

**UNITED STATES DISTRICT COURT
DISTRICT OF UTAH**

____, Individually and on behalf of all others
similarly situated,

Plaintiff,

v.

ZIONS BANKCORPORATION, NATIONAL
ASSOCIATION, HARRIS H. SIMMONS,
SCOTT J. MCLEAN, and R. RYAN
RICHARDS,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff _____ (“Plaintiff”), individually and on behalf of all other persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, among other things, the investigation conducted by and through his attorneys, which included, among other things, a review of the Defendants’ public documents, public filings, wire and press releases published by and regarding Zions Bancorporation, National Association (“Zions” or the “Company”), and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a class action on behalf of persons or entities who purchased or otherwise acquired publicly traded Zions securities between November 7, 2024 and October 15, 2025, both dates inclusive (the “Class Period”). Plaintiff seeks to recover compensable damages caused by

Defendants’ violations of the federal securities laws under the Securities Exchange Act of 1934 (the “Exchange Act”).¹

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act (15 U.S.C. §78aa).

4. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as the alleged misstatements entered and the subsequent damages took place in this judicial district.

5. In connection with the acts, conduct and other wrongs alleged in this complaint, Defendants (defined below), directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

6. Plaintiff, as set forth in the accompanying certification, incorporated by reference herein, purchased Zions securities during the Class Period and was economically damaged thereby.

7. Defendant Zions purports to be “one of the nation’s premier financial service companies with approximately \$89 billion of total assets at December 31, 2024, and annual net

¹ Unless otherwise noted, all emphasis is added and all internal citations are omitted.

revenue of \$3.1 billion in 2024.” The Company also purports to be “a national leader in Small Business Administration lending and public finance advisory services[.]

8. Defendant Zions is incorporated in Utah and is headquartered at 1 South Main, Salt Lake City, UT 84133. Zions’ common stock trades on the NASDAQ (“NASDAQ”) under the ticker symbol “ZION.” Zions’ preferred stock trades on the NASDAQ under the ticker symbol “ZIONP.”

9. Defendant Harris H. Simmons (“Simmons”) served as the Company’s Chairman and Chief Executive Officer (“CEO”) throughout the Class Period.

10. Defendant Scott J. McLean (“McLean”) served as the Company’s President and Chief Operating Officer (“COO”) throughout the Class Period.

11. Defendant R. Ryan Richards (“Richards”) served as the Company’s Chief Financial Officer (“CFO”) throughout the Class Period.

12. Defendants Simmons, McLean, and Richards are collectively referred to herein as the “Individual Defendants.”

13. Each of the Individual Defendants:

- (a) directly participated in the management of the Company;
- (b) was directly involved in the day-to-day operations of the Company at the highest levels;
- (c) was privy to confidential proprietary information concerning the Company and its business and operations;
- (d) was directly or indirectly involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein;

- (e) was directly or indirectly involved in the oversight or implementation of the Company's internal controls;
- (f) was aware of or recklessly disregarded the fact that the false and misleading statements were being issued concerning the Company; and/or
- (g) approved or ratified these statements in violation of the federal securities laws.

14. Zions is liable for the acts of the Individual Defendants and its employees under the doctrine of *respondeat superior* and common law principles of agency because all of the wrongful acts complained of herein were carried out within the scope of their employment.

15. The scienter of the Individual Defendants and other employees and agents of the Company is similarly imputed to Zions under *respondeat superior* and agency principles.

16. Defendant Zions and the Individual Defendants are collectively referred to herein as "Defendants."

SUBSTANTIVE ALLEGATIONS

Materially False and Misleading Statements Issued During the Class Period

17. The Class Period starts on November 7, 2024, when the Company filed with the Securities and Exchange Commission (the "SEC") its quarterly report on Form 10-Q for the period ended September 30, 2024 (the Q3 2024 Report"). Attached to the Q3 2024 Report were certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") signed by Defendants Simmons and Richards attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company's internal control over financial reporting, and the disclosure of all fraud.

18. In the Q3 2024 Report, the Company made the following statements about its credit risk management, in the pertinent part:

Credit Risk Management

Credit risk is the possibility of loss from the failure of a borrower, guarantor, or another obligor to fully perform under the terms of a credit-related contract. Credit risk arises primarily from our lending activities, as well as from off-balance sheet credit instruments. Credit policies, credit risk management, and credit examination functions inform and support the oversight of credit risk. *Our credit policies emphasize strong underwriting standards and early detection of potential problem credits in order to develop and implement action plans on a timely basis to mitigate potential losses.* These formal credit policies and procedures provide us with a framework for consistent underwriting and a basis for sound credit decisions at the local banking affiliate level.

19. The statement in ¶18 was materially false and misleading at the time it was made because the Company lacked adequate underwriting controls, risk-management procedures, and credit-monitoring systems capable of detecting misrepresentations or defaults.

20. On February 25, 2025, the Company filed with the SEC an annual report (the “2024 Annual Report”) on a Form 10-K for the fiscal year ended on December 31, 2024. Attached to the 2024 Annual Report were certifications pursuant to the SOX signed by Defendants Simmons and Richards attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company’s internal control over financial reporting, and the disclosure of all fraud.

21. In the 2024 Annual Report, the Company made the following statements about its credit management, in the pertinent part:

Credit Risk Management

Credit risk is the possibility of loss from the failure of a borrower, guarantor, or another obligor to fully perform under the terms of a credit-related contract. Credit risk arises primarily from our lending activities and off-balance sheet credit instruments. *The Board, through the ROC [Risk Oversight Committee], is responsible for approving key credit policies.* The ROC also oversees and monitors adherence to these policies and the credit risk appetite as defined in the Risk Management Framework. The Board has delegated responsibility for managing credit risk and approving changes to credit policies to the Chief Credit Officer, who chairs the Credit Risk Committee.

Our credit policies, credit risk management, and credit examination functions collectively support the oversight of credit risk. ***We emphasize strong underwriting standards and the early detection of potential problem credits to develop and implement timely action plans, thereby mitigating potential losses. These formal credit policies and procedures provide a framework for consistent underwriting and sound credit decisions at the local banking affiliate level.*** Our policies include standards for sensitivity and scenario analysis to assess the resilience of borrowers, particularly their ability to repay loans in a rising interest rate environment. ***Additionally, we require borrowers to provide evidence of insurance for properties used as collateral, with coverage and levels appropriate to the specific credit.***

Our credit policies and practices are also designed to mitigate potential risks, including those arising from environmental issues, such as real estate collateral that may be contaminated by hazardous substances. Environmental risks related to our lending practices are primarily addressed in our environmental credit policy and managed by our environmental subject matter experts. The level of environmental due diligence conducted by our environmental risk team is determined by the risks identified at each property and the loan amount. Extending credit to certain borrowers, or those involved in certain activities, may be restricted or require escalated approval due to various environmental risks, as outlined in our policy.

Our credit risk management function operates independently from the lending function, strengthening control and the independent evaluation of credit activities. In addition, we have a well-defined set of standards for evaluating our loan portfolio, and we utilize a comprehensive loan risk-grading system to determine the risk potential in the portfolio.

The internal credit examination department, which is independent of the lending function, periodically conducts examinations of our lending departments and credit activities. These examinations are designed to review credit quality, adequacy of documentation, appropriate loan risk-grading administration, and compliance with credit policies. Credit examinations related to the ACL are reported to both the Audit Committee and the ROC.

22. The statement in ¶21 was materially false and misleading at the time it was made because the Company lacked adequate underwriting controls, risk-management procedures, and credit-monitoring systems capable of detecting misrepresentations or defaults.

23. On August 7, 2025, the Company filed with the SEC a quarterly report (the “Q2 2025 Report”) on a Form 10-Q for the quarter period ended June 30, 2025. Attached to the Q2 2025 Report were certifications pursuant to the SOX signed by Defendants Simmons and Richards

attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company's internal control over financial reporting, and the disclosure of all fraud.

24. In the Q2 2025 Report, the Company made the following statements about the Company's credit risk management, in the pertinent part:

Credit Risk Management

Credit risk is the possibility of loss from the failure of a borrower, guarantor, or another obligor to fully perform under the terms of a credit-related contract. Credit risk arises primarily from our lending activities and off-balance sheet credit instruments.

Our credit policies, credit risk management, and credit examination functions collectively support the oversight of credit risk. *We emphasize strong underwriting standards and the early detection of potential problem credits to develop and implement timely action plans, thereby minimizing potential losses.* These formal credit policies and procedures provide a framework for consistent underwriting and sound credit decisions at the local banking affiliate level. Our policies include standards for sensitivity and scenario analysis to assess the resilience of borrowers, especially during periods of uncertain or adverse economic conditions. Additionally, we require borrowers to provide evidence of insurance for properties used as collateral, with coverage and levels appropriate to the specific credit.

25. The statement in ¶24 was materially false and misleading at the time it was made because the Company lacked adequate underwriting controls, risk-management procedures, and credit-monitoring systems capable of detecting misrepresentations or defaults.

26. The statements contained in ¶¶18, 21, and 24 were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operations and prospects, which were known to Defendants or recklessly disregarded by them. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) the Company's protocols for underwriting, loan review, and credit risk management was materially deficient and failed to adhere to the Company's stated policies and expectations; (2) the foregoing led to the Company's inability to identify apparent misrepresentations and potential contractual defaults; and (3) as a result, Defendants'

statements about its business, operations, and prospects, were materially false and misleading and/or lacked a reasonable basis at all relevant times.

THE TRUTH BEGINS TO EMERGE

27. On October 15, 2025, after market hours, the Company filed with the SEC a current report on a Form 8-K, where the Company disclosed the contract defaults about two commercial and industrial loans extended by the Company's California Bank & Trust division, in the pertinent part:

Zions Bancorporation, N.A. (the "Bank"), recently became aware of legal actions initiated by several banks and other lenders against parties that appeared to be affiliated with two borrowers (the "Borrowers") under two related commercial and industrial loans extended by the Bank's California Bank & Trust division (the "Loans"). The Bank's Loans are guaranteed by several individuals (the "Obligors").

Upon discovery of this information, the Bank commenced an internal review of the Borrowers, the Obligors, the Loans, and the supporting collateral. *During this review, the Bank identified what it believes to be apparent misrepresentations and contractual defaults by the Borrowers and Obligors and other irregularities with respect to the Loans and collateral.* The Bank's subsequent demands and notices of default and acceleration to the Borrowers and Obligors have gone unanswered.

Based on currently available information, on October 15, 2025, the Bank determined to take a provision for the full approximately \$60 million outstanding under the Loans and charge off \$50 million of said amount. The provision and charge-off will be reflected in the Bank's earnings and financial statements for the third quarter of 2025. The Bank intends to pursue its legal remedies and has commenced a lawsuit in California against the Obligors for full recovery. *Although the Bank believes this is an isolated situation, it plans to engage counsel to coordinate an independent review.*

28. On this news, Zions' common stock fell \$7.1 per share, or 13.14%, to close at \$46.93 on October 16, 2025. Zions' preferred stock fell \$1.38 per share, or 6.3%, to close at \$20.38 on October 16, 2025.

29. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's common shares, Plaintiff and other Class members have suffered significant losses and damages.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

30. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants who acquired Zions securities publicly traded on the NASDAQ during the Class Period, and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of Zions, members of the Individual Defendants' immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

31. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Zions securities were actively traded on NASDAQ. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not thousands of members in the proposed Class.

32. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

33. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

34. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the Exchange Act was violated by Defendants' acts as alleged herein;

- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the credit risk management of Zions;
- whether Defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;
- whether the Defendants caused Zions to issue false and misleading filings during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false filings;
- whether the prices of Zions securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

35. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

36. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- Zions shares met the requirements for listing, and were listed and actively traded on NASDAQ, an efficient market;
- As a public issuer, Zions filed periodic public reports;

- Zions regularly communicated with public investors via established market communication mechanisms, including through the regular dissemination of press releases via major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;
- Zions' securities were liquid and traded with moderate to heavy volume during the Class Period; and
- Zions was followed by a number of securities analysts employed by major brokerage firms who wrote reports that were widely distributed and publicly available.

37. Based on the foregoing, the market for Zions securities promptly digested current information regarding Zions from all publicly available sources and reflected such information in the prices of the shares, and Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

38. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information as detailed above.

COUNT I
For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder
Against All Defendants

39. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

40. This Count is asserted against Defendants is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

41. During the Class Period, Defendants, individually and in concert, directly or indirectly, disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

42. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

- employed devices, schemes and artifices to defraud;
- made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Zions securities during the Class Period.

43. Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of Zions were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated, or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the securities laws. These defendants by virtue of their receipt of information reflecting the true facts of Zions, their control over, and/or receipt and/or modification of Zions allegedly materially misleading statements, and/or their associations with the Company which made them privy to confidential proprietary information concerning Zions, participated in the fraudulent scheme alleged herein.

44. Individual Defendants, who are the senior officers and/or directors of the Company, had actual knowledge of the material omissions and/or the falsity of the material statements set forth above, and intended to deceive Plaintiff and the other members of the Class, or, in the alternative, acted with reckless disregard for the truth when they failed to ascertain and disclose the true facts in the statements made by them or other Zions personnel to members of the investing public, including Plaintiff and the Class.

45. As a result of the foregoing, the market price of Zions securities was artificially inflated during the Class Period. In ignorance of the falsity of Defendants' statements, Plaintiff and the other members of the Class relied on the statements described above and/or the integrity of the market price of Zions securities during the Class Period in purchasing Zions securities at prices that were artificially inflated as a result of Defendants' false and misleading statements.

46. Had Plaintiff and the other members of the Class been aware that the market price of Zions securities had been artificially and falsely inflated by Defendants' misleading statements and by the material adverse information which Defendants did not disclose, they would not have purchased Zions securities at the artificially inflated prices that they did, or at all.

47. As a result of the wrongful conduct alleged herein, Plaintiff and other members of the Class have suffered damages in an amount to be established at trial.

48. By reason of the foregoing, Defendants have violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the plaintiff and the other members of the Class for substantial damages which they suffered in connection with their purchase of Zions securities during the Class Period.

COUNT II
Violations of Section 20(a) of the Exchange Act
Against the Individual Defendants

49. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

50. During the Class Period, the Individual Defendants participated in the operation and management of Zions, and conducted and participated, directly and indirectly, in the conduct of Zions' business affairs. Because of their senior positions, they knew the adverse non-public information about Zions' business practices.

51. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to Zions' financial condition and results of operations, and to correct promptly any public statements issued by Zions which had become materially false or misleading.

52. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which Zions disseminated in the marketplace during the Class Period concerning Zions results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause Zions to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of Zions within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Zions securities.

53. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by Zions.

PRAYER FOR RELIEF

WHEREFORE, plaintiff, on behalf of himself and the Class, prays for judgment and relief as follows:

(a) declaring this action to be a proper class action, designating plaintiff as Lead Plaintiff and certifying plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and designating plaintiff's counsel as Lead Counsel;

(b) awarding damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, together with interest thereon;

awarding plaintiff and the Class reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) awarding plaintiff and other members of the Class such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated:

THE ROSEN LAW FIRM, P.A.
Phillip Kim, Esq.
Laurence M. Rosen, Esq.
275 Madison Avenue, 40th Floor
New York, NY 10016
Telephone: (212) 686-1060
Fax: (212) 202-3827
Email: philkim@rosenlegal.com
lrosen@rosenlegal.com

Counsel for Plaintiff