

SUNTRUST BANKS INC
 Form 424B2
 February 27, 2008
Table of Contents

CALCULATION OF REGISTRATION FEE

	Amount	Proposed Maximum	Proposed Maximum	Amount of
	to be	Offering Price	Aggregate	Registration
	Registered	Per Unit	Offering Price	Fee(1)
7.875% Trust Preferred Securities	27,600,000	\$25	690,000,000	\$27,117

(1) Calculated in accordance with Rule 457(r) of the Securities Act.

Table of Contents

**FILED PURSUANT TO
RULE 424(b)(2)
REGISTRATION NO: 333-137101
333-137101-05**

Prospectus Supplement to Prospectus dated October 18, 2006.

SunTrust Capital IX

\$600,000,000

7.875% Trust Preferred Securities

(liquidation amount \$25 per security)

fully and unconditionally guaranteed, as described herein, by

SunTrust Banks, Inc.

SunTrust Capital IX, a Delaware statutory trust, will issue the Trust Preferred Securities. Each Trust Preferred Security represents an undivided beneficial interest in the Trust. The only assets of the Trust will be the 7.875% Junior Subordinated Notes due March 15, 2068 issued by SunTrust Banks, Inc., which we refer to as the *JSNs*. The Trust will pay distributions on the Trust Preferred Securities only from the proceeds, if any, of interest payments on the JSNs.

The JSNs will bear interest from and including March 4, 2008 at the annual rate of 7.875% of their principal amount, payable quarterly in arrears on each March 15, June 15, September 15 and December 15, beginning on June 15, 2008.

We have the right, on one or more occasions, to defer the payment of interest on the JSNs for one or more consecutive interest periods through the earlier of the first period in which we pay current interest and five years without being subject to our obligations under the alternative payment mechanism described in this prospectus supplement and for one or more consecutive interest periods that do not exceed 10 years without giving rise to an event of default. In the event of our bankruptcy, holders of the JSNs will have a limited claim for deferred interest.

At our option, we may redeem the JSNs (i) at 100% of their principal amount on or after March 15, 2013 or prior to such date after the occurrence of a *tax event*, *investment company event* or *capital treatment event*, as described herein, or (ii) prior to March 15, 2013 at a make-whole redemption price after the occurrence of a *rating agency event* as described herein, in each case plus accrued and unpaid interest through the date of redemption. Our right to redeem the JSNs is restricted by our obligations in the replacement capital covenant described in this prospectus supplement.

The JSNs will be subordinated upon our liquidation to all existing and future senior and subordinated debt of SunTrust Banks, Inc., but will rank equally upon our liquidation with our Remarketable Junior Subordinated Notes due 2042 held by SunTrust Preferred Capital I, with our 6.100% Extendible Junior Subordinated Notes held by SunTrust Capital VIII (and the guarantees thereof) and with debt that by its terms does not rank senior upon our liquidation to the JSNs and with our trade creditors, and will be effectively subordinated to all liabilities of our subsidiaries. As a result, the Trust Preferred Securities also will be effectively subordinated to the same debt and liabilities. SunTrust Banks, Inc. will guarantee the Trust Preferred Securities on a subordinated basis to the extent described in this prospectus supplement.

The Trust Preferred Securities and the JSNs are not deposits or other obligations of a bank. They are not insured by the FDIC or any other government agency. Application will be made to list the Trust Preferred Securities on the New York Stock Exchange under the symbol *STI PrZ*. If approved, trading of the Trust Preferred Securities on the New York Stock Exchange is expected to commence within a 30-day period after the initial delivery of the Trust Preferred Securities.

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See Risk Factors beginning on page S-9 of this prospectus supplement to read about factors you should consider before buying the Trust Preferred Securities.

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

	Per Trust Preferred Security	Total ⁽¹⁾⁽²⁾⁽³⁾
Initial public offering price	\$ 25.00	\$ 600,000,000
Proceeds, before expenses and commissions, to SunTrust Banks, Inc.	\$ 25.00	\$ 600,000,000

- (1) The initial public offering price does not include accrued distributions, if any, on the Trust Preferred Securities from March 4, 2008 to the date of delivery.
- (2) In view of the fact that the proceeds of the sale of the Trust Preferred Securities will be invested in the JSNs, we have agreed to pay the underwriters, as compensation for arranging the investment therein of such proceeds, \$0.7875 per Trust Preferred Security; provided, however, that we have agreed to pay \$0.50 per Trust Preferred Security for sales to certain institutions (or \$17,750,000 in the aggregate). See Underwriting.
- (3) The underwriters may also purchase up to an additional 3,600,000 Trust Preferred Securities at the initial public offering price within 30 days of the date on the cover of this prospectus supplement to cover over-allotments, if any.

The underwriters expect to deliver the Trust Preferred Securities in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on March 4, 2008. Beneficial interests in the Trust Preferred Securities will be shown on, and transfers thereof will be effected only through, records maintained by The Depository Trust Company and its direct and indirect participants, including Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank S.A./N.V.

Joint Book-Runners

Morgan Stanley
Merrill Lynch & Co.

Citi

SunTrust Robinson Humphrey UBS Investment Bank

Banc of America Securities LLC

Bear Stearns & Co. Inc.

Credit Suisse

Deutsche Bank Securities

Lehman Brothers

Table of Contents

Prospectus Supplement dated February 26, 2008

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part is the prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the heading *Where You Can Find More Information*.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to *SunTrust*, *we*, *us*, *our* or similar references mean SunTrust Banks, Inc. and its subsidiaries, and references to the *Trust* mean SunTrust Capital IX.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement. This prospectus supplement may be used only for the purpose for which it has been prepared. No one is authorized to give information other than that contained in this prospectus supplement and in the documents referred to in this prospectus supplement and which are made available to the public. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement or any document incorporated by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of Trust Preferred Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a *Relevant Member State*) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Trust Preferred Securities. Accordingly, any person making or intending to make an offer in that Relevant Member State of Trust Preferred Securities which are subject to the offering contemplated in this prospectus supplement and the accompanying prospectus may only do so in circumstances in which no obligation arises for SunTrust, the Trust or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither SunTrust, nor the Trust, nor the underwriters have authorized, nor do they authorize, the making of any offer of Trust Preferred Securities in circumstances in which an obligation arises for SunTrust, the Trust or the underwriters to publish a prospectus for such offer.

The Trust Preferred Securities may constitute interests in an unregulated collective investment scheme as defined in the United Kingdom Financial Services and Markets Act 2000 (the *FSMA*). Accordingly, in the United Kingdom this prospectus supplement and the accompanying prospectus are only being distributed to, and are only directed at (a) investment professionals falling within both Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (as amended) (the *CIS Promotion Order*) and Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the *General Promotion Order*) who have professional experience of participating in

Table of Contents

unregulated collective investment schemes and of matters relating to investments and (b) high net worth companies and other persons falling within both Article 22(2)(a) to (d) of the CIS Promotion Order and Article 49(2)(a) to (d) of the General Promotion Order (all such persons together being referred to as relevant persons). Any person in the United Kingdom that is not a relevant person should not act or rely on this prospectus supplement, the accompanying prospectus or any of their contents. Any investment or investment activity to which this prospectus supplement and accompanying prospectus relate is available in the United Kingdom only to relevant persons, and will be engaged in only with such persons.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or *SEC*. You may read and copy any document that we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, our SEC filings are available to the public from the SEC's web site at <http://www.sec.gov>. Our SEC filings are also available at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call 212-656-5060.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the *Exchange Act*, until we or any of the underwriters sell all of the securities:

Annual Report on Form 10-K for the year ended December 31, 2007; and

Current Reports on Form 8-K dated February 16, 2007 (Form 8-K/A filed on January 7, 2008) and February 12, 2008 (except Item 7.01 and the related Exhibit 99.1 included in Item 9.01).

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

SunTrust Banks, Inc.

303 Peachtree Street, NE

Atlanta, Georgia 30308

Telephone: 404-588-7711

Attn: Corporate Secretary

We have also filed a registration statement (No. 333-137101) with the SEC relating to the securities offered by this prospectus supplement and the accompanying prospectus. This prospectus supplement is part of the registration statement. You may obtain from the SEC a copy of the registration statement and exhibits that we filed with the SEC when we registered the Trust Preferred Securities. The registration statement may contain additional information that may be important to you.

The Trust has no separate financial statements. The statements would not be material to holders of the securities because the Trust has no independent operations.

Unless otherwise indicated, currency amounts in this prospectus supplement are stated in U.S. dollars.

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information included or incorporated by reference in this prospectus supplement may contain forward-looking statements, including statements about credit quality and the future prospects of SunTrust. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. These statements often include the words *believes*, *expects*, *anticipates*, *estimates*, *intends*, *plans*, *targets*, *potentially*, *probably*, *projects*, *outlook* or similar expressions or future conditions. *may*, *will*, *should*, *would* and *could*.

Such statements are based upon the current beliefs and expectations of SunTrust's management and on information currently available to management. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, or the *Securities Act*, and Section 21E of the Exchange Act. Such statements speak as of the date hereof, and SunTrust does not assume any obligation to update the statements included or incorporated by reference herein or to update the reasons why actual results could differ from those contained in such statements in light of new information or future events.

Forward-looking statements involve significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ materially from those described in the forward-looking statements can be found on page 6 of SunTrust's 2007 Annual Report on Form 10-K and elsewhere in SunTrust's periodic reports and Current Reports filed on Form 8-K with the SEC and available at the SEC's internet site (<http://www.sec.gov>). Those factors include:

weakness in the economy and in the real estate market, including specific weakness within our geographic footprint, has adversely affected us and may continue to adversely affect us;

weakness in the real estate market, including the secondary residential mortgage loan markets, has adversely affected us and may continue to adversely affect us;

as a financial services company, adverse changes in general business or economic conditions could have a material adverse effect on our financial condition and results of operations;

changes in market interest rates or capital markets could adversely affect our revenues and expense, the value of assets and obligations, costs of capital, or liquidity;

the fiscal and monetary policies of the federal government and its agencies could have a material adverse effect on our earnings;

we may be required to repurchase mortgage loans or indemnify mortgage loan purchasers as a result of breaches of representations and warranties, borrower fraud, or certain borrower defaults, which could harm our liquidity, results of operations and financial condition;

clients could pursue alternatives to bank deposits, causing us to lose a relatively inexpensive source of funding;

consumers may decide not to use banks to complete their financial transactions, which could affect net income;

we have businesses other than banking, which subjects us to a variety of risks;

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hurricanes and other natural disasters may adversely affect loan portfolios and operations and increase the cost of doing business;

negative public opinion could damage our reputation and adversely impact our business and revenues;

we rely on other companies for key components of our business infrastructure;

we rely on our systems, employees and certain counterparties, and certain failures could materially adversely affect our operations;

S-iv

Table of Contents

we depend on the accuracy and completeness of information about clients and counterparties;

regulation by federal and state agencies could adversely affect our business, revenues, and profit margins;

competition in the financial services industry is intense and could result in losing business or reducing profit margins;

future legislation could harm our competitive position;

maintaining or increasing market share depends on market acceptance and regulatory approval of new products and services;

our ability to receive dividends from our subsidiaries accounts for most of our revenues and could affect our liquidity and ability to pay dividends;

significant legal actions could subject us to substantial uninsured liabilities;

recently declining values of residential real estate may increase our credit losses, which would negatively affect our financial results;

deteriorating credit quality, particularly in real estate loans, has adversely impacted us and may continue to adversely impact us;

disruptions in our ability to access global capital markets may negatively affect our capital resources and liquidity;

we have in the past and may in the future pursue acquisitions, which could affect costs and from which we may not be able to realize anticipated benefits;

we depend on the expertise of key personnel without whom our operations may suffer;

we may not be able to hire or retain additional qualified personnel and recruiting and compensation costs may increase as a result of turnover, both of which may increase costs and reduce profitability and may adversely impact our ability to implement our business strategy;

our accounting policies and methods are key to how we report our financial condition and results of operations, and may require management to make estimates about matters that are uncertain;

changes in our accounting policies or in accounting standards could materially affect how we report our financial results and condition;

our stock price can be volatile;

our disclosure controls and procedures may fail to prevent or detect all errors or acts of fraud;

our financial instruments carried at fair value expose us to certain market risks;

our revenues derived from our investment securities may be volatile and subject to a variety of risks;

we may enter into transactions with affiliated off-balance sheet entities that could result in current or future gains or losses or the possible consolidation of those entities; and

we are subject to market risk associated with our asset management and commercial paper conduit businesses.

S-v

Table of Contents

SUMMARY INFORMATION

This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus supplement. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in the Trust Preferred Securities or the JSNs. You should read this entire prospectus supplement and accompanying prospectus, including the Risk Factors section and the documents incorporated by reference, which are described under Where You Can Find More Information.

SunTrust Banks, Inc.

SunTrust Banks, Inc., with year-end 2007 assets of \$179.6 billion, is one of the nation's largest financial services holding companies.

Through our flagship subsidiary, SunTrust Bank, we provide deposit, credit and trust and investment services. Additional subsidiaries provide mortgage banking, insurance, asset management, equipment leasing, brokerage and capital market services. SunTrust's client base encompasses a broad range of individuals and families, high-net-worth clients, businesses and institutions.

SunTrust enjoys strong market positions in some of the highest-growth markets in the United States and also serves clients in selected markets nationally. Our priorities include consistency in financial performance, quality in customer service and a strong commitment to all segments of the communities we serve.

As of December 31, 2007, SunTrust had 1,682 retail and specialized service branches and 2,507 ATMs, which are located primarily in Florida, Georgia, Maryland, North Carolina, South Carolina, Tennessee, Virginia and the District of Columbia. In addition, SunTrust provides clients with a selection of technology-based banking channels including Internet, PC and Telephone Banking. Our internet address is www.suntrust.com.

As of December 31, 2007, SunTrust had total assets under advisement of \$250.0 billion. This includes \$208.4 billion in trust assets as well as \$41.6 billion in retail brokerage assets. SunTrust's mortgage servicing portfolio grew to \$114.6 billion as of December 31, 2007.

SunTrust Capital IX

The Trust is a statutory trust formed under Delaware law pursuant to a declaration of trust by SunTrust, as sponsor of the Trust, and the property trustee, the Delaware trustee and the administrative trustees. The Trust exists for the exclusive purposes of:

issuing the Trust Preferred Securities and common securities representing undivided beneficial interests in the Trust;

investing the gross proceeds of the Trust Preferred Securities and the common securities in the JSNs; and

engaging in only those activities convenient, necessary or incidental thereto.

The Trust's business and affairs will be conducted by its trustees, each appointed by us as sponsor of the Trust. The trustees will be U.S. Bank National Association as the *property trustee*, U.S. Bank Trust National Association as the *Delaware trustee*, and three or more individual trustees, or *administrative trustees*, who are employees or officers of or affiliated with us.

Table of Contents

The principal executive office of the Trust is c/o SunTrust Banks, Inc., 303 Peachtree Street, NE, Atlanta, Georgia 30308, and the Trust's telephone number is 404-588-7711.

The Trust Preferred Securities

Each Trust Preferred Security represents an undivided beneficial interest in the Trust.

The Trust will sell the Trust Preferred Securities to the public and its common securities to SunTrust. The Trust will use the proceeds from those sales to purchase \$600,010,000 aggregate principal amount of 7.875% Junior Subordinated Notes due March 15, 2068 of SunTrust, which we refer to in this prospectus supplement as the *JSNs*. SunTrust will pay interest on the JSNs at the same rate and on the same dates as the Trust makes payments on the Trust Preferred Securities. The Trust will use the payments it receives on the JSNs to make the corresponding payments on the Trust Preferred Securities.

Distributions

If you purchase Trust Preferred Securities, you will be entitled to receive periodic distributions on the stated liquidation amount of \$25 per Trust Preferred Security (the *liquidation amount*) on the same payment dates and in the same amounts as we pay interest to the Trust on a principal amount of JSNs equal to the liquidation amount of such Trust Preferred Security. Distributions will accumulate from March 4, 2008. The Trust will make distribution payments on the Trust Preferred Securities quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning on June 15, 2008. If we defer payment of interest on the JSNs, distributions by the Trust on the Trust Preferred Securities will also be deferred.

Deferral of Distributions

We have the right, on one or more occasions, to defer the payment of interest on the JSNs for one or more consecutive interest periods that do not exceed five years without being subject to our obligations described under *Description of the Junior Subordinated Notes Alternative Payment Mechanism*, and for one or more consecutive interest periods that do not exceed 10 years without giving rise to an event of default under the terms of the JSNs or the Trust Preferred Securities. However, no interest deferral may extend beyond March 15, 2068 or the earlier redemption in full of the JSNs.

If we exercise our right to defer interest payments on the JSNs, the Trust will also defer paying a corresponding amount of distributions on the Trust Preferred Securities during that period of deferral.

Although neither we nor the Trust will be required to make any interest or distribution payments during a deferral period other than pursuant to the alternative payment mechanism, interest on the JSNs will continue to accrue during deferral periods and, as a result, distributions on the Trust Preferred Securities will continue to accumulate at the interest rate of 7.875% on the JSNs, compounded on each distribution date.

Following the earlier of (i) the fifth anniversary of the commencement of a deferral period or (ii) a payment of current interest on the JSNs, we will be required, with certain exceptions, to pay deferred interest pursuant to the alternative payment mechanism described under *Description of the Junior Subordinated Notes Alternative Payment Mechanism*. At any time during a deferral period, we may not pay deferred interest except pursuant to the alternative payment mechanism, subject to limited exceptions. However, we may pay current interest on any interest payment date out of any source of funds free of the limitations of the alternative payment mechanism, even if that interest payment date is during a deferral period.

If we defer payments of interest on the JSNs, the JSNs will be treated as being issued with original issue discount for United States federal income tax purposes. This means that you must include interest income with

Table of Contents

respect to the deferred distributions on your Trust Preferred Securities in gross income for United States federal income tax purposes, even though neither we nor the Trust will make actual payments on the JSNs, or on the Trust Preferred Securities, as the case may be, during a deferral period. See [Certain United States Federal Income Tax Consequences](#) [United States Holders](#) [Interest Income and Original Issue Discount](#).

Redemption of Trust Preferred Securities

The Trust will use the proceeds of any repayment or redemption of the JSNs to redeem, on a proportionate basis, an equal amount of Trust Preferred Securities and common securities.

For a description of our rights to redeem the JSNs, see [Description of the Junior Subordinated Notes](#) [Redemption](#) below.

Liquidation of the Trust and Distribution of JSNs to Holders

We may elect to dissolve the Trust at any time and, after satisfaction of the Trust's liabilities, to cause the property trustee to distribute the JSNs to the holders of the Trust Preferred Securities and common securities. However, if then required under the risk-based capital guidelines or policies of the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of Atlanta, or any successor federal bank regulatory agency having primary jurisdiction over us (collectively referred to as the *Federal Reserve*) applicable to bank holding companies, we must obtain the approval of the Federal Reserve prior to making that election.

Further Issues

The Trust has the right to issue additional Trust Preferred Securities of this series in the future without the consent of or notice to the holders of the Trust Preferred Securities or the JSNs, subject to the conditions described under [Description of the Trust Preferred Securities](#) [Further Issues](#). Any such additional Trust Preferred Securities will have the same terms as the Trust Preferred Securities being offered by this prospectus supplement but may be offered at a different offering price and accrue distributions from a different date than the Trust Preferred Securities being offered hereby. If issued, any such additional Trust Preferred Securities will become part of the same series as the Trust Preferred Securities being offered hereby.

Book-Entry

The Trust Preferred Securities will be represented by one or more global securities registered in the name of and deposited with The Depository Trust Company (*DTC*) or its nominee. This means that you will not receive a certificate for your Trust Preferred Securities, and Trust Preferred Securities will not be registered in your name, except under certain limited circumstances described below in [Book-Entry System](#).

The Trust Preferred Securities will be accepted for clearance by DTC. Beneficial interests in the global securities will be shown on, and transfers thereof will be effected only through, the book-entry records maintained by DTC and its direct and indirect participants, including Euroclear Bank, S.A./N.V. (*Euroclear*) and Clearstream Banking, société anonyme, Luxembourg (*Clearstream*). Owners of beneficial interests in the Trust Preferred Securities will receive all payments relating to their Trust Preferred Securities in U.S. dollars.

Table of Contents

The JSNs

Interest

The JSNs will bear interest at the annual rate of 7.875%. Interest on the JSNs will accrue from March 4, 2008. We will pay that interest quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (we refer to these dates as *interest payment dates*), beginning on June 15, 2008.

In the event any interest payment date is not a business day, the payment made on the following business day shall be made without adjustment.

Subordination

The JSNs will be unsecured and deeply subordinated upon our liquidation, including to all of our existing and future senior and subordinated debt, but will rank equally upon liquidation with our Remarketable Junior Subordinated Notes due 2042 held by SunTrust Preferred Capital I, with our 6.100% Extendible Junior Subordinated Notes held by SunTrust Capital VIII (and the guarantees thereof) and with debt that by its terms does not rank senior upon our liquidation to the JSNs and with our trade creditors, and will be effectively subordinated to all liabilities of our subsidiaries. Substantially all of our existing indebtedness is senior and subordinated debt. As of December 31, 2007, our indebtedness for money borrowed ranking senior to the JSNs upon liquidation, on an unconsolidated basis, totaled approximately \$3.4 billion and our subsidiaries direct borrowings and deposit liabilities that would effectively rank senior to the JSNs totaled approximately \$156.6 billion. See Description of the Junior Subordinated Notes Subordination for the definition of *senior and subordinated debt*.

Certain Payment Restrictions Applicable to SunTrust

During any period in which we have given notice of our election to defer interest payments on the JSNs but the related deferral period has not yet commenced or a deferral period is continuing, we generally may not make payments on or redeem or repurchase our capital stock or our debt securities or guarantees ranking *pari passu* with or junior to the JSNs, subject to certain limited exceptions. In addition, if any deferral period lasts longer than one year, we generally may not be permitted to purchase or acquire any of our securities ranking junior to or *pari passu* with any *qualifying APM securities* the proceeds of which were used to settle deferred interest during the relevant deferral period until the first anniversary of the date on which all deferred interest has been paid.

The terms of the JSNs permit us to make any payment of current or deferred interest on our debt securities or guarantees that rank on a parity with the JSNs upon our liquidation (*parity securities*) so long as the payment is made *pro rata* to the amounts due on parity securities (including the JSNs), subject to the limitations described in the last paragraph under Description of the Junior Subordinated Notes Alternative Payment Mechanism to the extent that they apply, and any payment of principal of or deferred interest on parity securities that, if not made, would cause us to breach the terms of the instrument governing such parity securities.

Maturity and Redemption of JSNs

The principal amount of the JSNs, together with accrued and unpaid interest, is due and payable on March 15, 2068, or if that day is not a business day, on the next business day.

We may elect to redeem any or all of the JSNs at any time on or after March 15, 2013, and we may elect to redeem all, but not less than all, of the JSNs at any time prior to such date if certain changes occur relating to the capital treatment or tax treatment of the JSNs, investment company laws or the rating agency equity credit accorded to the Trust Preferred Securities. The redemption price of the JSNs will be equal to their principal

Table of Contents

amount (or, in the case of a redemption in connection with changes in the rating agency credit accorded to the Trust Preferred Securities, a make-whole redemption price), plus accrued and unpaid interest thereon through the date of redemption. For a description of the events that would permit redemption of the JSNs prior to March 15, 2013 and the redemption prices, see Description of the Junior Subordinated Notes Redemption.

Any redemption of the JSNs will be subject to the limitations described under Replacement Capital Covenant below for so long as it remains in effect. In addition, if required under the capital guidelines or policies of the Federal Reserve, we will obtain the approval of the Federal Reserve prior to exercising the redemption rights described above.

Events of Default

The following events are events of default with respect to the JSNs:

default in the payment of interest, including compounded interest, in full on any JSNs for a period of 30 days after the conclusion of a 10-year period following the commencement of any deferral period;

bankruptcy of SunTrust; or

receivership of SunTrust Bank.

If an event of default under the indenture occurs and continues, the indenture trustee or the holders of at least 25% in aggregate principal amount of the outstanding JSNs may declare the entire principal and all accrued but unpaid interest of all JSNs to be due and payable immediately. If the indenture trustee or the holders of JSNs do not make such declaration and the JSNs are beneficially owned by the Trust or trustee of the Trust, the property trustee or the holders of at least 25% in aggregate liquidation amount of the Trust Preferred Securities shall have such right.

Replacement Capital Covenant

We agree in the replacement capital covenant for the benefit of persons that buy, hold or sell a specified series of our long-term indebtedness ranking senior to the JSNs (or in certain limited cases long-term indebtedness of our subsidiary, SunTrust Bank) that the JSNs and Trust Preferred Securities will not be repaid, redeemed or purchased by us or any of our subsidiaries before March 15, 2048, unless (i) in the case of a redemption or purchase, we have obtained the prior approval of the Federal Reserve if such approval is then required under the Federal Reserve's capital guidelines or policies applicable to bank holding companies; and (ii) the principal amount repaid or the applicable redemption or purchase price does not exceed specified percentages of certain equity or equity-like securities the terms of which are set forth in the replacement capital covenant. See Replacement Capital Covenant below.

Guarantee by SunTrust

We will fully and unconditionally guarantee payment of amounts due under the Trust Preferred Securities on a subordinated basis but only to the extent the Trust has funds available for payment of those amounts. We refer to this obligation as the *guarantee*. However, the guarantee does not cover payments if the Trust does not have sufficient funds to make the distribution payments, including, for example, if we have failed to pay to the Trust amounts due under the JSNs.

As issuer of the JSNs, we are also obligated to pay the expenses and other obligations of the Trust, other than its obligations to make payments on the Trust Preferred Securities.

Table of Contents**Selected Consolidated Financial Data**

The following is selected consolidated financial data for SunTrust for the years ended December 31, 2007, 2006 and 2005. The selected consolidated financial data for each of the years ended December 31, 2007, 2006, and 2005 are derived from our audited consolidated financial statements. Our consolidated financial statements for the fiscal year ended December 31, 2007 were audited by Ernst & Young LLP, an independent registered public accounting firm. Our consolidated financial statements for each of the two fiscal years ended December 31, 2006 and 2005 were audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. The summary below should be read in conjunction with the detailed information included in our 2007 Annual Report on Form 10-K.

	Twelve Months Ended December 31		
	2007	2006	2005
(Dollars in millions, except per share and other data)			
Summary of Operations			
Interest, fees, and dividend income	\$ 10,035.9	\$ 9,792.0	\$ 7,731.3
Interest expense	5,316.4	5,131.6	3,152.3
Net interest income	4,719.5	4,660.4	4,579.0
Provision for loan losses	664.9	262.5	176.9
Net interest income after provision for loan losses	4,054.6	4,397.9	4,402.1
Noninterest income	3,428.7	3,468.4	3,155.0
Noninterest expense	5,233.8	4,879.9	4,690.7
Income before provision for income taxes	2,249.5	2,986.4	2,866.4
Provision for income taxes	615.5	869.0	879.2
Net income	1,634.0	2,117.4	1,987.2
Preferred stock dividends	30.3	7.7	-
Net income available to common shareholders	\$ 1,603.7	\$ 2,109.7	\$ 1,987.2
Net interest income-FTE	4,822.2	4,748.4	4,654.5
Total revenue-FTE	8,250.9	8,216.8	7,809.5
Net Income Per Average Common Share			
Diluted	\$ 4.55	\$ 5.82	\$ 5.47
Basic	4.59	5.87	5.53
Dividends paid per average common share	2.92	2.44	2.20
Market Price			
High	\$ 94.18	\$ 85.64	\$ 75.77
Low	60.02	69.68	65.32
Close	62.49	84.45	72.76

Table of Contents

(Dollars in millions, except per share and other data)	Twelve Months Ended		
	2007	December 31 2006	2005
Selected Average Balances			
Total assets	\$ 177,795.5	\$ 180,315.1	\$ 168,088.8
Earning assets ¹	155,204.4	158,428.7	146,639.8
Loans	120,080.6	119,645.2	108,742.0
Consumer and commercial deposits	98,020.2	97,175.3	93,355.0
Total shareholders' equity	17,808.0	17,546.7	16,526.3
As of December 31			
Total assets	\$ 179,573.9	\$ 182,161.6	\$ 179,712.8
Earning assets ¹	154,397.2	159,063.8	156,640.9
Loans	122,319.0	121,454.3	114,554.9
Allowance for loan and lease losses	1,282.5	1,044.5	1,028.1
Consumer and commercial deposits	101,870.0	99,775.9	97,572.4
Long-term debt	22,956.5	18,992.9	20,779.2
Total shareholders' equity	18,052.5		