognized net losses of $79 thousand and $13 thousand, respectively, related to changes in the fair value of these swaps.

Effect of Derivative Instruments on the Income Statement

This table provides a summary of the amount of loss recognized in other non-interest expense in the Consolidated Statements of Income related to the Company's derivative asset and liability as of December 31, 2012 and December 31, 2011*(in thousands)*:

	Amount of Loss Recognized For the Year Ended	
	December 31, 2012	**December 31, 2011**
Derivatives not designated as hedging instruments		
Interest Rate Products	$(79)	$(13)
Total	$(79)	$(13)

Credit-risk-related Contingent Features

The Company has agreements with certain of its derivative counterparties that contain a provision where if the Company defaults on any of its indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender, then the Company could also be declared in default on its derivative obligations.

As of December 31, 2012 the termination value of derivatives in a net liability position, which includes accrued interest, related to these agreements was $3.6 million. The Company has minimum collateral posting thresholds with certain of its derivative counterparties and has not yet reached its minimum collateral posting threshold under these agreements. If the Company had breached any of these provisions at December 31, 2012, it could have been required to settle its obligations under the agreements at the termination value.

18. *DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS*

The following table presents information about the Company's assets measured at fair value on a recurring basis as of December 31, 2012, and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value.

Fair values determined by Level 1 inputs utilize quoted prices in active markets for identical assets and liabilities that the Company has the ability to access. Fair values determined by Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In certain cases, the inputs used to measure fair value may fall into different levels of the hierarchy. In such cases, the fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2012 and 2011 (in thousands):

Description	December 31, 2012	Fair Value Measurement at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
U.S. Treasury	$ 400	$ 400	$ —	$ —
U.S. Agencies	506	—	506	—
Mortgage-backed	11,288	—	11,288	—
State and political subdivisions	12,913	—	12,913	—
Trading—other	30,657	30,657	—	—
Trading securities	55,764	31,057	24,707	—
U.S. Treasury	117,851	117,851	—	—
U.S. Agencies	1,026,115	—	1,026,115	—
Mortgage-backed	3,556,193	—	3,556,193	—
State and political subdivisions	1,892,684	—	1,892,684	—
Corporates	338,887	338,887		—
Commercial paper	5,733	—	5,733	—
Available for sale securities	6,937,463	456,738	6,480,725	—
Company-owned life insurance	10,539	—	10,539	—
Derivatives	3,503	—	3,503	—
Total	$7,007,269	$487,795	$6,519,474	$ —
Liabilities				
Deferred compensation	$ 13,705	$ 13,705	$ —	$ —
Contingent consideration liability	51,163	—	—	51,163
Derivatives	3,625	—	3,625	—
Total	$ 68,493	$ 13,705	$ 3,625	$51,163

Due to the lack of identical securities trading on or near December 31, 2012, market data for identical securities was no longer readily available for certain U.S. Agency securities to support classification as a Level 1 investment. Based on this, U.S Agency securities ceased being a Level 1 investment and were transferred to a Level 2 investment as of December 31, 2012.

Description	December 31, 2011	Fair Value Measurement at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
U.S. Treasury	$ 400	$ 400	$ —	$ —
U.S. Agencies	1,517	1,517	—	—
Mortgage-backed	29,641	—	29,641	—
State and political subdivisions	7,252	—	7,252	—
Trading—other	19,332	19,317	15	—
Trading securities	58,142	21,234	36,908	—
U.S. Treasury	189,325	189,325	—	—
U.S. Agencies	1,632,009	1,632,009	—	—
Mortgage-backed	2,492,348	—	2,492,348	—
State and political subdivisions	1,694,036	—	1,694,036	—
Corporates	100,164	100,164	—	—
Available for sale securities	6,107,882	1,921,498	4,186,384	—
Total	$6,166,024	$1,942,732	$4,223,292	$ —
Liabilities				
Contingent consideration liability	$ 72,046	$ —	$ —	$72,046
Total	$ 72,046	$ —	$ —	$72,046

The following table reconciles the beginning and ending balances of the contingent consideration liability:

	December 31, 2012	December 31, 2011
Beginning balance	$ 72,046	$77,719
Payment of contingent consideration on acquisitions	(17,371)	(8,316)
Expense(Income) from fair value adjustments	(3,512)	2,643
Ending balance	$ 51,163	$72,046

The following table presents certain quantitative information about the significant unobservable input used in the fair value measurement for the contingent consideration liability measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

Description	Valuation Techniques	Significant Unobservable Inputs	Range (Weighted Average)
Liabilities			
Contingent consideration liability	Discounted cash flows	Revenue and expense growth percentage	6% -31%

An increase in the revenue growth percentage may result in a significantly higher estimated fair value of the contingent consideration liability. Alternatively, a decrease in the revenue growth percentage may result in a significantly lower estimated fair value of the contingent consideration liability.

Valuation methods for instruments measured at fair value on a recurring basis

The following methods and assumptions were used to estimate the fair value of each class of financial instruments measured on a recurring basis:

Securities Available for Sale and Investment Securities Fair values are based on quoted market prices or dealer quotes, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities.

Trading Securities Fair values for trading securities (including financial futures), are based on quoted market prices where available. If quoted market prices are not available, fair values are based on quoted market prices for similar securities.

Company-owned Life Insurance Fair values are based on quoted market prices or dealer quotes with adjustments for dividends, capital gains, and administrative charges.

Derivatives Fair values are determined using valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, foreign exchange rates, and implied volatilities. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Deferred Compensation Fair values are based on quoted market prices or dealer quotes.

Contingent Consideration The fair value of contingent consideration liabilities are derived from a discounted cash flow model of future contingent payments. The valuation of these liabilities are estimated by a collaborative effort of the Company's mergers and acquisitions group, business unit management, and the corporate accounting group. These groups report primarily to the Company's Chief Financial Officer. These future contingent payments are calculated based on estimates of future income and expense from each acquisition. These estimated cash flows are projected by the business unit management and reviewed by the mergers and acquisitions group. To obtain a current valuation of these projected cash flows, a discount rate is applied to determine the present value. The cash flow projections and discount rates are reviewed quarterly and updated as market conditions necessitate. Potential valuation adjustments are made as future income and expense projections for each acquisition are made which affect the calculation of the related contingent consideration payment. These adjustments are recorded through noninterest income and expense.

Assets measured at fair value on a non-recurring basis as of December 31, 2012 and 2011 (in thousands):

		Fair Value Measurement at December 31, 2012 Using			
Description	**December 31, 2012**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Gains (Losses) Recognized During the Twelve Months Ended December 31**
Impaired loans	$5,178	$—	$—	$5,178	$1,756
Other real estate owned	924	—	—	924	$ (455)
Total	$4,124	$—	$—	$4,124	$1,301

		Fair Value Measurement at December 31, 2011 Using			
Description	**December 31, 2011**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Gains (Losses) Recognized During the Twelve Months Ended December 31**
Impaired loans	$ 6,296	$—	$—	$ 6,296	$(1,370)
Other real estate owned	5,909	—	—	5,909	$(1,065)
Total	$12,505	$—	$—	$12,505	$(2,435)

Valuation methods for instruments measured at fair value on a nonrecurring basis

The following methods and assumptions were used to estimate the fair value of each class of financial instruments measured on a non-recurring basis:

Impaired loans While the overall loan portfolio is not carried at fair value, adjustments are recorded on certain loans to reflect partial write-downs that are based on the value of the underlying collateral. In determining the value of real estate collateral, the Director of Property Management, who reports to the Chief Risk Officer, obtains external appraisals. The external appraisals are generally based on recent sales of comparable properties which are then adjusted for the unique characteristics of the property being valued. Upon receiving the external appraisal, the Director of Property Management in collaboration with the Company's credit department led by the Chief Credit Officer review the appraisal to determine if the appraisal is a reasonable basis for the value of the property based upon historical experience and detailed knowledge of the specific property and location. In the case of non-real estate collateral, reliance is placed on a variety of sources, including external estimates of value and judgments based on the experience and expertise of internal specialists within the Company's property management group and the Company's credit department. The valuation of the impaired loans is reviewed on a quarterly basis. Because many of these inputs are not observable, the measurements are classified as Level 3.

Other real estate owned Other real estate owned consists of loan collateral which has been repossessed through foreclosure. This collateral is comprised of commercial and residential real estate and other non-real estate property, including auto, recreational and marine vehicles. Other real estate owned is recorded as held for sale initially at the lower of the loan balance or fair value of the collateral. The initial valuation of the foreclosed property is obtained through an appraisal process similar to the process described in the impaired loans paragraph above. Subsequent to foreclosure, valuations are reviewed quarterly and updated periodically, and the assets may be marked down further, reflecting a new cost basis. Fair value measurements may be based upon appraisals or third-party price opinions and, accordingly, those measurements may be classified as Level 2. Other fair value measurements may be based on internally developed pricing methods, and those measurements may be classified as Level 3.

Fair value disclosures require disclosure of the fair value of financial assets and financial liabilities, including those financial assets and financial liabilities that are not measured and reported at fair value on a recurring basis or non-recurring basis. The estimated fair value of the Company's financial instruments at December, 31, 2012 and 2011 are as follows *(in millions):*

	Fair Value Measurement at December 31, 2012 Using				
	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
FINANCIAL ASSETS					
Securities held to maturity	$ 114.8	$—	$ 129.5	$—	$ 129.5
Federal Reserve Bank and other stock	26.3	—	26.3	—	26.3
Loans (exclusive of allowance for loan loss)	5,690.6	—	5,754.1	—	5,754.1
FINANCIAL LIABILITIES					
Time deposits	1,282.3	—		—	1,287.9
Long-term debt	5.9	—		—	6.1
OFF-BALANCE SHEET ARRANGEMENTS					
Commitments to extend credit for loans					5.6
Commercial letters of credit					0.2
Standby letters of credit					2.1

	Fair Value Measurement at December 31, 2011 Using				
	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
FINANCIAL ASSETS					
Securities held to maturity	$ 89.2	$—	$ 102.3	$—	$ 102.3
Federal Reserve Bank and other stock	22.2	—	22.2	—	22.2
Loans (exclusive of allowance for loan loss)	4,898.5	—	5,042.0	—	5,042.0
FINANCIAL LIABILITIES					
Time deposits	1,548.4	—	1,557.8	—	1,557.8
Long-term debt	6.5	—	6.8	—	6.8
OFF-BALANCE SHEET ARRANGEMENTS					
Commitments to extend credit for loans					5.8
Commercial letters of credit					0.3
Standby letters of credit					2.2

The fair values of cash and short-term investments, demand and savings deposits, federal funds and repurchase agreements, and short-term debt approximate the carrying values.

Securities Held to Maturity Fair value of held-to-maturity securities are estimated by discounting the future cash flows using the current rates at which similar investments would be made to borrowers with similar credit ratings and for the same remaining maturities.

Federal Reserve Bank and Other Stock Amount consists of Federal Reserve Bank stock held by the Bank and other miscellaneous investments. The fair value is considered to be the carrying value as no readily determinable market exists for these investments because they can only be redeemed with the FRB.

Loans Fair values are estimated for portfolios with similar financial characteristics. Loans are segregated by type, such as commercial, real estate, consumer, and credit card. Each loan category is further segmented into fixed and variable interest rate categories. The fair value of loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Time Deposits The fair value of fixed-maturity certificates of deposit is estimated by discounting the future cash flows using the rates that are currently offered for deposits of similar remaining maturities.

Long-Term Debt Rates currently available to the Company for debt with similar terms and remaining maturities are used to estimate fair value of existing debt.

Other Off-Balance Sheet Instruments The fair value of loan commitments and letters of credit are determined based on the fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreement and the present creditworthiness of the counterparties. Neither the fees earned during the year on these instruments nor their fair value at year-end are significant to the Company's consolidated financial position.

The fair value estimates presented herein are based on pertinent information available to management as of December 31, 2012 and 2011. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these consolidated financial statements since those dates and, therefore, current estimates of fair value may differ significantly from the amount presented herein.

19. *PARENT COMPANY FINANCIAL INFORMATION*

UMB FINANCIAL CORPORATION

	December 31	
	2012	2011
BALANCE SHEETS ***(in thousands)***		
ASSETS:		
Investment in subsidiaries:		
Banks	$1,062,651	$1,011,776
Non-banks	151,825	143,463
Total investment in subsidiaries	1,214,476	1,155,239
Goodwill on purchased affiliates	5,011	5,011
Cash	6,993	5,904
Securities available for sale and other	58,567	39,790
Total assets	$1,285,047	$1,205,944
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term debt	$ —	$ 10,000
Accrued expenses and other	5,702	4,812
Total liabilities	5,702	14,812
Shareholders' equity	1,279,345	1,191,132
Total liabilities and shareholders' equity	$1,285,047	$1,205,944

	Year Ended December 31		
	2012	2011	2010
STATEMENTS OF INCOME AND CONPREHENSIVE INCOME *(in thousands)*			
INCOME:			
Dividends and income received from subsidiary banks	$ 78,000	$ 41,000	$ 56,750
Service fees from subsidiaries	27,821	30,422	20,402
Other	1,012	694	1,873
Total income	106,833	72,116	79,025
EXPENSE:			
Salaries and employee benefits	30,683	33,194	24,470
Other	9,428	14,974	14,649
Total expense	40,111	48,168	39,119
Income before income taxes and equity in undistributed earnings of subsidiaries	66,722	23,948	39,906
Income tax benefit	(4,248)	(6,458)	(6,621)
Income before equity in undistributed earnings of subsidiaries	70,970	30,406	46,527
Equity in undistributed earnings of subsidiaries:			
Banks	44,797	65,885	58,926
Non-Banks	6,950	10,181	(14,451)
Net income and comprehensive income	$122,717	$106,472	$ 91,002

	Year Ended December 31		
	2012	2011	2010
STATEMENTS OF CASH FLOWS *(in thousands)*			
OPERATING ACTIVITIES:			
Adjustments to reconcile net income to cash used in operating activities:			
Net income	$ 122,717	$ 106,472	$ 91,002
Equity in earnings of subsidiaries	(129,747)	(117,066)	(101,225)
Net (increase) decrease in trading securities	(11,380)	(6,629)	1,325
Other	(16,812)	(6,567)	3,683
Net cash used in operating activities	(35,222)	(23,790)	(5,215)
INVESTING ACTIVITIES:			
Net capital investment in subsidiaries	(3,000)	(6,900)	(35,701)
Dividends received from subsidiaries	78,000	41,000	56,750
Net capital expenditures for premises and equipment	466	(538)	51
Net cash provided by investing activities	75,466	33,562	21,100
FINANCING ACTIVITIES:			
Proceeds from short-term debt	—	10,000	—
Cash dividends paid	(33,787)	(31,801)	(30,460)
Net purchase of treasury stock	(5,368)	129	(369)
Net cash used in financing activities	(39,155)	(21,672)	(30,829)
Net increase (decrease) in cash	1,089	(11,900)	(14,944)
Cash at beginning of period	5,904	17,804	32,748
Cash at end of period	$ 6,993	$ 5,904	$ 17,804

20. *SUMMARY OF OPERATING RESULTS BY QUARTER (unaudited) (in thousands except per share data)*

	Three Months Ended 2012			
2012	**March 31**	**June 30**	**Sept 30**	**Dec 31**
Interest income	$ 84,733	$ 85,350	$ 84,979	$ 84,623
Interest expense	5,644	4,977	4,614	4,394
Net interest income	79,089	80,373	80,365	80,229
Provision for loan losses	4,500	4,500	4,500	4,000
Noninterest income	132,301	110,226	106,321	109,274
Noninterest expense	141,904	144,686	145,905	157,959
Income tax expense	18,619	12,248	10,156	6,484
Net income	$ 46,367	$ 29,165	$ 26,125	$ 21,060

2011	**March 31**	**June 30**	**Sept 30**	**Dec 31**
Interest income	$ 85,973	$ 86,551	$ 85,624	$ 85,505
Interest expense	7,525	6,633	6,550	5,972
Net interest income	78,448	79,918	79,074	79,533
Provision for loan losses	7,100	5,600	4,500	5,000
Noninterest income	107,750	107,856	100,957	97,769
Noninterest expense	135,516	145,581	139,428	142,221
Income tax expense	12,712	10,272	10,088	6,815
Net income	$ 30,870	$ 26,321	$ 26,015	$ 23,266

Per Share	Three Months Ended			
2012	**March 31**	**June 30**	**Sept 30**	**Dec 31**
Net income—basic	$ 1.16	$ 0.73	$ 0.65	$ 0.53
Net income—diluted	1.15	0.72	0.64	0.52
Dividend	0.205	0.205	0.205	0.215
Book value	29.9	30.89	31.88	31.71
Per Share				

Per Share **2011**	**March 31**	**June 30**	**Sept 30**	**Dec 31**
Net income—basic	$ 0.77	$ 0.66	$ 0.65	$ 0.58
Net income—diluted	0.76	0.65	0.64	0.58
Dividend	0.195	0.195	0.195	0.205
Book value	26.62	27.97	28.97	29.46

ITEM 9. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE*

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures At the end of the period covered by this report on Form 10-K, the Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's "Disclosure Controls and Procedures" (as defined in Rule 13a-15(e) or 15d-15(e) of the Exchange Act) and have concluded that the Company's Disclosure Controls and Procedures were effective as of the end of the period covered by this report on Form 10-K.

Management's Report on Internal Control Over Financial Reporting Management of the Company is responsible for establishing and maintaining adequate "internal control over financial reporting", as such term is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Securities Exchange Act of 1934. Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer of the Company, and effected by the Company's Board of Directors, management and other personnel, an evaluation of the effectiveness of internal control over financial reporting was conducted based on the Committee of Sponsoring Organizations of the Treadway Commission's *Internal Control—Integrated Framework*. Because this assessment was conducted to meet the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act (FDICIA), it included controls over the preparation of the schedules equivalent to the basic financial statements in accordance with the instructions for the Consolidated Financial Statements for Bank Holding Companies (Form FR Y-9C).

Based on the evaluation under the framework in *Internal Control—Integrated Framework*, the Company's Chief Executive Officer and Chief Financial Officer have each concluded that internal control over financial reporting was effective at the end of the period covered by this report on Form 10-K. Deloitte & Touche LLP, the independent registered public accounting firm that audited the financial statements included within this report, has issued an attestation report on the effectiveness of internal control over financial reporting at the end of the period covered by this report. Deloitte & Touche LLP's attestation report is set forth below.

Changes in Internal Control Over Financial Reporting No changes in the Company's internal control over financial reporting occurred that has materially affected, or is reasonably likely to materially affect, such controls during the last quarter of the period covered by this report.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
UMB Financial Corporation and Subsidiaries
Kansas City, Missouri

We have audited the internal control over financial reporting of UMB Financial Corporation and subsidiaries (the "Company") as of December 31, 2012, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Because management's assessment and our audit were conducted to meet the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act (FDICIA), management's assessment and our audit of the Company's internal control over financial reporting included controls over the preparation of the schedules equivalent to the basic financial statements in accordance with the instructions for the Consolidated Financial Statements for Bank Holding Companies (Form FR Y-9C). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2012 of the Company, and our report dated February 25, 2013 expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Kansas City, Missouri
February 25, 2013

ITEM 9B. ***OTHER INFORMATION***

None

PART III

ITEM 10. ***DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE***

The information required by this item relating to executive officers is included in Part I of this Form 10-K (pages 9 through 10) under the caption "Executive Officers of the Registrants."

The information required by this item regarding Directors is incorporated herein by reference under the caption "Proposal #1: Election of Directors" of the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 24, 2013 (the 2013 Annual Meeting of Shareholders).

The information required by this item regarding the Audit Committee and the Audit Committee financial experts is incorporated herein by reference under the caption "Corporate Governance – Committees of the Board of Directors – Audit Committee" of the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders.

The information required by this item concerning Section 16(a) beneficial ownership reporting compliance is incorporated herein by reference under the caption "Section 16(a) Beneficial Ownership Reporting Compliance" of the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders.

The Company has adopted a code of ethics that applies to all directors, officers and employees, including its chief executive officer, chief financial officer and chief accounting officer. You can find the Company's code of ethics on its website by going to the following address: www.umb.com/aboutumb/investorrelations. The Company will post any amendments to the code of ethics, as well as any waivers that are required to be disclosed, under the rules of either the SEC or NASDAQ. A copy of the code of ethics will be provided, at no charge, to any person requesting same, by written notice sent to the Company's Corporate Secretary, 6th floor, 1010 Grand Blvd., Kansas City, Missouri 64106.

ITEM 11. ***EXECUTIVE COMPENSATION***

The information required by this item is incorporated herein by reference under the Executive Compensation section of the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders.

ITEM 12. ***SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS***

Security Ownership of Certain Beneficial Owners

This information required by this item is incorporated herein by reference to the Company's 2012 Proxy Statement under the caption "Stock Ownership—Principal Shareholders."

Security Ownership of Management

The information required by this item is incorporated herein by reference to the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders under the caption "Stock Beneficially Owned by Directors and Nominees and Executive Officers."

The following table summarizes shares authorized for issuance under the Company's equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plan
Equity compensation plans approved by security holders			
2002 Incentive Stock Option Plan	492,849	$34.71	None
2005 Long-term Incentive Plan Non-Qualified Stock Options	1,246,111	38.97	2,496,306
Equity compensation plans not approved by security holders	None	None	None
Total	1,738,960	$37.76	2,496,306

ITEM 13. *CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE*

The information required by this item is incorporated herein by reference to the information provided under the captions "Corporate Governance—Certain Transactions" and "Corporate Governance – Director Independence" of the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders.

ITEM 14. *PRINCIPAL ACCOUNTING FEES AND SERVICES*

The information required by this item is incorporated herein by reference to the information provided under the caption "Proposal #2: Ratification of Selection of Independent Public Accountants" of the Company's Proxy Statement for the 2013 Annual Meeting of Shareholders.

PART IV

ITEM 15. *EXHIBITS, FINANCIAL STATEMENT SCHEDULES*

Consolidated Financial Statements and Financial Statement Schedules

The following Consolidated Financial Statements of the Company are included in item 8 of this report.

Consolidated Balance Sheets as of December 31, 2012 and 2011
Consolidated Statements of Income for the Three Years Ended December 31, 2012
Consolidated Statements of Comprehensive Income for the Three Years Ended December 31, 2012
Consolidated Statements of Cash Flows for the Three Years Ended December 31, 2012
Consolidated Statements of Shareholders' Equity for the Three Years Ended December 31, 2012
Notes to Consolidated Financial Statements
Independent Auditors' Report

Condensed Consolidated Financial Statements for the parent company only may be found in item 8 above. All other schedules have been omitted because the required information is presented in the Consolidated Financial Statements or in the notes thereto, the amounts involved are not significant or the required subject matter is not applicable.

Exhibits

The following Exhibit Index lists the Exhibits to Form 10-K:

3.1	Articles of Incorporation restated as of April 25, 2006. Amended Article III was filed with the Missouri Secretary of State on May 18, 2006 and incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 and filed with the Commission on May 9, 2006.
3.2	Bylaws, amended and restated as of July 26, 2011 incorporated by reference to Exhibit 3 (ii).2 to the Company's Current Report on Form 8-K and filed with the Commission on August 4, 2011.
4	Description of the Registrant's common stock in Amendment No. 1 on Form 8 to its General Form for Registration of Securities on Form 10 dated March 5, 1993. The following portions of those documents define some of the rights of the holders of the Registrant's common stock, par value $1.00 per share: Articles III (authorized shares), X (amendment of the Bylaws) and XI (amendment of the Articles of Incorporation) of the Articles of Incorporation and Articles II (shareholder meetings), Sections 2 (number and classes of directors) and 3 (election and removal of directors) of Article III, Section 1(stock certificates) of Article VII and Section 4 (indemnification) of Article IX of the By-laws. Note: No long-term debt instrument issued by the Registrant exceeds 10% of the consolidated total assets of the Registrant and its subsidiaries. In accordance with paragraph 4 (iii) of Item 601 of Regulation S-K, the Registrant will furnish to the Commission, upon request, copies of long-term debt instruments and related agreements.
10.1	1992 Incentive Stock Option Plan incorporated by reference to Exhibit 2.8 to Form S-8 Registration Statement filed on February 17, 1993.
10.2	2002 Incentive Stock Option Plan, amended and restated as of April 22, 2008 incorporated by reference to Appendix B of the Company's Proxy Statement for the Company's April 22, 2008 Annual Meeting filed with the Commission on March 17, 2008.
10.3	UMB Financial Corporation Long-Term Incentive Compensation Plan amended and restated as of April 26, 2011 incorporated by reference to Appendix A of the Company's Proxy Statement for the Company's April 26, 2011 Annual Meeting filed with the Commission on March 17, 2011.
10.4	Deferred Compensation Plan, dated as of April 20, 1995 and incorporated by reference to Exhibit 10.6 to Company's Form 10-K filed on March 12, 2003.
10.5	UMBF 2005 Short-Term Incentive Plan incorporated by reference to Exhibit 10.7 to the Company's Form 10-K for December 31, 2004 and filed with the Commission on March 14, 2005.
10.5	Consulting Agreement between the Company and R. Crosby Kemper, Jr. dated November 1, 2004 incorporated by reference to Exhibit 10.11 to the Company's Form 10-K for December 31, 2004 and filed with the Commission on March 14, 2005.
10.6	Stock purchase agreement between the Company and Jeffrey D. Clark, Bonnie J. Clark, Michelle Jenson, Chad J. Allen, Jerry A. Wright, and Jill L. Calton dated May 7, 2009 incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10Q for the quarter ended June 30, 2009 and filed with the Commission on August 5, 2009.
10.7	Stock purchase agreement between the Company and Prairie Capital Management, LLC dated June 27, 2010 incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10Q for the quarter ended June 30, 2010 and filed with the Commission on August 4, 2010.

10.8	Asset purchase agreement between the Company and Reams Asset Management Company, LLC, MME Investments, LLC, Mark M. Egan, David B. McKinney, Hilltop Capital, LLC, Thomas M. Fink, Stephen T. Vincent, Todd C. Thompson, Deanne B. Olson, Daniel P. Spurgeon dated September 1, 2010 incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10Q for the quarter ended September 30, 2010 and filed with the Commission on November 4, 2010.
10.9	Scout Investments Retention and Annual Performance Program incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on December 12, 2012.
10.10	Annual Variable Pay Plan Scout Investments/Leadership, January 1, 2013- December 31, 2013 for Andrew Iseman incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on February 15, 2013.
10.11	Annual Variable Pay Plan UMB Fund Services/Leadership, January 1, 2013-December 31, 2013 for John Zader.
18.1	Accounting preferability letter regarding the date change of goodwill impairment testing dated February 25, 2013.
21	Subsidiaries of the Registrant
23	Consent of Independent Auditors
24	Powers of Attorney
31.1	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act
31.2	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act
32.1	CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act
32.2	CFO Certification pursuant to Section 906 of the Sarbanes-Oxley Act
101.INS*	XBRL Instance
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation
101.DEF*	XBRL Taxonomy Extension Definition
101.LAB*	XBRL Taxonomy Extension Labels
101.PRE*	XBRL Taxonomy Extension Presentation

* XBRL information will be considered to be furnished, not filed, for the first two years of a company's submission of XBRL information.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UMB FINANCIAL CORPORATION

/s/ J. Mariner Kemper

J. Mariner Kemper
Chairman of the Board,
Chief Executive Officer

/s/ Michael D. Hagedorn

Michael D. Hagedorn
Chief Financial Officer

/s/ Brian J. Walker

Brian J. Walker
Senior Vice President, Controller
(Chief Accounting Officer)

Date: February 25, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities on the date indicated.

DAVID R. BRADLEY, JR. **David R. Bradley, Jr.**	Director	NANCY K. BUESE **Nancy K. Buese**	Director
PETER J. DESILVA **Peter J. deSilva**	Director, President, and Chief Operating Officer	TERRENCE P. DUNN **Terrence P. Dunn**	Director
KEVIN C. GALLAGHER **Kevin C. Gallagher**	Director	GREGORY M. GRAVES **Gregory M. Graves**	Director
ALEXANDER C. KEMPER **Alexander C. Kemper**	Director	KRIS A. ROBBINS **Kris A. Robbins**	Director
THOMAS D. SANDERS **Thomas D. Sanders**	Director	L. JOSHUA SOSLAND **L. Joshua Sosland**	Director
PAUL UHLMANN III **Paul Uhlmann III**	Director	THOMAS J. WOOD III **Thomas J. Wood III**	Director
		/s/ J. MARINER KEMPER **J. Mariner Kemper** **Attorney-in-Fact for each director**	Director, Chairman of the Board, Chief Executive Officer

Date: February 25, 2013

Exhibit 10.11

ANNUAL VARIABLE PAY PLAN
UMB FUND SERVICES/LEADERSHIP_230Z
JANUARY 1, 2013 – DECEMBER 31, 2013

ELIGIBILITY

Participation in the plan is open to associates in the following job titles:

- CEO – UMB Fund Services

Newly hired or promoted associates are eligible to participate in this plan at the start of the next performance period with prorated quotas and/or account assignment(s) provided by your direct manager as soon as practical from the job start date.

Job titles may be added and/or modified throughout the plan year and reflected accordingly on this plan document. In cases where there may be a variation of eligible job title compared to title of record, OE Compensation will confirm eligibility for the Incentive Commission area prior to any payout.

KEYS TO SUCCESS

The Keys to our Success in 2013 will be achievement of the following:

- Sales goals by product line achieved
- "Best Place to Work" status maintained
- Surround our clients with solutions they need regardless of how they manage money
- Dedication to each other and our clients
- Technology platform that continually drives scale and pricing leverage
- 100% referenceable client base

Products supported include (but may not be limited to) the following: Investment strategies via mutual funds, traditional separate accounts and sub-advisory relationships.

AWARD CALCULATIONS

The goals specific to our success include:

Financial 80%
(UMBFS 70%)

- New Business Annualized Sales at Target – 30%
- Net Income after service charges (plan) – 40%

(UMBFC 10%)

- Net Income Target

Discretionary 10%

- Quality Service Standards,
- Customer Retention
- Teamwork
  Risk

People/Key Corporate 10%

- nurture relationships
- deliver TUCE to all partners
- develop team – coach in the moment
- associate engagement at 80 – 85%

ANNUAL VARIABLE PAY PLAN
UMB FUND SERVICES/LEADERSHIP_230Z
JANUARY 1, 2013 – DECEMBER 31, 2013

Below is an "Example of the Calculation" based on achievement of the specific goal(s):

Base Salary	Percent of Base	Award At Target	Payout %	Payout $
$340,000	70%	$238,000	113.5%	$270,130

This plan is payable on an annual basis and is awarded as soon as calculations and approvals can be reasonably accomplished subsequent to the close of the measurement period or the performance cycle, but no later than two and half months after the end of such period.

GENERAL PLAN GUIDELINES

I. Eligibility:

To be eligible for any type of award, an associate must meet all the following criteria:

- May not be a participant in any other non-discretionary plan of the Company;
- For plan payments paid within the calendar year, associates must be actively employed on the date of disbursement to be eligible to receive plan payments unless you are a monthly paid commissioned associate.
- For plan payments paid after December 31, an associate must be actively employed and in good standing as of 12/31.
- For plan payments paid within the calendar year, associates must remain in good standing with respect to their employment with the Company to be eligible to receive plan payments.
  - Unless otherwise stated in this Plan document, good standing means the associate is not on a written warning.
- Must not achieve performance results through inappropriate means.

If applicable:

- Must be appropriately licensed to sell investment & insurance products.
- For trailing incentive/commission payments paid after the initial plan year, associates must be actively employed on the date of disbursement.

II. Administration: This award opportunity is administered by the Line-of-Business Expense Control Head (LOBEC) and/or Plan Owner, Line-of-Business Finance Manager and Finance or other calculating party under the direction of the Management Committee of UMBFC. Decisions of the LOBEC or its delegate regarding this opportunity, participants therein or payments due hereunder, are final and binding on all parties. In the event that the associate disagrees with the award provided, or believes that an award is due when none is declared, that associate shall have the right to request the LOBEC or its delegate to review the determination which was made. Upon conclusion of the review by the LOBEC or its permitted delegate, the associate shall be informed of the final decision, and shall have no further right to review or appeal.

Any award that is earned can be offset positively/negatively based on a qualitative assessment of overall performance in compliance with UMBFC standards and U.S. regulatory requirements. This qualitative assessment includes but is not limited to adherence and demonstrated practice of UMBFC Values, Policies, TUCE, Teamwork, Diversity & Inclusion, Management or Leadership Impact and Regulatory & Risk requirements.

To help prevent fraud and excessive risk or other harmful activities, UMB reserves the right, to the extent permitted by applicable law, at any time during a three-year period following the date that an associate receives an "Award" under this Plan, to reduce, withhold or cancel up to 100% of such Award (if it has not already been made) and/or to direct the repayment and return up to 100% of such Award (if it has already been made), under the following circumstance:

- The financial result or operating metric or other performance measurement used to determine if the "Award" is payable and/or compute the amount of such Award is subsequently found to be inaccurate or incomplete (irrespective of whether the inaccuracy requires a restatement of the Company's financial statements); or
- The associate has been found to have engaged in illegal, dishonest, fraudulent or intentional misconduct that caused the amount of Award to be larger than it would have been in the absence of such illegal, dishonest, fraudulent or intentional misconduct.

Additional provisions of the Plan and examples of how they apply can be found in the "Frequently Asked Questions (FAQ), Annual Variable Pay Plan" provided by your manager or on the UMB intranet: Home>Company>Divisions>Organizational Effectiveness>Documents.

III. Timing of Payouts: Payment of this plan occurs as soon as calculations and approvals can reasonably be accomplished subsequent to the close of the measurement period or the performance episode, but no later than two and one-half months after the end of such period. The Company shall withhold from any amount payable under the plan, all taxes and other amounts required to be withheld by any federal, state or local government.

IV. Creation or Modification of a Plan: The creation and any modification of this plan is a collaborative effort between the business unit leadership, the division/line Finance Manager, and the Organizational Effectiveness (OE) Compensation department. Upon completion, the plan will be approved by the line of business leadership, the line Finance Manager, the appropriate LOBEC head and the OE Compensation department.

V. General Provisions: This plan does not create or constitute a contract for continued employment of the participant with UMBFC. UMBFC reserves the right to amend, modify, or discontinue all or any part of this compensation opportunity at any time without prior notification. No right or benefit under this opportunity shall be subject to anticipation, alienation, assignment, sale, pledge, encumbrance or charge, and any attempt to anticipate, alienate, assign, sell, pledge, encumber or charge the same shall be void, and such right or benefit shall terminate. UMBFC may offset any claim it has against the participant against any amount to which a participant may otherwise be entitled under this opportunity, but rights hereunder shall otherwise not be subject to debt or liabilities of the participant.

Exhibit 18.1

February 25, 2013

UMB Financial Corporation
1010 Grand Boulevard
Kansas City, MO

Dear Sirs/Madams:

We have audited the financial statements of UMB Financial Corporation as of December 31, 2012 and 2011, and for each of the three years in the period ended December 31, 2012, included in your Annual Report on Form 10-K to the Securities and Exchange Commission and have issued our report thereon dated February 25, 2013, which expresses an unqualified opinion. Note 1 to such financial statements contains a description of your adoption during the year ended December 31, 2012 of the change in the date of the annual goodwill impairment test from November 30th to October 1st. In our judgment, such change is to an alternative accounting principle that is preferable under the circumstances.

Yours truly,

/s/ Deloitte & Touche LLP

EXHIBIT 21

SUBSIDIARIES OF UMB FINANCIAL CORPORATION
December 31, 2012

Name of Entity Organization	Incorporation or Jurisdiction of
A. Registrant and Parent Company	
UMB Financial Corporation	Missouri
B. Subsidiaries of Registrant	
1. UMB Bank, n.a. UMB Financial Corporation owns 100%	United States
a. Kansas City Financial Corporation UMB Bank, n.a. owns 100%	Kansas
b. UMB Bank & Trust, n.a. UMB Bank, n.a. owns 100%	Missouri
c. UMB Capital Corporation UMB Bank, n.a. owns 100%	Missouri
d. UMB Redevelopment Corporation UMB Bank, n.a. owns 100%	Missouri
e. UMB Banc Leasing Corporation UMB Bank, n.a. owns 100%	Missouri
f. UMB Trust Company of South Dakota UMB Bank, n.a. owns 100%	South Dakota
g. UMB Financial Services, Inc. UMB Bank, n.a. owns 100%	Missouri
h. UMB Insurance, Inc. UMB Bank, n.a. owns 100%	Missouri
i. Kansas City Realty Company UMB Bank, n.a. owns 100%	Kansas
1) UMB RealtyCompany, LLC Kansas City Realty Company owns 100%	Delaware
j. UMB Colorado Property, LLC UMB Bank, n.a. owns 100%	Colorado

Name of Entity Organization	Incorporation or Jurisdiction of
2. United Missouri Insurance Company UMB Financial Corporation owns 100%	Arizona
3. Scout Investments, Inc. UMB Financial Corporation owns 100%	Missouri
4. UMBCDC, Inc. UMB Financial Corporation owns 100%	Missouri
5. Scout Distributors, LLC UMB Financial Corporation owns 100%	Missouri
6. UMB Fund Services, Inc. UMB Financial Corporation owns 100%	Wisconsin
a. UMB Distribution Services, LLC UMB Fund Services, Inc. owns 100%	Wisconsin
b. Grand Distribution Services, LLC UMB Fund Services, Inc. owns 100%	Wisconsin
c. J.D. Clark & Company UMB Fund Services, Inc. owns 100%	Utah
7. Prairie Capital Management, LLC UMB Financial Corporation owns 100%	Missouri
8. UMB Merchant Banc, LLC UMB Financial Corporation owns 100%	Missouri
a. PCM Capital – Concentrated Global LS Equity, LLC UMB Merchant Banc, LLC owns 100%	Missouri
b. PCM Capital – Diversified Strategies, LLC UMB Merchant Banc, LLC owns 100%	Missouri
c. PCM Capital – Longshort Equity, LLC UMB Merchant Banc, LLC owns 100%	Missouri
d. PCM Capital – Managed Equity Fund I, LLC UMB Merchant Banc, LLC owns 100%	Missouri
e. PCM Capital – Private Equity Co-Investment I, LLC UMB Merchant Banc, LLC owns 100%	Missouri
f. PCM Capital – Private Equity, LLC UMB Merchant Banc, LLC owns 100%	Missouri

Name of Entity Organization	Incorporation or Jurisdiction of
g. PCM Capital – Private Equity II, LLC UMB Merchant Banc, LLC owns 100%	Missouri
h. PCM Capital – Private Equity III, LLC UMB Merchant Banc, LLC owns 100%	Missouri
i. PCM Capital – Select Managers Fund, LLC UMB Merchant Banc, LLC owns 100%	Missouri
j. PCM Capital – Spartan Co-Invest, LLC UMB Merchant Banc, LLC owns 100%	Missouri
k. PCM Capital – Strategic Small Mid Cap, LLC UMB Merchant Banc, LLC owns 100%	Missouri
l. PCM Capital – Tech Investments, LLC UMB Merchant Banc, LLC owns 100%	Missouri
m. PCM Capital – Plains Co-Invest, LLC UMB Merchant Banc, LLC owns 100%	Missouri
n. PCM Capital – SQ Opportunity Fund, LLC UMB Merchant Banc, LLC owns 100%	Missouri
o. PCM Capital – CEC Opportunity, LLC UMB Merchant Banc, LLC owns 100%	Missouri
p. PCM Capital – Credit Opportunities, LLC UMB Merchant Banc, LLC owns 100%	Missouri

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 033-64171 and 333-181110 on Form S-3 and Registration Statements Nos. 333-65807, 333-102044, 333-125067, 333-161398, and 333-181111 on Form S-8 of our reports dated February 25, 2013 relating to the financial statements of UMB Financial Corporation and subsidiaries and the effectiveness of UMB Financial Corporation and subsidiaries' internal control over financial reporting appearing in this Annual Report on Form 10-K of UMB Financial Corporation for the year ended December 31, 2012.

/s/ Deloitte & Touche LLP

Kansas City, Missouri
February 25, 2013

EXHIBIT 24

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UMB FINANCIAL CORPORATION

By /s/ J. Mariner Kemper
J. Mariner Kemper
Chairman of the Board

Date February 25, 2013

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Peter J. deSilva, J. Mariner Kemper, and Michael D. Hagedorn his true and lawful attorneys-in-fact and agents, each acting alone, with full power of substitution and resubstitution, for and in his name, place and stead, in any and all capacities, to file this report the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto such attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing required and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signature and Name	Capacity	Date
/s/ David R. Bradley, Jr. David R. Bradley, Jr.	Director	1/22/13
/s/ Nancy K. Buese Nancy K. Buese	Director	1/22/13
/s/ Peter J. deSilva Peter J. deSilva	Director, President Chief Operating Officer	1/22/13

Signature and Name	Capacity	Date
/s/ Terrence P. Dunn Terrence P. Dunn	Director	1/22/13
/s/ Kevin C. Gallagher Kevin C. Gallagher	Director	1/22/13
/s/ Greg M. Graves Greg M. Graves	Director	1/22/13
/s/ Michael D. Hagedorn Michael D. Hagedorn	Chief Financial Officer	1/22/13
/s/ Alexander C. Kemper Alexander C. Kemper	Director	1/22/13
/s/ J. Mariner Kemper J. Mariner Kemper	Director, Chief Executive Officer Chairman of the Board	1/22/13
/s/ Kris A. Robbins Kris A. Robbins	Director	1/22/13
/s/ Thomas D. Sanders Thomas D. Sanders	Director	1/22/13
/s/ L. Joshua Sosland L. Joshua Sosland	Director	1/22/13
/s/ Paul Uhlmann, III Paul Uhlmann, III	Director	1/22/13
/s/ Thomas J. Wood, III Thomas J. Wood, III	Director	1/22/13

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, J. Mariner Kemper, certify that:

1. I have reviewed this report on Form 10-K of UMB Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2013

/s/ J. Mariner Kemper

J. Mariner Kemper
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Michael D. Hagedorn, certify that:

1. I have reviewed this report on Form 10-K of UMB Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2013

/s/ Michael D. Hagedorn

Michael D. Hagedorn
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of UMB Financial Corporation (the Company) on Form 10-K for the period ending December 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, J. Mariner Kemper, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: February 25, 2013

/s/ J. Mariner Kemper

J. Mariner Kemper
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provide to UMB Financial Corporation and will be retained by UMB Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of UMB Financial Corporation (the Company) on Form 10-K for the period ending December 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Michael D. Hagedorn, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: February 25, 2013

/s/ Michael D. Hagedorn

Michael D. Hagedorn
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provide to UMB Financial Corporation and will be retained by UMB Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.