

SUNTRUST BANKS INC

FORM 8-K (Current report filing)

Filed 07/25/06 for the Period Ending 07/25/06

Address	303 PEACHTREE ST N E ATLANTA, GA 30308
Telephone	4045887711
CIK	0000750556
Symbol	STI
SIC Code	6021 - National Commercial Banks
Industry	Regional Banks
Sector	Financial
Fiscal Year	12/31

SUNTRUST BANKS INC

FORM 8-K (Current report filing)

Filed 7/25/2006 For Period Ending 7/25/2006

Address	303 PEACHTREE ST N E ATLANTA, Georgia 30308
Telephone	404-581-1678
CIK	0000750556
Industry	Regional Banks
Sector	Financial
Fiscal Year	12/31

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 25, 2006

SunTrust Banks, Inc.

(Exact name of registrant as specified in its charter)

Georgia (State or other jurisdiction of incorporation)	001-08918 (Commission File Number)	58-1575035 (IRS Employer Identification No.)
303 Peachtree St., N.E., Atlanta, Georgia (Address of principal executive offices)		30308 (Zip Code)

Registrant's telephone number, including area code (404) 588-7711

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On July 24, 2006, SunTrust Banks, Inc. (the “Registrant”) entered into a purchase agreement to sell its bond trustee business unit to U.S. Bank, N.A. and issued a press release describing the transaction. The press release is included as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated July 25, 2006 .

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SUNTRUST BANKS, INC.
(Registrant)

Date: July 25, 2006

By: /s/ David A. Wisniewski
David A. Wisniewski,
Group Vice President

**News Release****Contact:***Investors*

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(404) 827-6714

Media

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For Immediate Release

July 25, 2006

SunTrust Bond Trustee Unit Sale Reflects Focus on Core Businesses

Atlanta — SunTrust Banks, Inc. (NYSE: STI) said its definitive agreement to sell its bond trustee business unit to U.S. Bank, N.A., the lead bank of U.S. Bancorp (NYSE: USB), which was announced today, reflects SunTrust's ongoing strategic emphasis on fine-tuning its business mix to ensure resources remain focused on high-growth core business lines and market segments.

"The decision to sell our Corporate and Municipal Bond Trustee business is the latest example of SunTrust's focus on adjusting our business mix to capitalize on changing business trends so our management, financial and technology resources are efficiently directed to areas where we see the greatest growth opportunities," said William H. Rogers, Jr., Corporate Executive Vice President, Wealth & Investment Management. "A key consideration is U.S. Bank's commitment that former SunTrust clients will continue to receive a high-level of service in this specialized area." The sale includes both Trustee and Paying Agency services on debt securities.

Mr. Rogers said that within the Corporate Trust area, SunTrust will continue to operate and grow its Corporate Agency services, including Corporate and Municipal custody, Escrow services, and cash management/short term investment services. SunTrust remains committed to its Institutional Trust and Agency customers, and will retain a dedicated unit to provide these services. SunTrust's Public Finance group, which provides underwriting, financial advisory and remarketing services, is not part of the transaction.

SunTrust said the bond trustee transaction, which is expected to close in the third quarter of 2006, will be essentially neutral to 2006 earnings. The transaction is expected to generate a third quarter 2006 pre-tax gain of approximately \$111 million, or approximately \$70 million after-tax, which SunTrust said it anticipates using for balance sheet management and other corporate purposes. SunTrust also said it may realize an additional gain of up to \$16 million pre-tax, or \$10 million after-tax, as a result of post-closing payments from U.S. Bank linked to business retention levels in the year following the completion of the transaction.

SunTrust Robinson Humphrey served as SunTrust's exclusive financial advisor in connection with this transaction.

(more)



News Release

SunTrust Banks, Inc., headquartered in Atlanta, is one of the nation's largest banking organizations, serving a broad range of consumer, commercial, corporate and institutional clients. As of June 30, 2006, SunTrust had total assets of \$181.1 billion and total deposits of \$124.9 billion. The Company operates an extensive branch and ATM network throughout the high-growth Southeast and Mid-Atlantic states and a full array of technology-based, 24-hour delivery channels. The Company also serves customers in selected markets nationally. Its primary businesses include deposit, credit, trust and investment services. Through various subsidiaries the Company provides credit cards, mortgage banking, insurance, brokerage, equipment leasing and capital markets services. SunTrust's Internet address is suntrust.com

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