

BOK FINANCIAL CORP ET AL
Form DEF 14A
March 22, 2006

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

BOK FINANCIAL CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

[BOK Financial Letterhead]

March 23, 2006

To Each Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of BOK Financial Corporation to be held this year in the Tulsa Room on the ninth floor of the Bank of Oklahoma Tower, One Williams Center, Tulsa, Oklahoma on Tuesday, April 25, 2006, at 11:00 a.m. local time. Details of the business to be conducted at the annual meeting are given in the attached Notice of Annual Meeting and Proxy Statement. Also enclosed is our Annual Report to Shareholders, covering the fiscal year ended December 31, 2005.

We hope that you will be able to attend this meeting, but all shareholders, whether or not they expect to attend the meeting, are requested to complete, date and sign the enclosed proxy and return it in the enclosed envelope as promptly as possible.

We look forward to seeing you at the meeting.

Sincerely,

/s/ George B. Kaiser
George B. Kaiser, Chairman of the

Board of Directors

/s/ Stanley A. Lybarger
Stanley A. Lybarger, President and

Chief Executive Officer

IF YOU PLAN TO ATTEND THE 2006 ANNUAL MEETING OF SHAREHOLDERS OF BOK FINANCIAL CORPORATION, PLEASE TAKE NOTE OF THE FOLLOWING: Due to security measures in place at the Bank of Oklahoma Tower, it will be necessary for you to check in at the Williams security desk on the plaza level of the Tower. You will be required to provide identification to receive a visitor pass.

BOK FINANCIAL CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held on April 25, 2006

Each Shareholder:

Notice is hereby given that the Annual Meeting of Shareholders of BOK Financial Corporation (the Company or BOK Financial), an Oklahoma corporation, will be held in the Tulsa Room on the ninth floor of the Bank of Oklahoma Tower, One Williams Center, Tulsa, Oklahoma on April 25, 2006, at 11:00 a.m. local time, for the following purposes:

1. To fix the number of directors to be elected at eighteen (18) and to elect eighteen (18) persons as directors for a term of one year or until their successors have been elected and qualified;
2. To amend the BOKF 2003 Stock Option Plan (the 2003 Plan); and,
3. To transact such other business as may properly be brought before the Annual Meeting or any adjournment or adjournments thereof. The meeting may be adjourned from time to time and, at any reconvened meeting, action with respect to the matters specified in this notice may be taken without further notice to shareholders unless required by the Bylaws.

The Board recommends that shareholders vote **FOR** the director nominees named in the accompanying proxy statement and **FOR** the amendment of the 2003 Plan.

Only shareholders of record at the close of business on March 1, 2006, shall be entitled to receive notice of, and to vote at, the annual meeting. A complete list of shareholders entitled to vote will be available for inspection at our offices, Bank of Oklahoma Tower, One Williams Center, Tulsa 74172.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Frederic Dorwart
Frederic Dorwart, Secretary

March 23, 2006

Tulsa, Oklahoma

BOK FINANCIAL CORPORATION

Bank of Oklahoma Tower

Tulsa, Oklahoma 74172

PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

To be held April 25, 2006

General

The enclosed proxy is solicited on behalf of the Board of Directors of BOK Financial Corporation for use at our annual meeting of shareholders. The annual meeting will be held on Tuesday, April 25, 2006, at 11:00 a.m. local time in the Tulsa Room on the ninth floor of the Bank of Oklahoma Tower, One Williams Center, Tulsa, Oklahoma.

These proxy materials will be mailed on or about March 23, 2006 to holders of record of common stock as of the close of business on March 1, 2006.

Voting by proxy

You may vote at the annual meeting by completing, signing and returning the enclosed proxy card. If not revoked, your proxy will be voted at the annual meeting in accordance with your instructions marked on the proxy card. If you fail to mark your proxy with instructions, your proxy will be voted as follows:

FOR the election of the eighteen (18) nominees for director listed in this Proxy Statement; and,

FOR the amendment of the 2003 BOKF Stock Option Plan

As to any other matter that may be properly brought before the annual meeting, your proxy will be voted as the Board of Directors may recommend. If the Board of Directors makes no recommendation, your proxy will be voted as the proxy holder named in your proxy card deems advisable. The Board of Directors does not know of any other matter that is expected to be presented for consideration at the annual meeting.

Any shareholder executing a proxy retains the right to revoke it any time prior to exercise at the annual meeting. A proxy may be revoked by delivery of written notice of revocation to the Secretary of BOK Financial, by execution and delivery of a later proxy or by voting the shares in person at the annual meeting. If not revoked, all shares represented by properly executed proxies will be voted as specified therein.

Voting and quorum requirements at the meeting

Only holders of shares of common stock at the close of business on March 1, 2006, (the record date) are entitled to notice of and to vote at the annual meeting. On the record date, there were 66,955,508 shares of common stock entitled to vote.

You will have one vote for each share of common stock held by you on the record date.

In order to have a meeting it is necessary that a quorum be present. The presence in person or by proxy of the holders of one-third of the outstanding shares of common stock is necessary to constitute a quorum at the annual meeting. Abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum. Abstentions and broker non-votes will not be counted as having voted either for or against a proposal.

The affirmative vote of the holders of a majority of the shares present or represented at the meeting in which a quorum is present that actually vote for or against the matter is required. Directors are elected by a plurality vote, meaning that the eighteen (18) nominees receiving the highest number of votes FOR will be elected as directors. The affirmative vote of the holders of a majority of the shares of common stock, present in person or by proxy, voted at the meeting, is required for approval of the foregoing amendments to the 2003 Plan.

George B. Kaiser currently owns approximately 66.7% of the outstanding common stock and plans to vote in person at the meeting.

Solicitation of proxies

We are paying for all our costs incurred in soliciting proxies for the annual meeting. In addition to solicitation by mail, we may use our directors, officers and regular employees to solicit proxies by telephone or otherwise. These personnel will not be specifically compensated for these services. We will pay persons holding shares of common stock for the benefit of others, such as nominees, brokerage houses, banks, and other fiduciaries, for the expense of forwarding solicitation materials to the beneficial owner.

Annual report

Our Annual Report to Shareholders, covering the fiscal year ended December 31, 2005, including audited financial statements, is enclosed. No parts of the Annual Report are incorporated in this Proxy Statement or are deemed to be a part of the material for the solicitation of proxies.

Security Ownership of Certain Beneficial Owners and Management

As of March 1, 2006, there were 66,955,508 shares of common stock issued and outstanding. Mr. Kaiser is the only shareholder known by BOK Financial to be the beneficial owner of more than five percent (5%) of its outstanding common stock. The following table sets forth, as of March 1, 2006, the beneficial ownership of common stock of BOK Financial, by each director and nominee, the chief executive officer (Mr. Lybarger) and the four other executive officers named in the Summary Compensation Table appearing at page 18 below, and, as a group, all of such persons and other executive officers not named in the table.

| Name of Beneficial Owner | Amount and Nature of Beneficial Ownership ⁽¹⁾ | Percent of Class ⁽²⁾ |
|--|--|---------------------------------|
| Gregory S. Allen | 1,396 ⁽³⁾ | * |
| C. Fred Ball, Jr. | 55,140 ⁽⁴⁾ | * |
| Sharon J. Bell | 84,843 ⁽⁵⁾ | * |
| Peter C. Boylan, III | 1,625 | * |
| Steven G. Bradshaw | 56,556 ⁽⁶⁾ | * |
| Chester Cadieux, III | 295 | * |
| Paula Marshall-Chapman | 553 | * |
| William E. Durrett | 111,857 ⁽⁷⁾ | * |
| Daniel H. Ellinor | 18,758 ⁽⁸⁾ | * |
| Robert G. Greer | 13,890 ⁽⁹⁾ | * |
| David F. Griffin | 39,287 ⁽¹⁰⁾ | * |
| V. Burns Hargis | 65,962 ⁽¹¹⁾ | * |
| E. Carey Joullian, IV | 3,256 ⁽¹²⁾ | * |
| George B. Kaiser | 44,645,569 ⁽¹³⁾ | 66.7% |
| Judith Z. Kishner | 295 | * |
| Thomas L. Kivisto | 3,000 | * |
| David L. Kyle | 2,133 | * |
| Robert J. LaFortune | 103,796 | * |
| Stanley A. Lybarger | 234,487 ⁽¹⁴⁾ | * |
| Steven J. Malcolm | 796 | * |
| W. Jeffrey Pickryl | 24,286 ⁽¹⁵⁾ | * |
| All directors, nominees and executive officers as a group (21 persons including the above) | 45,467,780 | 67.3% |

* Less than one percent (1%)

⁽¹⁾ Except as otherwise indicated, all shares are beneficially owned and the sole investment and voting power is held by the person named.

⁽²⁾ All percentages are rounded to the nearest tenth, and are based upon the number of shares outstanding as of the date set forth above. For purposes of computing the percentages of the outstanding shares owned by the persons described in the table, any shares such persons are deemed to own by having a right to acquire such shares by exercise of an option are included, but shares acquirable by other persons by the exercise of stock options are not included.

⁽³⁾ Includes 755 shares owned by Mr. Allen and Elizabeth Allen.

⁽⁴⁾ Includes options to purchase 40,560 shares of BOKF common stock immediately exercisable. Also includes 4,000 shares owned by Mr. Ball and Charlotte Ball, 5,267 shares owned by C. Fred Ball, Jr. IRA, and 5,313 shares held in the BOK Thrift Plan.

⁽⁵⁾

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Includes 2,791 shares owned by spouse. Also includes 18,440 shares owned by the J. A. Chapman and Leta M. Chapman Trust (1949), of which Ms. Bell is individual trustee, and 21,329 shares owned by the Leta McFarlin Chapman Trust (1974), of which Ms. Bell is co-trustee.

- (6) Includes options to purchase 41,664 shares of BOKF common stock immediately exercisable. Also includes 4,198 shares owned by the Steven G. Bradshaw Revocable Trust, of which Mr. Bradshaw and Marla Bradshaw are trustees, 10,127 shares of restricted stock and 573 shares held in the BOK Thrift Plan.
- (7) Includes 5,955 shares indirectly owned by William E. Durrett Revocable Trust, 94,208 shares indirectly owned by American Fidelity Assurance Company, 1,121 shares indirectly owned by CPROP, INC., 199 shares indirectly owned by CELP, and 1,574 shares indirectly owned by CAMCO.
- (8) Includes options to purchase 6,419 shares of BOKF common stock immediately exercisable. Also includes 11,133 shares of restricted stock and 37 shares held in the BOK Thrift Plan.
- (9) Includes options to purchase 1,364 shares of BOKF common stock immediately exercisable. Also includes 8,162 shares indirectly owned by Robert G. Greer, IRA and 2,220 shares owned by Mr. Greer's spouse, Joan Philen Greer.
- (10) Includes 38,794 shares indirectly owned by Doppler Investments, L.P.
- (11) Includes options to purchase 49,838 shares of BOKF common stock immediately exercisable. Also includes 1,784 shares held in the BOK Thrift Plan.
- (12) Includes 1,790 shares indirectly owned by JCAP, LLC.
- (13) Mr. Kaiser's address is P. O. Box 21468, Tulsa, OK 74121-1468. Includes 6,907,280 received upon the conversion of BOK Financial Corporation Series A Preferred Stock. Also includes 1,716,453 shares owned by Assurances Company, LLC of which Mr. Kaiser is the sole member.
- (14) Includes options to purchase 113,222 shares of BOKF Common Stock immediately exercisable. Also includes 15,056 shares indirectly owned by Marcia Lybarger Living Trust, 7,744 shares indirectly owned by Stanley A. Lybarger, IRA, 43,186 shares of restricted stock and 24 shares held in the BOK Thrift Plan.
- (15) Includes options to purchase 13,557 shares of BOKF common stock immediately exercisable. Also includes 5,817 shares indirectly owned by W. Jeffery Pickryl IRA, and 4,912 shares held in the BOK Thrift Plan.

PROPOSAL ONE

ELECTION OF DIRECTORS

Nominees and vote required to elect nominees

A board of eighteen (18) directors is to be elected at the annual meeting. The eighteen (18) nominees for director who receive the highest number of affirmative votes of the shares voting shall be elected as directors. You may vote the number of shares of common stock you own for up to eighteen (18) persons. Unless you otherwise instruct by marking your proxy card, the proxy holders will vote the proxies received by them FOR the election of each of the eighteen (18) nominees named below.

If at the time of the annual meeting any of the nominees is unwilling or unable to serve, all proxies received will be voted in favor of the remainder of those nominated and for such substitute nominees, if any, as shall be designated by the board and nominated by any of the proxies named in the enclosed proxy form. We have no reason to believe that any of the nominees will be unable or unwilling to serve if elected.

Term of office

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The term of office of each person elected as a director will continue until the next annual meeting of shareholders or until his or her successor has been elected and qualified.

Family relationships

There are no family relationships by blood, marriage or adoption between any director or executive officer of the company and any other director or executive officer of the company.

Information about nominees

Certain information concerning the nominees to the Board of Directors of the company is set forth below based on information supplied by the nominees. All information is as of March 1, 2006. All references in this Proxy Statement to BOK shall mean Bank of Oklahoma, National Association, and all references to BOT shall mean Bank of Texas, National Association, both of which are banking subsidiaries of BOK Financial Corporation.

| Name | Age | Principal Occupation, Business | First Year Became a Director |
|------------------------|-----|--|------------------------------|
| | | Experience During Last 5 Years, and Directorships of Other Public Companies | |
| Gregory S. Allen | 43 | President and CEO, Advance Food Company (manufacturer and marketer of value-added food products). Mr. Allen has served as President of Advance Food Company since 1998. | 2005 |
| C. Fred Ball, Jr. | 61 | Chairman and CEO of BOT; previously, Mr. Ball served as Executive Vice President of Comerica Bank-Texas and later President of Comerica Securities, Inc., where he was employed from 1991 until joining Bank of Texas in 1997. | 1999 |
| Sharon J. Bell | 54 | Attorney and Managing Partner, Rogers and Bell (Tulsa, Oklahoma); Trustee and General Counsel, Chapman-McFarlin Interests; formerly a Director and President of Red River Oil Company (oil and gas exploration and development). | 1993 |
| Peter C. Boylan, III | 42 | Mr. Boylan has served as CEO of Boylan Partners, LLC (investment management and advisory organization) since March 2004. From April 2002 through March 2004, Mr. Boylan served as Director, President and Chief Operating Officer of Liberty Broadband Interactive Television, Inc. (broadband interactive television technology company providing services and products to cable and satellite television operators worldwide), a company controlled by Liberty Media Corporation. Prior to April 2002, Mr. Boylan was Co-President, Co-Chief Operating Officer, Member of the Office of the Chief Executive Officer, and Director of Gemstar-TV Guide International, Inc. (media, entertainment, technology and communications company). | 2005 |
| Chester Cadieux, III | 39 | President, CEO and Director of QuikTrip Corporation (a gasoline and retail convenience chain) since 2002. Prior to becoming President and CEO, Mr. Cadieux served as Vice President of Sales at QuikTrip Corporation. | 2005 |
| Paula Marshall-Chapman | 52 | Chief Executive Officer, The Bama Companies, Inc. (manufacturer and marketer of food products); Ms. Marshall-Chapman is also a director of Helmerich and Payne, Inc. (oil and gas drilling contractor) and American Fidelity Corporation (insurance holding company). She is also a former director of the Federal Reserve Bank of Kansas City. | 2003 |

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| | | | |
|-----------------------|----|--|---------|
| William E. Durrett | 75 | Senior Chairman of the Board and Director of American Fidelity Corporation (insurance holding company), and American Fidelity Assurance Company (a registered investment advisor). Mr. Durrett is also a director of Oklahoma Gas & Electric Company and past Chairman of the Board of Integris Health. | 1991 |
| Robert G. Greer | 71 | Vice Chairman, BOT; formerly Chairman of the Board, Bank of Tanglewood, N.A., since 1996; Chairman of the Board of Tanglewood Bank, N.A. and Vice Chairman of the Board of Northern Trust Bank of Texas; Mr. Greer is also a director for Jefferson-Pilot Corporation and its subsidiary (Jefferson-Pilot Financial) since 1975. | 2003 |
| David F. Griffin | 40 | President, Griffin Communications, L.L.C. (owns and operates CBS affiliated television stations in Oklahoma); formerly President and General Manager, KWTV-9 (Oklahoma City). | 2003 |
| V. Burns Hargis | 60 | Vice Chairman, BOK Financial and BOK and Director of BOSCO, Inc. since 1997; formerly, Attorney and Shareholder of the law firm of McAfee & Taft (Oklahoma City, Oklahoma). | 1993 |
| E. Carey Joullian, IV | 45 | President and Chief Executive Officer of Mustang Fuel Corporation and subsidiaries; President and Manager, Joullian & Co., L.L.C.; Manager, JCAP, L.L.C. | 1995 |
| George B. Kaiser | 63 | Chairman of the Board of BOK Financial and BOK; President and principal owner of Kaiser-Francis Oil Company (independent oil and gas exploration and production company). | 1990 |
| Judith Z. Kishner | 58 | Manager, Zarrow Family Office, LLC; Secretary and Treasurer for Anne & Henry Zarrow Foundation (a charitable foundation); Trustee for Zarrow Families Foundation; currently on the Board of Directors for Anne and Henry Zarrow Foundation, Tulsa Recreational Center for the Physically Limited, Tulsa City-County Library Commission, Chairman for the Nature Conservancy of Oklahoma and National Conference for Community and Justice. | 2004 |
| Thomas L. Kivisto | 54 | Chairman, President and Chief Executive Officer of SemGroup, LP (gathering, transporting, marketing and hedging services for energy industry). | Nominee |
| David L. Kyle | 53 | Chairman, President, Chief Executive Officer and Director of ONEOK, Inc. (energy company engaged in production, gathering, storage, transportation, distribution and marketing of fuels); formerly, president and Chief Operating Officer of ONG Transmission Company and Oklahoma Natural Gas Company; Director, American Gas Association and Southern Gas Association. | 2001 |

| | | | |
|---------------------|----|---|------|
| Robert J. LaFortune | 79 | Self-employed in the investment and management of personal financial holdings. Mr. LaFortune is also a director of Apco Argentina, Inc. | 1993 |
| Stanley A. Lybarger | 56 | President and Chief Executive Officer of BOK Financial and BOK; previously President of BOK Oklahoma City Regional Office and Executive Vice President of BOK with responsibility for corporate banking. | 1991 |
| Steven J. Malcolm | 57 | Chairman, President and Chief Executive Officer of The Williams Companies, Inc. (energy holding company); formerly, President and Chief Executive Officer of Williams Energy Services after serving as senior vice president and general manager of Midstream Gas and Liquids for Williams Energy Services. | 2002 |

Compensation of Directors

All non-officer directors of BOK Financial and BOK receive a single retainer of \$7,500 per year, payable quarterly in arrears in BOK Financial common stock in accordance with the BOKF Directors Stock Compensation Plan, whether serving on one or more of the boards of directors. Director compensation shares are issued to each director on or before the 15th day following the end of each calendar quarter during which such director served as a member of the Board of Directors of BOK Financial or BOK. The BOKF Directors Stock Compensation Plan further provides that the issuance price for the director compensation shares is the average of the mid-points between the highest price and the lowest price at which trades occurred on NASDAQ on the five trading days immediately preceding the end of the calendar quarter. All non-officer directors also are paid \$500 in cash for each board of directors or committee meeting attended (provided only one fee is paid when two or more committees meet contemporaneously) and \$1,000 in cash for each committee meeting chaired. No such fees are paid for meetings not attended. In addition, the Chairman of the Risk and Audit Committee receives \$250 for each quarterly earnings release conference and upon application to, and subject to the discretion of, the Committee, \$250 for each additional substantive conference with the Company's independent auditors or management in fulfillment of the duties and responsibilities of the Committee.

Attendance of Meetings

The entire Board of Directors of BOK Financial met four times during 2005. All directors of BOK Financial attended 75% of all meetings of the Board of Directors and committees on which they served, except Ms. Marshall-Chapman and Mr. Robinson, who were unable to attend 75% of the meetings due to business and personal conflicts. Although BOK Financial does not have a policy with respect to attendance by the Directors at the Annual Meeting of Stockholders, Directors are encouraged to attend. Eighteen of the 22 members of the Board of Directors attended the 2005 Annual Meeting of Stockholders. The Board of Directors intends to meet at least four times in 2006.

Director Nominations

While the Board of Directors does not have a standing nomination committee, director candidates identified by management and members of the Board of Directors are discussed at virtually every Board of Directors meeting. The Board has no written policy on qualifications of directors; however, the understood expectation is that directors will have all of the following characteristics: (i) Impeccable

integrity; (ii) Strong sense of professionalism; and, (iii) Capability of serving the interests of stockholders, and several of the following characteristics: (i) Prominence in the community; (ii) Significant relations with one of the Company's subsidiary banks; (iii) Ability to represent the views of under-represented constituencies in the Company's market areas; (iv) Financial analytical skill and expertise; and, (v) Vision for social trends.

The Board of Directors will consider director candidates recommended by stockholders if provided with the following: (i) evidence in accordance with Rule 14a-8 of compliance with stockholder eligibility requirements; (ii) the written consent of the candidate(s) for nomination as a director and verification as to the accuracy of the biographical and other information submitted in support of the candidate; (iii) a resume or other written statement of the qualifications of the candidate(s) for nomination as a director; and, (iv) all information regarding the candidate(s) and the submitting stockholder that would be required to be disclosed in a proxy statement filed with the SEC if the candidate(s) were nominated for election to the Board of Directors. Any recommendations received from stockholders will be evaluated in the same manner that potential nominees suggested by board members, management or other parties are evaluated. The Board of Directors encourages shareholder director candidate recommendations.

Any stockholder that wishes to present a director candidate for consideration should submit the information identified above pursuant to the procedures set forth below under Communication with the Board of Directors.

PROPOSAL TWO

APPROVAL OF AMENDMENTS TO THE BOKF 2003 STOCK OPTION PLAN

The shareholders of BOK Financial approved the BOKF 2003 Stock Option Plan at the 2003 Annual Meeting of Shareholders. All employees of BOKF and its subsidiaries are eligible to be designated as participants and awarded options under the 2003 Plan. BOKF currently has 3,825 full-time equivalent employees. Participants are designated based upon a subjective determination of the present and potential contributions of the employee to the success of the Company. Except for options intended to comply with Section 162(m) of the Internal Revenue Code, those employees to whom stock option awards are made are selected by the Chairman of the Board of Directors and the Chief Executive Officer. The Board of Directors is proposing for shareholder approval the amendment of the 2003 Plan as follows:

Increasing Authorized Shares by 3,500,000. Substantially all of the 2,000,000 shares of common stock currently authorized under the 2003 Plan have been awarded. The Company seeks to increase the number of authorized shares by 3,500,000 so that it may continue to reward outstanding employee performance in accordance with its employee compensation plans.

Increasing the Number of Awards that may be Granted to a Single Employee. The 2003 Plan currently limits the number of options that may be granted to a single employee in any one year to 100,000. In order to retain and attract top executives, the Company seeks to increase this limit to allow up to 200,000 options to be granted to a single employee in any one year.

Extending the Term of the 2003 Plan. The Company seeks to extend the term of the 2003 Plan until April 30, 2009.

Vote Required

The affirmative vote of the holders of a majority of the shares of common stock, present in person or by proxy, voted at the meeting, is required for approval of the foregoing amendments to the 2003 Plan.

Equity Compensation Plan Information

The following table provides information about the Company's equity compensation plans in effect at December 31, 2005. Plans included in the following table consist of the BOKF 1994, 1997, 2000, 2001 and 2003 Stock Option Plans, as well as the 2003 Executive Incentive Plan and the BOKF Directors Stock Compensation Plan. The material features of the various stock-based compensation plans are described within Note 13 of Notes to Consolidated Financial Statements of the 2005 Annual Report, which is incorporated herein by reference.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants, and rights⁽²⁾ | Weighted-average exercise price of outstanding options, warrants, and rights⁽²⁾ | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) ⁽²⁾ |
|---|---|---|---|
| Equity compensation plans approved by security holders | | | |
| Stock options | 3,486,063 | \$ 34.03 | 723,553 ⁽¹⁾ |
| Nonvested common shares | 57,706 | Not applicable | 443,597 |
| Sub-total | 3,543,769 | | 1,167,150⁽¹⁾ |
| Equity compensation plans not approved by security holders | | | |
| | None | None | None |
| Total | 3,543,769 | | 1,167,150⁽¹⁾ |

⁽¹⁾ Includes 481,630 shares of common stock which may be awarded pursuant to the BOKF Directors Stock Compensation Plan.

⁽²⁾ As of December 31, 2005.

Committees of the Board of Directors

The Risk Oversight and Audit Committee, Independent Compensation Committee and Credit Committee are described below.

Risk Oversight and Audit Committee

During 2005, the Board of Directors of BOK Financial Corporation had a standing Risk Oversight and Audit Committee (the Audit Committee) comprised solely of independent directors. The Board of Directors have adopted an Audit Committee charter that complies with Rule 4350(d)(1) of the NASD listing standards. The Audit Committee has the responsibility and authority set forth in Rule 4350(d)(3) of the NASD listing standards under the revised charter. Among other things, the Audit Committee will be responsible for overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company. The Audit Committee is also

directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditors, including the resolution of disagreements between management and the auditors regarding financial reporting. Additionally, the Audit Committee approves all related party transactions that are required to be disclosed pursuant to Item 404 of Regulation S-K.

The current members of the Audit Committee are Messrs. Joullian (Chairman), Cadieux, Cappy, Kyle and Malcolm. The Board of Directors has designated Mr. Joullian as its audit committee financial expert, as defined in Item 401(h)(2) of Regulation S-K. Mr. Joullian is an independent director as defined in Rule 4200(a)(15) of the NASD listing standards. The Audit Committee held five meetings in fiscal 2005 and intends to meet at least five times in fiscal 2006. The Report of the Audit Committee is on page 12 of this proxy statement.

Independent Compensation Committee

In December 2002, the Board of Directors established an Independent Compensation Committee, consisting of independent directors, to administer a performance based compensation plan for senior executives in accordance with the provisions of Section 162(m) of the Internal Revenue Code. The Independent Compensation Committee consists of Messrs. Cappy (Chairman), Griffin and Kyle. Compensation of the Chief Executive Officer, the direct reports to the Chief Executive Officer and other officers participating in the Company's incentive plan are reviewed by the Independent Compensation Committee. Compensation for all other officers is, in practice, determined by the Chief Executive Officer and Mr. Kaiser, the Chairman of the Board. The Independent Compensation Committee Report on Executive Compensation may be found on page 24 of this proxy statement.

Credit Committee

The purpose of the Credit Committee is to review and report to the Board of Directors regarding the quality of the Company's credit portfolio and trends affecting the credit portfolio. It also oversees the effectiveness and administration of credit-related policies and reviews the adequacy of the allowance for loan losses and reserve for off-balance sheet credit losses. The members of the Credit Committee are Messrs. Griffin (Chairman), Allen, Boylan, Hargis, Kaiser, LaFortune, Lybarger and Ms. Marshall-Chapman. The Credit Committee met eleven times during fiscal 2005 and plans to meet at least eleven times in fiscal 2006.

Independent Director Meetings

The Board of Directors has adopted a policy of regularly scheduled executive sessions where independent directors will meet separate from management. The independent directors plan to meet in executive session after all regularly scheduled Board of Director meetings. The independent Directors held four executive sessions during 2005. The presiding Director at the executive sessions is Mr. Kaiser. Shareholders of the Company may communicate their concerns to the non-management Directors in accordance with the procedures described below under Communication with the Board of Directors.

Communication with the Board of Directors

The Board of Directors of BOK Financial believes that it is important for stockholders to have a process to send communications to the Board. Accordingly, stockholders who wish to communicate with the Board of Directors, or a particular Director, may do so by sending a letter to the Investor Relations Manager of BOK Financial at P.O. Box 2300, Tulsa, Oklahoma 74192. The mailing envelope should contain a clear notation indicating that the enclosed letter is a Stockholder-Board Communication or Stockholder-Director Communication. Such letters should identify the author as a stockholder and state

whether the intended recipients are all members of the Board of Directors or certain specified individual Directors. The Investor Relations Manager and the General Counsel will independently review the content of the letters. Communications which are constructive suggestions for the conduct of the business or policies of the Company will be promptly delivered to the identified Director or Directors. Communications which are complaints about specific incidents involving banking or brokerage service will be directed to the appropriate business unit for review. Director nominations will be reviewed for compliance with the requirements identified in the section of this proxy entitled "Director Nominations", and if meeting such requirements, promptly forwarded to the Director or Directors identified in the communication.

Report of the Risk Oversight and Audit Committee

The Risk Oversight and Audit Committee (the Committee) oversees the Company's financial reporting process on behalf of the Board of Directors. In fulfilling its oversight responsibilities, the Committee discussed and reviewed the Company's consolidated financial statements included in the Annual Report with management and reviewed internal control over financial reporting with management and the internal auditors. This review included discussions with management regarding the quality, not just the acceptability, of accounting policies. It also included the reasonableness of significant judgments, the clarity of disclosures in the consolidated financial statements and the effectiveness of internal control over financial reporting. Management has the primary responsibility for establishing and maintaining internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting. The Committee reviewed internal audit reports on the effectiveness of management's assessment process, discussed internal control matters with management, and reviewed the Company's compliance with legal and regulatory requirements as necessary.

The Committee discussed and reviewed with Ernst & Young, LLP, the independent registered public accounting firm, their opinion on the conformity of the Company's consolidated financial statements with accounting principles generally accepted in the United States. This discussion included their judgments as to the quality, not just the acceptability, of the Company's accounting policies. This discussion covered the required communications under audit standards established by the Public Company Accounting Oversight Board (United States), including PCAOB Auditing Standard No. 2, *An Audit of Internal Control over Financial Reporting* and Standard No. 61, *Communications with Audit Committees*. The Committee has reviewed the auditors' independence and obtained written representation from Ernst & Young, LLP regarding independence matters, in accordance with Independence Standards Board Standard No. 1. In conducting this review, the Committee considered whether any non-audit services were compatible with maintaining the auditor's independence.

The Committee meets at least quarterly with the Company's internal auditors and the independent registered public accounting firm regarding the overall scope and plans for their respective audits. These meetings are conducted with and without management present and the Committee discusses the results of the audits, including the auditor's evaluation of internal control over financial reporting.

Each of the members of the Audit Committee qualifies as an independent Director under the current listing standards of the National Association of Securities Dealers (NASD). The Board of Directors has appointed E. Carey Joullian IV as the audit committee financial expert.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors (and the Board has approved) that the audited consolidated financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2005, for filing with the Securities and Exchange Commission.

E. Carey Joullian IV, Committee Chairman

Chester Cadieux III

Joseph E. Cappy

David L. Kyle

Steven J. Malcolm

Principal Accountant Fees and Services

Audit Fees. Fees paid to Ernst & Young, LLP (EY) for the audit of the annual consolidated financial statements included in BOK Financial's Annual Report on Form 10-K, for the review of the consolidated financial statements included in BOK Financial's Forms 10-Q for the quarters included in the years ended December 31, 2005 and 2004 and for the audit function, were \$893,000 and \$821,500 respectively.

Audit-related Fees. Fees paid to EY for the audit of BOK Financial's employee benefit plans, testing the results of our system conversion and other audit related functions were \$84,000 and \$73,600 respectively, for the years ended December 31, 2005, and 2004.

Tax Fees. Fees paid to EY associated with tax return preparation and tax planning were \$18,685 and \$26,050 respectively, for the years ended December 31, 2005, and 2004.

All Other Fees. Fees paid to EY were \$5,800 and \$5,800 respectively, for each of the years ended December 31, 2005, and 2004.

The Audit Committee has adopted a formal policy on auditor independence requiring the approval by the Audit Committee of all professional services rendered by BOK Financial's independent auditor prior to the commencement of the specified services. 100% of the services described in Audit Fees, Audit-Related Fees, Tax Fees and All Other Fees were approved by the Audit Committee in accordance with BOK Financial's formal policy on auditor independence and approval of fees.

Shareholder Return Performance Graph

The BOKF Common Stock (with non-detachable rights to purchase fifteen additional BOKF Common shares at \$0.054625 per share) was registered pursuant to the Securities Exchange Act of 1934 and listed for trading on NASDAQ on September 5, 1991. The BOKF shares traded with the rights attached through October 28, 1991. The BOKF shares traded ex-rights from and after the opening or trading on October 29, 1991. Set forth below is a line graph comparing the change in cumulative shareholder return on the Common Stock of BOK Financial against the cumulative total shareholders return of the NASDAQ Index, the NASDAQ Bank Index, and the KBW 50 Bank Index for the period commencing December 31, 2000 and ending December 31, 2005.*

Comparison of Cumulative Total Return

| | 12/31/2000 | 12/31/2001 | 12/31/2002 | 12/31/2003 | 12/31/2004 | 12/31/2005 |
|----------------------------|------------|------------|------------|------------|------------|------------|
| BOKF | 100.00 | \$ 152.87 | \$ 162.00 | \$ 199.65 | \$ 259.19 | \$ 241.49 |
| NASDAQ Bank Stocks | 100.00 | 108.27 | 110.84 | 142.58 | 163.17 | 159.40 |
| KBW 50 Bank | 100.00 | 95.88 | 89.12 | 119.46 | 131.46 | 133.00 |
| NASDAQ (CRSP U.S. Company) | 100.00 | 79.32 | 54.84 | 81.99 | 89.22 | 91.12 |

* Graph assumes value of an investment in the Company's Common Stock for each index was \$100 on December 31, 1999. The KBW 50 Bank index is the Keefe, Bruyette & Woods, Inc. index, which is available only for calendar quarter end periods. No dividends were paid on BOK Financial Common Stock except (i) on November 17, 1993, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 9, 1993, payable in kind by the issuance of BOK Financial Stock, (ii) on November 17, 1994, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 8, 1994, payable in kind by the issuance of BOK Financial Common Stock, (iii) on November 27, 1995, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 17, 1995, payable in kind by the issuance of BOK Financial Common Stock, (iv) on November 27, 1996, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 18, 1996, payable in kind by the issuance of BOK Financial Common Stock, (v) on November 26, 1997, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 17, 1997, payable in kind by the issuance of BOK Financial Common Stock, (vi) on November 25, 1998, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of November 13, 1998, (vii) on October 18, 1999, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of October 5, 1999, (viii) on May 18, 2001, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of May 7, 2001, (ix) on May 29, 2002, the Company paid a 3% dividend on BOK Financial Common Stock outstanding as of May 13, 2002, (x) on May 31, 2003,