

SUNTRUST BANKS INC

FORM 10-Q/A (Amended Quarterly Report)

Filed 06/25/01 for the Period Ending 03/31/01

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 10-Q/A (Amended Quarterly Report)

Filed 6/25/2001 For Period Ending 3/31/2001

Address	919 E MAIN ST RICHMOND, Virginia 23219
Telephone	804-782-7107
CIK	0000750556
Industry	Regional Banks
Sector	Financial
Fiscal Year	12/31

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 2001
Commission File Number 1-8918

SUNTRUST BANKS, INC.

(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction
of incorporation or organization)

58-1575035
(I.R.S. Employer
Identification No.)

303 Peachtree Street, N.E., Atlanta, Georgia 30308
(Address of principal executive offices) (Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

At April 30, 2001, 291,988,630 shares of the Registrant's Common Stock, \$1.00 par value were outstanding.

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PART I - FINANCIAL INFORMATION

The following unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X, and accordingly do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. However, in the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2001 are not necessarily indicative of the results that may be expected for the full year 2001.

Consolidated Statements of Income

	Three Months Ended March 31	
(Dollars in thousands except per share data)(Unaudited)	2001	2000
Interest Income		
Interest and fees on loans	\$ 1,397,659	\$ 1,306,529
Interest and fees on loans held for sale	36,544	25,126
Interest and dividends on securities available for sale		
Taxable interest	252,671	230,622
Tax-exempt interest	7,304	6,835
Dividends (1)	17,326	17,023
Interest on funds sold	18,933	19,338
Interest on deposits in other banks	435	335
Other interest	13,002	5,021
	-----	-----
Total interest income	1,743,874	1,610,829
	-----	-----
Interest Expense		
Interest on deposits	584,261	554,962
Interest on funds purchased	154,430	142,833
Interest on other short-term borrowings	24,056	18,946
Interest on long-term debt	176,270	111,495
	-----	-----
Total interest expense	939,017	828,236
	-----	-----
Net Interest Income	804,857	782,593
Provision for loan losses	67,300	22,292
	-----	-----
Net interest income after provision for loan losses	737,557	760,301
	-----	-----
Noninterest Income		
Trust income	124,309	128,600
Service charges on deposit accounts	120,023	111,266
Other charges and fees	55,539	49,137
Retail investment services	24,783	30,798
Investment banking income	14,089	19,671
Trading account profits and commissions	29,694	12,013
Credit card and other fees	25,588	22,091
Mortgage production related income	31,736	18,693
Mortgage servicing related income	6,724	7,722
Securities gains	57,117	6,862
Other noninterest income	36,317	29,999
	-----	-----
Total noninterest income	525,919	436,852
	-----	-----
Noninterest Expense		
Salaries and other compensation	376,351	371,085
Employee benefits	56,660	56,924
Net occupancy expense	50,013	50,060
Equipment expense	44,545	51,638
Outside processing and software	45,144	41,611
Marketing and customer development	23,033	22,302
Merger-related expenses	-	13,633
Amortization of intangible assets	8,290	8,994
Other noninterest expense	138,661	88,068
	-----	-----
Total noninterest expense	742,697	704,315
	-----	-----
Income before provision for income taxes	520,779	492,838
Provision for income taxes	183,254	173,399
	-----	-----
Net Income	\$ 337,525	\$ 319,439
	=====	=====
Average common shares - diluted	295,832,464	306,738,634
Average common shares - basic	291,804,986	303,461,233
Net income per average common share - diluted	\$ 1.14	\$ 1.04
Net income per average common share - basic	1.16	1.05
(1) Includes dividends on common stock of		
The Coca Cola Company	8,688	8,205

See notes to consolidated financial statements

Consolidated Balance Sheets

(Dollars in thousands) (Unaudited)	March 31 2001	December 31 2000	March 31 2000
	-----	-----	-----
Assets			
Cash and due from banks	\$ 3,259,873	\$ 4,110,489	\$ 3,600,689
Interest-bearing deposits in other banks	242,371	13,835	14,962
Funds sold	996,791	1,267,028	1,021,249
Trading account	1,441,437	1,105,848	793,714
Securities available for sale (1)	20,274,510	18,810,311	17,184,884
Loans held for sale	2,537,483	1,759,281	1,121,702
 Loans	 70,360,077	 72,239,820	 68,614,360
Allowance for loan losses	(871,964)	(874,547)	(874,034)
	-----	-----	-----
Net loans	69,488,113	71,365,273	67,740,326
 Premises and equipment	 1,605,144	 1,629,071	 1,630,717
Intangible assets	868,541	810,860	780,677
Customers' acceptance liability	107,848	184,157	180,023
Other assets	2,904,274	2,604,221	2,249,962
	-----	-----	-----
Total assets	\$ 103,726,385	\$ 103,660,374	\$ 96,318,905
	=====	=====	=====
Liabilities and Shareholders' Equity			
Noninterest-bearing deposits	\$ 13,532,170	\$ 15,064,017	\$ 13,807,141
Interest-bearing deposits	49,190,494	54,469,320	52,533,087
	-----	-----	-----
Total deposits	62,722,664	69,533,337	66,340,228
Funds purchased	13,546,629	10,895,944	10,178,602
Other short-term borrowings	2,493,686	1,761,985	1,305,323
Long-term debt	11,475,889	7,895,430	6,618,392
Guaranteed preferred beneficial interests in debentures	1,050,000	1,050,000	1,050,000
Acceptances outstanding	107,848	184,157	180,023
Other liabilities	4,499,269	4,100,313	3,537,625
	-----	-----	-----
Total liabilities	95,895,985	95,421,166	89,210,193
	-----	-----	-----
Preferred stock, no par value; 50,000,000 shares authorized; none issued	-	-	-
Common stock, \$1.00 par value	323,163	323,163	323,163
Additional paid in capital	1,270,670	1,274,416	1,280,116
Retained earnings	6,531,995	6,312,044	5,667,767
Treasury stock and other	(1,903,872)	(1,613,189)	(1,339,491)
	-----	-----	-----
Realized shareholders' equity	6,221,956	6,296,434	5,931,555
Accumulated other comprehensive income	1,608,444	1,942,774	1,177,157
	-----	-----	-----
Total shareholders' equity	7,830,400	8,239,208	7,108,712
	-----	-----	-----
Total liabilities and shareholders' equity	\$ 103,726,385	\$ 103,660,374	\$ 96,318,905
	=====	=====	=====
 Common shares outstanding	 291,808,231	 296,266,329	 302,325,563
Common shares authorized	750,000,000	750,000,000	500,000,000
Treasury shares of common stock	31,354,526	26,896,428	20,837,194
(1) Includes net unrealized gains on securities available for sale	\$ 2,509,185	\$ 3,048,313	\$ 1,903,368

Consolidated Statements of Cash Flows

	Three Months Ended March 31	
(Dollars in thousands) (Unaudited)	2001	2000
Cash flows from operating activities:		
Net income	\$ 337,525	\$ 319,439
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation, amortization and accretion	77,226	75,774
Provisions for loan losses and foreclosed property	67,419	22,315
Amortization of compensation element of restricted stock	1,050	2,682
Securities gains	(57,117)	(6,862)
Net gain on sale of non-interest earning assets	(3,124)	(5,921)
Originated loans held for sale	(3,873,540)	(1,720,872)
Sales of loans held for sale	3,095,339	2,130,957
Net increase in accrued interest receivable, prepaid expenses and other assets	(765,758)	(539,094)
Net increase in accrued interest payable, accrued expenses and other liabilities	603,754	216,044
Net cash (used in) provided by operating activities	(517,226)	494,462
Cash flows from investing activities:		
Proceeds from maturities of securities available for sale	523,480	776,165
Proceeds from sales of securities available for sale	1,168,211	88,353
Purchases of securities available for sale	(1,739,622)	(353,785)
Net increase in loans	(147,545)	(2,631,603)
Proceeds from sales of loans	69,400	-
Capital expenditures	(8,399)	(30,599)
Proceeds from the sale of assets	7,238	9,676
Loan recoveries	13,027	15,728
Net cash used in investing activities	(114,210)	(2,126,065)
Cash flows from financing activities:		
Net (decrease) increase in deposits	(6,810,673)	6,239,699
Net increase (decrease) in funds purchased and other short-term borrowings	3,382,386	(6,687,002)
Proceeds from the issuance of long-term debt	4,100,000	2,461,529
Repayment of long-term debt	(519,541)	(810,483)
Proceeds from the exercise of stock options	1,710	4,276
Proceeds from stock issuance	7,938	8,576
Proceeds used in the acquisition of stock	(305,127)	(354,435)
Dividends paid	(117,574)	(113,023)
Net cash (used in) provided by financing activities	(260,881)	749,137
Net decrease in cash and cash equivalents	(892,317)	(882,466)
Cash and cash equivalents at beginning of year	5,391,352	5,519,366
Cash and cash equivalents at end of period	\$ 4,499,035	\$ 4,636,900
Supplemental Disclosure:		
Interest paid	\$ 939,340	\$ 812,475
Income taxes refunded (paid)	41,562	(26,349)
Non-cash impact of securitizing loans	1,903,518	-
Non-cash impact of Star Systems Inc. sale	52,919	-

See notes to consolidated financial statements

Consolidated Statements of Shareholders' Equity

(Dollars in thousands) (Unaudited)	Common Stock	Additional Paid in Capital	Retained Earnings	Treasury Stock and Other*	Accumulated Other Comprehensive Income	Total
Balance, January 1, 2000	\$323,163	\$ 1,293,387	\$5,461,351	\$ (1,013,861)	\$1,562,822	\$ 7,626,862
Net income	-	-	319,439	-	-	319,439
Other comprehensive income:						
Change in unrealized gains (losses) on securities, net of taxes	-	-	-	-	(385,665)	(385,665)
Total comprehensive income						(66,226)
Cash dividends declared, \$0.37 per share	-	-	(113,023)	-	-	(113,023)
Exercise of stock options	-	(11,057)	-	15,333	-	4,276
Acquisition of treasury stock	-	-	-	(354,435)	-	(354,435)
Restricted stock activity	-	(328)	-	328	-	-
Amortization of compensation element of restricted stock	-	-	-	2,682	-	2,682
Issuance of stock for employee benefit plans	-	(1,886)	-	10,462	-	8,576
Balance, March 31, 2000	\$323,163	\$ 1,280,116	\$5,667,767	\$ (1,339,491)	\$1,177,157	\$ 7,108,712
Balance, January 1, 2001	\$323,163	\$ 1,274,416	\$6,312,044	\$ (1,613,189)	\$1,942,774	\$ 8,239,208
Net income	-	-	337,525	-	-	337,525
Other comprehensive income:						
Adoption of SFAS No. 133	-	-	-	-	(10,560)	(10,560)
Change in unrealized gains (losses) on derivatives, net of taxes	-	-	-	-	(11,611)	(11,611)
Change in unrealized gains (losses) on securities, net of taxes	-	-	-	-	(312,159)	(312,159)
Total comprehensive income						3,195
Cash dividends declared, \$0.40 per share	-	-	(117,574)	-	-	(117,574)
Exercise of stock options	-	(3,951)	-	5,661	-	1,710
Acquisition of treasury stock	-	-	-	(305,127)	-	(305,127)
Restricted stock activity	-	(123)	-	123	-	-
Amortization of compensation element of restricted stock	-	-	-	1,050	-	1,050
Issuance of stock for employee benefit plans	-	328	-	7,610	-	7,938
Balance, March 31, 2001	\$323,163	\$ 1,270,670	\$6,531,995	\$ (1,903,872)	\$1,608,444	\$ 7,830,400

* Balance at March 31, 2000 includes \$1,285,467 for treasury stock and \$54,024 for compensation element of restricted stock. Balance at March 31, 2001 includes \$1,862,702 for treasury stock and \$41,170 for compensation element of restricted stock.

See notes to consolidated financial statements

Notes to Consolidated Financial Statements (Unaudited)

Note 1 - Accounting Policies

The consolidated interim financial statements of SunTrust Banks, Inc. ("SunTrust" or "Company") are unaudited. All significant intercompany accounts and transactions have been eliminated. These financial statements should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2000. Certain reclassifications have been made to prior year amounts to conform with the current year presentation.

Note 2 - Acquisitions

On March 28, 2001, the Company acquired Asset Management Advisors Holdings, Inc., a Jupiter, Florida based specialized wealth management firm. The acquisition was accounted for as a purchase with \$22.0 million of cash tendered as consideration. The acquisition did not have a material effect on the consolidated financial statements.

Note 3 - Derivative Financial Instruments

In June of 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133). SFAS 133, as amended, standardizes the accounting for derivative instruments and hedging activities and requires that all derivative instruments be recognized as assets or liabilities at fair value. If certain conditions are met, the derivative may qualify for hedge accounting treatment and be designated as one of the following types of hedges: (a) a hedge of the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment ("fair value hedge"), (b) a hedge of the exposure to variability of cash flows of a recognized asset, liability or forecasted transaction ("cash flow hedge") or (c) a hedge of foreign currency exposure ("foreign currency hedge").

In the case of a qualifying fair value hedge, changes in the value of the derivative instruments that have been highly effective are recognized in current period earnings along with the change in value of the designated hedge item. In the case of a qualifying cash flow hedge, changes in the value of the derivative instruments that have been highly effective are recognized in other comprehensive income, until such time that earnings are affected by the variability of the cash flows of the underlying hedged item. In either a fair value hedge or a cash flow hedge, net earnings may be impacted to the extent the changes in the value of the derivative instruments do not perfectly offset changes in the value of the hedge items. The Company does not currently have any foreign currency hedges. All derivatives that qualify for hedge accounting treatment have been used to hedge the issuance of long term debt and qualify for the short-cut method of accounting as described in SFAS 133. Accordingly, no income or expense was recorded in the first quarter of 2001 due to hedge ineffectiveness.

Certain interest rate swaps were entered into for the purpose of hedging balance sheet items prior to 2001 that do not meet the requirements for the short-cut method of accounting under the provisions of SFAS 133. These swaps have been recorded at fair value as trading account assets or liabilities. The related net gain is recorded in current period earnings as trading income. Trading account profits and commissions included \$2.9 million related to these derivatives in the first quarter of 2001.

The Company adopted SFAS 133 on January 1, 2001. In accordance with the transition provisions of SFAS 133, the following was the net-of-tax effect on earnings and equity effective January 1, 2001:

Notes to Consolidated Financial Statements (Unaudited) - continued

Earnings increased \$1.6 million

- . \$16.6 million gain for the fair value adjustment on fair-value hedging instruments
- . \$16.6 million loss for the fair value adjustment on related hedged assets and liabilities
- . \$0.4 million gain for the fair value on the mortgage pipeline
- . \$1.2 million gain for the derecognition of a previously deferred gain

The fair value adjustments have been recorded in the same category of the income statement as the income or expense related to the hedged asset or liability.

Equity (Other Comprehensive Income)

- . \$10.6 million loss from cash flow hedging instruments

In the first quarter of 2001, the Company recorded a gain of \$18.5 million for the market value adjustment on fair value hedging instruments related to long-term debt that was offset by an \$18.5 million loss for the market value adjustment of the hedged long-term debt. The Company also recorded a gain of \$5.9 million for the market value adjustment on fair value hedging instruments related to mortgage loans that was offset by a \$5.9 million loss for the market value adjustment on mortgage loans. Cash flow hedges of long-term debt resulted in a decrease to other comprehensive income for the first quarter of 2001 of \$13.6 million. Activity in other comprehensive income for the first quarter of 2001 is summarized in the following table:

(Dollars in thousands)

Three Months Ended March 31, 2001

	Before Tax Amount	Income Tax (Expense) or Benefit	Net of Tax Amount
	-----	-----	-----
Balance at December 31, 2000	\$ -	\$ -	\$ -
Cumulative effect of a change in accounting principle	(16,246)	5,686	(10,560)
Reclassification of losses to net income	3,036	(1,063)	1,973
Net loss on current period cash flow hedges	(20,899)	7,315	(13,584)
	-----	-----	-----
Balance at March 31, 2001	\$ (34,109)	\$ 11,938	\$ (22,171)
	=====	=====	=====

Currently all of the Company's cash flow hedges qualify for the short-cut method of evaluating effectiveness and, accordingly, no charges for ineffectiveness are necessary. As of March 31, 2001, \$10.4 million of existing losses are expected to be reclassified from accumulated other comprehensive income into earnings over the next 12 months.

Note 4 - Guaranteed Preferred Beneficial Interests in Debentures

SunTrust has established special purpose trusts, which collectively issued \$1,050 million in trust preferred securities. The proceeds from these issuances, together with the proceeds of the related issuances of common securities of the trusts, were invested in junior subordinated deferrable interest debentures of SunTrust. The sole assets of these special purpose trusts are the debentures. These debentures rank junior to the senior and subordinated debt of the issuing company. SunTrust owns all of the common securities of the special purpose trusts. The preferred securities issued by the trusts rank senior to the trusts' common securities. The Company's obligations under the debentures, the indentures, the relevant trust agreements and the guarantees, in the aggregate, constitute a full and unconditional guarantee by SunTrust of the obligations of the trusts under the trust preferred securities and rank subordinate and junior in right of payment to all liabilities of the Company. The trust preferred securities may be called prior to maturity at the option of SunTrust.

Note 5 - Loan Securitizations

During the first quarter of 2001, SunTrust transferred \$1,903 million of single family mortgages to securities available for sale in two securitization transactions. These securities are maintained in the Company's available for sale securities portfolio at fair market value based on quoted market prices.

The first securitization of \$468 million is guaranteed by Fannie Mae with SunTrust retaining one-percent recourse on the losses incurred in the securitized loan portfolio. The second securitization of \$1,435 million is a private securitization with the Company retaining full recourse. Reserves totaling \$3.6 million were transferred from the allowance for loan losses to other liabilities to provide for any potential recourse liability. The reserve was established based on management's evaluation of the size and risk characteristics of the securitized loan portfolio. The reserve is periodically evaluated by management for adequacy, with consideration given to the balance of problem loans, prior loan loss experience, current economic conditions, value of collateral and other risk factors.

Note 6 - Comprehensive Income

The Company's comprehensive income, which includes certain transactions and other economic events that bypass the income statement, consists of net income, unrealized gains and losses on securities available for sale and the impact of cash flow hedges, net of income taxes.

Notes to Consolidated Financial Statements (Unaudited) - continued

Comprehensive income for the three months ended March 31, 2001 and 2000 is calculated as follows:

(Dollars in thousands)	2001 ----	2000 ----
Unrealized loss on available for sale securities, net, recognized in other comprehensive income:		
Before income tax	\$ (480,245)	\$ (624,337)
Income Tax	(168,086)	(238,672)
	-----	-----
Net of Income Tax	\$ (312,159)	\$ (385,665)
	=====	=====
Amounts reported in net income:		
Gain on sale of securities	\$ 57,117	\$ 6,862
Net accretion	(1,881)	(2,285)
	-----	-----
Reclassification adjustment	55,236	4,577
Income tax expense	(19,333)	(1,750)
	-----	-----
Reclassification adjustment, net of tax	\$ 35,903	\$ 2,827
	=====	=====
Unrealized loss on available for sale securities arising during period, net of tax	\$ (276,256)	\$ (382,838)
Reclassification adjustment, net of tax	(35,903)	(2,827)
	-----	-----
Net unrealized loss on available for sale securities recognized in other comprehensive income	\$ (312,159)	\$ (385,665)
	=====	=====
Unrealized loss on derivative financial instruments, net, recognized in other comprehensive income:		
Before income tax	\$ (34,109)	\$ -
Income Tax	(11,938)	-
	-----	-----
Net of Income Tax	\$ (22,171)	\$ -
	=====	=====
Cumulative effect change in accounting principle	\$ (16,246)	\$ -
Income tax benefit	5,686	-
	-----	-----
Cumulative effect change in accounting principle, net of tax	\$ (10,560)	\$ -
	=====	=====
Reclassification of losses from other comprehensive income to earnings	\$ 3,036	\$ -
Income tax expense	(1,063)	-
	-----	-----
Reclassification adjustment, net of tax	\$ 1,973	\$ -
	=====	=====
Cumulative effect change in accounting principle, net of tax	\$ (10,560)	\$ -
Unrealized loss on derivative financial instruments arising during period, net of tax	(13,584)	-
Reclassification adjustment, net of tax	1,973	-
	-----	-----
Net unrealized loss on derivative instruments recognized in other comprehensive income	\$ (22,171)	\$ -
	=====	=====
Total unrealized losses recognized in other comprehensive income	\$ (334,330)	\$ (385,665)
Net income	337,525	319,439
	-----	-----
Total comprehensive income	\$ 3,195	\$ (66,226)
	=====	=====

Note 7 - Earnings Per Share Reconciliation

Net income is the same in the calculation of basic and diluted EPS. Shares of 3.7 million and 4.7 million for the periods ended March 31, 2001 and 2000, respectively, were excluded in the computation of diluted EPS because they would have been antidilutive. A reconciliation of the difference between average basic common shares outstanding and average diluted common shares outstanding for the three months ended March 31, 2001 and 2000 is included in the following table.

Computation of Per Share Earnings
(In thousands, except per share data)

	Three Months Ended March 31	
	2001	2000
Diluted		
-----	-----	-----
Net income	\$ 337,525	\$ 319,439
	-----	-----
Average common shares outstanding	291,805	303,461
Effect of dilutive securities:		
Stock options	2,140	1,511
Performance restricted stock	1,887	1,767
	-----	-----
Average diluted common shares	295,832	306,739
	-----	-----
Earnings per common share - diluted	\$ 1.14	\$ 1.04
	=====	=====
Basic		

Net income	\$ 337,525	\$ 319,439
	-----	-----
Average common shares	291,805	303,461
	-----	-----
Earnings per common share - basic	\$ 1.16	\$ 1.05
	=====	=====

Note 8 - Business Segment Reporting

The Company's prior business segment disclosures have been aligned with its geographic regions as defined by its former multiple bank charters. During 2000, as a result of the consolidation of its multiple bank charters into a single legal entity, the Company began to redefine its operating model and created a line of business management structure to overlay its former multiple bank management structure. Beginning in January 2001, the Company implemented significant changes to its internal management reporting system to begin to measure and manage certain business activities by line of business. The Lines of Business are defined as follows:

Retail

Retail includes loans, deposits and other fee based services for retail and small business clients. The Retail Line of Business also includes the branch office and ATM networks of the Company.

Commercial

Commercial includes loans, deposits and other fee based services for business clients generally with total annual revenues from \$5 million to \$250 million.

Corporate and Investment Banking

Corporate and Investment Banking includes loans, deposits and other fee based services for national and large business clients generally with total annual revenues in excess of \$250 million. Corporate and Investment Banking also includes the management of corporate leasing, debt and equity capital markets and international banking services.

Mortgage

Mortgage includes the investment in residential mortgage loans and the production, sale and service of secondary residential mortgage loans.

Private Client Services

Private Client Services includes personal and institutional trust and investment management services, retail investment services and management of affluent clients' financial resources including loans, deposits and other fee based services.

Corporate/Other

Corporate/Other includes the investment securities portfolio, long-term debt, capital, derivative instruments, short-term liquidity and funding activities, balance sheet risk management, office premises and certain support activities not currently allocated to the aforementioned Lines of Business. Any transactions between the separate Lines of Business not already eliminated in the results of the Lines of Business are also reflected in the Corporate/Other Line of Business.

Unlike financial accounting, there is no comprehensive authoritative body of guidance for management accounting practices equivalent to generally accepted accounting principles. Therefore, the disclosure of performance of the business segments is not necessarily comparable with similar information presented by any other financial institution.

The Company utilizes a matched maturity funds transfer pricing methodology to transfer the interest rate risk of all assets and liabilities to the Corporate Treasury area which manages the interest rate risk of the Company. Differences in the aggregate amounts of funds charges and credits that are transfer priced are reflected in the Corporate/Other Line of Business segment. A system of internal credit transfers is utilized to recognize supportive business services across Lines of Business. The net results of these credits are reflected in each Line of Business segment. The cost of operating office premises is charged to the Lines of Business by use of an internal cost transfer process. Allocations of certain administrative support expenses and customer transaction processing expenses are also reflected in each Line of Business segment. The offset to these expense allocations, as well as the amount of any unallocated expenses, is reported in the Corporate/Other Line of Business segment. The Company also utilizes an internal credit risk transfer pricing methodology (the "credit risk premium") which creates a current period financial charge against interest income to each Line of Business based on the estimated credit risk-adjusted return on loans and leases. The offset to the aggregate credit risk premium charges is matched against the Company's current provision for loan and lease losses with any difference reported in the Corporate/Other segment. The provision for income taxes is also reported in the Corporate/Other segment.

The Company is currently in the process of building and implementing further enhancements to its internal management reporting system which are expected to be implemented over the remaining periods of 2001. Once complete, the activities reported for each Line of Business segment are expected to include: assets, liabilities and attributed economic capital; matched maturity funds transfer priced interest income, net of credit risk premiums; direct non-interest income; Internal credit transfers between Lines of Business for supportive business services; and fully absorbed expenses. The internal management reporting system and the business segment disclosures for each Line of Business do not currently include attributed economic capital, nor fully absorbed expenses. Any amounts not currently reported in each Line of Business segment are reported in the Corporate/Other segment. The implementation of these enhancements to the internal management reporting system is expected to materially affect the net income disclosed for each segment.

Due to the significant nature of the changes implemented to the internal management reporting system in 2001, it is not practicable to conform prior year financial data for the new business segments nor current year financial data for the prior business segments for reporting.

Notes to Consolidated Financial Statements (Unaudited) - continued

The following table discloses selected financial information for SunTrust's new reportable business segments for the three months ended March 31, 2001.

Three Months Ended March 31, 2001							
	Retail	Commercial	Corporate and Investment Banking	Mortgaging	Private Client Services	Corporate/ Other	Consolidated
Average total assets	19,958,455	19,994,114	22,601,902	19,430,534	1,295,794	19,944,567	103,225,366
Average total liabilities	44,464,646	8,157,788	4,294,637	753,246	1,720,683	35,745,148	95,136,148
Average total equity	-	-	-	-	-	8,089,218	8,089,218
Net interest revenue (1)	398,693	135,559	50,229	41,642	11,042	100,392	737,557
Noninterest revenue	146,265	55,056	71,815	55,994	150,332	46,457	525,919
Noninterest expense	289,698	95,168	70,296	72,104	100,491	114,940	742,697
Total contribution	255,260	95,447	51,748	25,532	60,883	31,909	520,779
Provision for income taxes	-	-	-	-	-	183,254	183,254
Net income	255,260	95,447	51,748	25,532	60,883	(151,345)	337,525
Total revenue from external customers	545,178	406,113	424,889	382,421	154,889	356,303	2,269,793

(1) Net interest income is fully taxable equivalent and is presented on a matched maturity funds transfer price basis net of the credit risk premium for the Lines of Business.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

SunTrust Banks, Inc. is a financial holding company with its headquarters in Atlanta, Georgia. SunTrust's principal banking subsidiary, SunTrust Bank, offers a full line of financial services for consumers and businesses through its branches located primarily in Alabama, Florida, Georgia, Maryland, Tennessee, Virginia and the District of Columbia. In addition to traditional deposit, credit and trust and investment services offered by SunTrust Bank, other SunTrust subsidiaries provide mortgage banking, commercial and auto leasing, credit-related insurance, asset management, securities brokerage and investment banking services.

SunTrust has 1,115 full-service branches, including supermarket branches, and continues to leverage technology to provide customers the convenience of banking on the Internet, through 1,950 automated teller machines and via twenty-four hour telebanking.

The following analysis of the financial performance of SunTrust for the first quarter of 2001 should be read in conjunction with the financial statements, notes and other information contained in this document. SunTrust has made, and may continue to make, various forward-looking statements with respect to financial and business matters. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, all of which may change over time. The actual results that are achieved could differ significantly from the forward-looking statements contained in this document.

The results of operations for the three months ended March 31, 2001 are not indicative of the results that may be attained for any other period. In this discussion, net interest income and the net interest margin are presented on a taxable-equivalent basis and the ratios are presented on an annualized basis.

EARNINGS ANALYSIS

SunTrust reported record operating earnings of \$337.5 million for the first quarter of 2001, an increase of 2.8% compared to \$328.3 million for the first quarter of 2000 (excluding after-tax merger-related charges of \$8.9 million or \$.03 per diluted share for the first quarter of 2000). Diluted earnings per share, adjusted for merger charges, grew 6.5% to \$1.14 from \$1.07 in the same period last year.

Net interest income increased \$23.1 million, or 2.9%, from the first quarter of 2000 to the first quarter of 2001. This was the result of continued strong loan demand as average quarterly loans increased \$4.6 billion, or 6.9%, over the first quarter of 2000.

The loan loss provision increased \$45.0 million, or 201.9%, over the first quarter of 2000. This increase was primarily due to the first quarter of 2001 sale of three of the Company's largest nonperforming loans which resulted in losses of \$11.7 million. Additional write-downs of other large corporate nonperforming loans also contributed to this increase.

Total noninterest income increased \$89.1 million, or 20.4%, over the prior year's first quarter. The majority of the increase was due to the recognition of a \$52.9 million gain on the sale of Star Systems, Inc. in the first quarter of 2001. In addition, noninterest income was impacted by increases of \$17.7 million, or 147.2%, in trading account profits and commissions, \$13.0 million, or 69.8%, in mortgage production related income, \$8.8 million, or 7.9%, in services charges on deposit accounts and \$6.4 million, or 13.0%, in other charges and fees.

Total noninterest expense, excluding merger-related charges, increased \$52.0 million, or 7.5%, over the first quarter of 2000. The overall increase was primarily the result of a \$55.6 million increase in the other expense line item primarily due to increases in miscellaneous one-time expenses including the Company's branding advertising campaign and \$7.0 million related to the continued system integration of customer based systems across the geographic areas served by SunTrust Banks, Inc.(One Bank initiative).

Selected Quarterly Financial Data Table 1

(Dollars in millions except per share data)

	Quarters				
	2001	2000			
	1	4	3	2	1
Summary of Operations					
Interest and dividend income	\$ 1,743.9	\$ 1,798.3	\$ 1,764.2	\$ 1,672.0	\$ 1,610.8
Interest expense	939.0	1,012.9	992.8	903.0	828.2
Net interest income	804.9	785.4	771.4	769.0	782.6
Provision for loan losses	67.3	53.5	30.5	27.7	22.3
Net interest income after provision for loan losses	737.6	731.9	740.9	741.3	760.3
Noninterest income	525.9	445.6	447.2	444.0	436.9
Noninterest expense(1)(2)	742.7	697.9	706.6	719.8	704.2
Income before provision for income taxes	520.8	479.6	481.5	465.5	493.0
Provision for income taxes	183.3	149.2	154.7	148.0	173.6
Net income	\$ 337.5	\$ 330.4	\$ 326.8	\$ 317.5	\$ 319.4
Net interest income (taxable-equivalent)	\$ 815.2	\$ 796.1	\$ 781.5	\$ 778.7	\$ 792.1
Per common share					
Diluted	\$ 1.14	\$ 1.11	\$ 1.10	\$ 1.05	\$ 1.04
Basic	1.16	1.13	1.11	1.06	1.05
Dividends declared	0.40	0.37	0.37	0.37	0.37
Book value	26.83	27.81	25.85	25.10	23.51
Market price					
High	68.07	64.38	54.19	66.00	68.06
Low	57.29	41.63	45.63	45.06	46.81
Close	64.80	63.00	49.88	45.69	57.75
Selected Average Balances					
Total assets	\$ 103,225.4	\$ 101,246.0	\$ 99,392.2	\$ 97,497.3	\$ 95,413.4
Earning assets	92,553.9	90,679.6	89,663.7	88,200.6	85,857.5
Loans	71,654.4	71,774.6	71,506.9	69,830.6	67,030.0
Total deposits(3)	65,408.6	67,181.9	67,158.2	66,866.4	65,550.3
Realized shareholders' equity	6,264.6	6,140.5	6,012.8	5,948.9	6,023.3
Total shareholders' equity	8,089.2	7,844.4	7,487.4	7,195.9	7,476.2
Common shares - diluted (thousands)	295,832	296,461	298,558	302,141	306,739
Common shares - basic (thousands)	291,805	293,390	295,575	298,986	303,461
Financial Ratios(4)					
ROA	1.36%	1.33%	1.34%	1.34%	1.38%
Return on average realized shareholders' equity	21.85	21.40	21.62	21.46	21.33
Return on average total shareholders' equity	16.92	16.75	17.36	17.74	17.18
Net interest margin	3.57	3.49	3.47	3.55	3.71

(1) Includes enhancements to customer-based systems of \$7.0 million for the first quarter of 2001 related to the One Bank initiative.

(2) Includes merger-related expenses of \$2.4, \$8.3, \$18.2 and \$13.6 million for the fourth, third, second and first quarters of 2000, respectively.

(3) Includes brokered and foreign deposits of \$10.9 billion for the first quarter of 2001 and \$13.1, \$13.5, \$12.9 and \$12.2 billion for the fourth, third, second and first quarters of 2000, respectively.

(4) In this report, SunTrust presents a return on average realized shareholders' equity, as well as a return on average total shareholders' equity. The return on average realized shareholders' equity excludes net unrealized security gains. Due to its ownership of 48 million shares of common stock of The Coca-Cola Company resulting in an unrealized net gain of \$1.4 billion, the Company believes that this measure is more indicative of its return on average shareholders' equity when comparing performance to other companies.

Consolidated Daily Average Balances, Income/Expense and Average Yields Earned and Rates Paid
(Dollars in millions; yields on taxable-equivalent basis)

	Quarter Ended					
	March 31, 2001			December 31, 2000		
	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates
Assets						
Loans:(1)						
Taxable	\$ 70,552.3	\$ 1,385.0	7.96%	\$ 70,647.7	\$ 1,461.7	8.23%
Tax-exempt(2)	1,102.1	20.9	7.68	1,126.9	22.5	7.93
Total loans	71,654.4	1,405.9	7.96	71,774.6	1,484.2	8.23
Securities available for sale:						
Taxable	15,920.2	270.0	6.88	14,715.5	251.2	6.79
Tax-exempt(2)	449.6	9.4	8.44	444.0	8.4	7.53
Total securities available for sale	16,369.8	279.4	6.92	15,159.5	259.6	6.81
Funds sold	1,361.1	18.9	5.64	1,324.4	22.3	6.70
Loans held for sale	1,988.3	36.5	7.45	1,690.7	33.3	7.83
Other short-term investments(2)	1,180.3	13.6	4.66	730.4	9.6	5.24
Total earning assets	92,553.9	1,754.3	7.69	90,679.6	1,809.0	7.94
Allowance for loan losses	(896.7)			(858.6)		
Cash and due from banks	3,321.7			3,464.7		
Premises and equipment	1,617.1			1,618.2		
Other assets	3,761.5			3,661.1		
Unrealized gains on securities available for sale	2,867.9			2,681.0		
Total assets	\$ 103,225.4			\$ 101,246.0		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
NOW/Money market accounts	\$ 21,172.9	\$ 173.5	3.32%	\$ 20,023.3	\$ 169.3	3.36%
Savings	6,251.4	56.6	3.67	6,306.9	60.8	3.84
Consumer time	9,741.0	135.7	5.65	9,964.6	141.5	5.65
Other time	4,235.1	62.1	5.95	4,334.7	66.4	6.09
Brokered deposits	2,490.3	39.2	6.38	4,059.7	68.6	6.72
Foreign deposits	8,379.7	117.2	5.67	9,023.0	149.6	6.60
Total interest-bearing deposits	52,270.4	584.3	4.53	53,712.2	656.2	4.86
Funds purchased	11,834.6	154.4	5.29	11,225.2	177.5	6.29
Other short-term borrowings	1,724.3	24.1	5.66	1,885.9	31.2	6.57
Long-term debt	11,688.5	176.3	6.12	8,725.0	148.0	6.75
Total interest-bearing liabilities	77,517.8	939.1	4.91	75,548.3	1,012.9	5.33
Noninterest-bearing deposits	13,138.2			13,469.7		
Other liabilities	4,480.1			4,383.6		
Realized shareholders' equity	6,264.6			6,140.5		
Accumulated other comprehensive income	1,824.7			1,703.9		
Total liabilities and shareholders' equity	\$ 103,225.4			\$ 101,246.0		
Interest rate spread			2.78%			2.61%
Net Interest Income		\$ 815.2			\$ 796.1	
Net Interest Margin(3)			3.57%			3.49%

(1) Interest income includes loan fees of \$36.0, \$36.8, \$33.5, \$32.8, and \$32.4 million in the quarters ended March 31, 2001 and December 31, September 30, June 30, and March 31, 2000, respectively. Nonaccrual loans are included in average balances and income on such loans, if recognized, is recorded on a cash basis.

(2) Interest income includes the effects of taxable-equivalent adjustments (reduced by the nondeductible portion of interest expense) using a federal income tax rate of 35% and, where applicable, state income taxes, to increase tax-exempt interest income to a taxable-equivalent basis. The net taxable-equivalent adjustment amounts included in the above table aggregated \$10.4, \$10.7, \$10.1, \$9.6, and \$9.5 million in the quarters ended March 31, 2001 and December 31, September 30, June 30, and March 31, 2000, respectively.

Table 2

Quarter Ended								
September 30, 2000			June 30, 2000			March 31, 2000		
Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates	Average Balances	Income/ Expense	Yields/ Rates
\$ 70,427.3	\$ 1,442.1	8.15%	\$ 68,789.8	\$ 1,354.7	7.92%	\$ 65,975.8	\$ 1,293.9	7.89%
1,079.6	21.1	7.79	1,040.8	19.8	7.65	1,054.2	19.6	7.48
71,506.9	1,463.2	8.14	69,830.6	1,374.5	7.92	67,030.0	1,313.5	7.88
14,146.9	239.9	6.75	14,483.6	242.7	6.74	15,032.5	247.6	6.63
456.5	8.7	7.59	470.0	8.9	7.65	508.5	9.4	7.42
14,603.4	248.6	6.77	14,953.6	251.6	6.77	15,541.0	257.0	6.65
1,587.2	26.7	6.68	1,537.5	24.5	6.41	1,309.5	19.3	5.94
1,395.0	28.5	8.12	1,279.7	23.7	7.45	1,437.1	25.1	7.03
571.1	7.3	5.11	599.2	7.4	4.95	539.9	5.4	4.02
89,663.6	1,774.3	7.87	88,200.6	1,681.7	7.67	85,857.5	1,620.3	7.59
(868.9)			(873.8)			(874.7)		
3,083.6			3,322.7			3,395.3		
1,628.1			1,627.5			1,627.8		
3,520.7			3,204.3			3,058.3		
2,365.1			2,016.0			2,349.2		
\$ 99,392.2			\$ 97,497.3			\$ 95,413.4		
=====			=====			=====		
\$ 19,904.4	\$ 163.2	3.26%	\$ 20,194.3	\$ 155.7	3.10%	\$ 20,397.8	\$ 146.1	2.88%
6,324.0	58.8	3.70	6,449.1	55.1	3.43	6,659.4	53.8	3.25
10,151.8	141.0	5.53	10,023.1	129.4	5.19	9,599.9	116.6	4.89
4,221.4	62.0	5.84	4,024.7	58.1	5.80	3,756.0	49.4	5.29
3,815.3	65.0	6.77	2,760.9	43.9	6.40	2,585.0	38.4	5.97
9,701.5	161.5	6.62	10,162.9	148.0	5.86	9,605.0	150.7	6.31
54,118.4	651.5	4.79	53,615.0	590.2	4.43	52,603.1	555.0	4.24
11,050.9	176.3	6.35	10,268.0	154.6	6.05	10,465.1	142.8	5.49
1,365.8	22.1	6.44	1,546.9	25.7	6.67	1,402.2	18.9	5.43
8,378.4	142.9	6.78	8,070.9	132.5	6.60	6,952.9	111.5	6.45
74,913.5	992.8	5.27	73,500.8	903.0	4.94	71,423.3	828.2	4.66
13,039.7			13,251.5			12,947.2		
3,951.6			3,549.0			3,566.7		
6,012.8			5,948.9			6,023.3		
1,474.6			1,247.1			1,452.9		
\$ 99,392.2			\$ 97,497.3			\$ 95,413.4		
=====			=====			=====		
	2.60%			2.73%			2.93%	
\$ 781.5			\$ 778.7			\$ 792.1		
	3.47%			3.55%			3.71%	

(3) Derivative instruments used to help balance SunTrust's interest-sensitivity position increased net interest income \$0.1 million, decreased net interest income \$0.7 million, increased net interest income \$0.8 million, and decreased net interest income \$0.7 million in the quarters ended December 31, September 30, June 30 and March 31, 2000, respectively. Without these swaps, the net interest margin would have been 3.49%, 3.47%, 3.55%, and 3.71% in the quarters ended December 31, September 30, June 30 and March 31, 2000, respectively.

Interest Rate Risk. The normal course of business activity exposes SunTrust to interest rate risk. Fluctuations in interest rates may result in changes in the fair market value of the Company's financial instruments, cash flows and net interest income. SunTrust's asset/liability management process manages the Company's interest rate risk position. The objective of this process is the optimization of the Company's financial position, liquidity and net interest income, while limiting the volatility to net interest income from changes in interest rates.

SunTrust uses a simulation modeling process to measure interest rate risk and evaluate potential strategies. These simulations incorporate assumptions regarding balance sheet growth and mix, pricing, and the repricing and maturity characteristics of the existing and projected balance sheet. Other interest-rate-related risks such as prepayment, basis and option risk are also considered. Simulation results quantify interest rate risk under various interest rate scenarios. Senior management regularly reviews the overall interest rate risk position and develops and implements strategies to manage the risk.

Management estimates the Company's net interest income for the next twelve months would decline 1.0% under a gradual increase in interest rates of 100 basis points, versus the projection under stable rates. Net interest income would increase by 1.4% under a gradual decrease in interest rates of 100 basis points, versus the projection under stable rates.

The projections of interest rate risk do not necessarily include certain actions that management may undertake to manage this risk in response to anticipated changes in interest rates.

Net Interest Income/Margin. SunTrust's net interest margin was 3.57% for the first three months of 2001, a decrease of 14 basis points from the first three months of 2000. The decrease is primarily attributable to continued reliance on purchased liabilities to fund loan growth and additional interest expense to fund purchases under the SunTrust stock repurchase program. Compared to the first three months of 2000, the rate on earning assets increased 10 basis points to 7.69% in the first three months of 2001 and the rate on interest bearing liabilities increased 25 basis points to 4.91%.

As part of its on-going balance sheet management, the Company continues to take steps to obtain alternative lower cost funding sources such as developing initiatives to grow retail deposits to maximize net interest income throughout 2001. During the first quarter of 2001, the Company initiated a campaign to attract money market accounts. Average money market accounts have grown from \$20.0 billion for the fourth quarter of 2000 to \$21.2 billion for the first quarter of 2001.

Interest income that SunTrust was unable to recognize on nonperforming loans had a negative impact of three and one basis points on the net interest margin in the first three months of 2001 and 2000, respectively.

Noninterest Income. Noninterest income in the first quarter of 2001 increased \$89.1 million, or 20.4% from the comparable period last year. The increase primarily relates to the gain of \$52.9 million on the sale of Star Systems Inc. representing a historical ownership in the ATM network. Mortgage production related income increased \$13.0 million, or 69.8%, due to the high volume of refinancing activity in the first quarter of 2001 as a result of the lower interest rate environment. Service charges on deposits and other charges and fees increased a combined \$15.2 million, or 9.5% over the first quarter of 2000. Increased usage of products and services along with changes in pricing strategy resulted in the increase in these line items. Included in credit card and other fees is debit card interchange income of \$13.5 million in the first three months of 2001 compared to \$10.8 million in the same period of 2000.

Trust income, SunTrust's largest source of noninterest income, decreased \$4.3 million, or 3.3% in the first quarter of 2001 compared to the first quarter of 2000. The decline in trust income was due to the sale of SunTrust

Equitable Trust, a subsidiary of SunTrust Equitable Securities, a reduction in non-recurring revenue and a decline in the market value of trust assets under management. Compared to the fourth quarter of 2000, trust income increased \$2.9 million in the first quarter of 2001 due to an increase in non-recurring revenue, which traditionally occurs during the first quarter. This increase in non-recurring revenue was partially offset by the decrease in the market value of assets under management. The overall market decline resulted in a reduction in the market value of discretionary trust assets under management of approximately 6% from the first quarter of 2000. The decline in market value of trust assets was significantly less than the overall market decline due to SunTrust's disciplined and diversified investment management approach. During the first quarter, additional net new business was attracted in all trust business lines as a result of SunTrust's long-term investment perspective and client focus.

Trading account profits and commissions increased \$17.7 million, or 147.2%, over the first quarter of 2000 while investment banking income decreased \$5.6 million, or 28.4%, over the same period. The changes in these line items are indicative of the volatility seen in the equity market, as well as the changing interest rate environment during the first quarter of 2001. Additionally, as a result of adopting SFAS 133, the Company recorded a pre-tax gain of \$2.9 million to trading account profits and commissions.

Other income included net gains on the sale of mortgage and student loans of \$2.4, \$0.8 and \$9.8 million in the first quarter of 2001 and fourth and first quarters of 2000, respectively.

Noninterest Income Table 3

(In millions)

	Quarters				
	2001	2000			
	1	4	3	2	1
	-----	-----	-----	-----	-----
Trust income	\$ 124.3	\$ 121.4	\$ 120.2	\$ 123.7	\$ 128.6
Service charges on deposit accounts	120.0	118.9	116.9	112.6	111.3
Other charges and fees	55.6	55.1	56.3	50.4	49.1
Mortgage production related income	31.7	27.1	23.8	20.5	18.7
Mortgage servicing related income	6.7	9.5	7.9	7.7	7.7
Trading account profits and commissions	29.7	16.3	4.9	(1.4)	12.0
Investment Banking Income	14.1	20.3	36.0	35.3	19.7
Credit card and other fees	25.6	24.9	24.2	24.4	22.1
Retail investment services	24.8	22.8	24.0	30.5	30.8
Other income	36.3	30.5	33.6	38.8	30.0
Securities gains (losses)	57.1	(1.2)	(0.6)	1.5	6.9
	-----	-----	-----	-----	-----
Total noninterest income	\$ 525.9	\$ 445.6	\$ 447.2	\$ 444.0	\$ 436.9
	=====	=====	=====	=====	=====

Noninterest Expense. Noninterest expense increased \$38.4 million, or 5.4% in the first quarter of 2001 compared to the same period last year. Personnel expenses, consisting of salaries, other compensation and employee benefits, increased \$5.0 million, or 1.2% from the earlier period.

The \$55.6 million increase in other expenses during the first quarter of 2001 is due in part to servicing income of approximately \$9.5 million from MBNA America Bank, N.A. on the sold credit card portfolio recorded as a reduction to other expenses in the first quarter of 2000. The Company also incurred \$7.0 million in expenses on its One Bank initiative for enhancements to customer based systems across its geographic footprint that is expected to yield operating efficiencies in the future. Additional expenses were incurred in the first quarter of 2001 for the Company's branding campaigns.

In the first quarter of 2000, merger-related expenses were primarily related to accelerated depreciation and miscellaneous integration costs. There were no additional merger-related expenses in the first quarter of 2001. The efficiency ratio improved from 57.3% in the first quarter of 2000 to 55.4% in the first quarter of 2001 due to the Company's continued focus on efficiency and cost control projects.

Noninterest Expense Table 4
(In millions)

	Quarters				
	2001	2000			
	1	4	3	2	1
Salaries	\$ 286.0	\$ 282.0	\$ 278.5	\$ 292.1	\$ 287.3
Other compensation	90.3	89.3	82.9	73.1	83.8
Employee benefits	56.7	37.2	39.5	41.4	56.9
Net occupancy expense	50.0	50.7	51.9	49.9	50.1
Outside processing and software	45.1	43.9	42.4	44.4	41.6
Equipment expense	44.5	44.2	47.2	50.7	51.6
Marketing and customer development	23.0	30.7	25.3	27.9	22.3
Postage and delivery	16.2	14.9	15.4	16.3	16.7
Credit and collection services	13.6	12.4	14.2	16.0	14.3
Communications	13.3	14.2	15.0	15.4	15.2
Operating supplies	11.3	11.2	11.3	12.6	12.2
Consulting and legal	9.7	13.2	16.4	18.2	11.8
Amortization of intangible assets	8.3	8.8	8.9	8.8	9.0
FDIC premiums	3.9	2.8	2.8	2.8	2.8
Merger-related expenses	-	2.4	8.3	18.2	13.6
Other real estate income	(0.7)	(2.3)	(0.4)	(0.3)	(0.8)
Other expense	71.5	42.3	47.0	32.3	15.9
Total noninterest expense	\$ 742.7	\$ 697.9	\$ 706.6	\$ 719.8	\$ 704.3
Efficiency ratio	55.4%	56.2%	57.5%	58.9%	57.3%

Provision for Loan Losses. The SunTrust Allowance for Loan Losses Committee meets at least quarterly to affirm the allowance methodology, analyze provision and charge-off trends and assess the adequacy of the allowance. The allowance analysis is based on specifically analyzed loans, historical loss rates and other internal and external factors that affect credit risk. These other factors consider variables such as the interest rate environment, corporate and consumer debt levels, volatility in the financial markets, and known events that affect the economies of the Company's primary market area. These factors are key elements in the assessment of the adequacy of the allowance because of their impact on borrowers' repayment capacity.

First quarter net charge-offs for 2001 were \$46.7 million higher than in the same period last year, mainly due to the strategic decision to sell three of the Company's largest nonperforming loans and to write-down other large corporate nonperforming loans that had credit deterioration. The loan sales, which resulted in losses of \$11.7 million, included the Company's largest nonperforming healthcare credit, together with two nonperforming loans in the movie theater industry that eliminated SunTrust's unsecured exposure to that sector. Nonperforming loans declined 14.0% from December 31, 2000 due primarily to the aforementioned sales and write-downs, but increased 22.4% from March 31, 2000. The year to year increase was due to the broadened impact of the slowing economy.

Provision for loan losses totaled \$67.3 million in the first three months of 2001, compared to \$22.3 million in the same period last year. This increase was primarily related to loan sales and large corporate write-downs during the quarter. The ratio of net charge-offs to average loans increased to .38% in the first three months of 2001 from .12% in the same period last year. First quarter loan losses were unusually high due to unique market opportunities to sell certain problem assets. While management does not believe that this increased level of charge-offs will continue throughout the remainder of the year, some increases over 2000 net charge-offs and provision expenses are expected due to the slowing economy.

At March 31, 2001, SunTrust's allowance for loan losses totaled \$872.0 million which was 1.24% of period-end loans and 250.1% of total nonperforming loans. As of March 31, 2000, the allowance totaled \$874.0 million, or 1.27% of period-end loans and 306.8% of total nonperforming loans. Both ratios declined from the corresponding quarter one year earlier, but improved from December 31, 2000. The allowance level was also impacted by the Company's transfer of \$3.6 million in reserves from the allowance for loan losses to other liabilities for the potential recourse liability related to the loan securitizations in the first quarter of 2001.

Summary of Loan Loss Experience Table 5
(Dollars in millions)

	Quarters				
	2001	2000			
	1	4	3	2	1
Allowance for Loan Losses					
Balance - beginning of quarter	\$ 874.5	\$ 874.5	\$ 874.5	\$ 874.0	\$ 871.3
Allowance from acquisitions and other activity - net	(3.5)	(0.1)	-	-	-
Provision for loan losses	67.3	53.5	30.5	27.7	22.3
Charge-offs:					
Commercial	(56.8)	(47.0)	(28.7)	(23.5)	(16.3)
Real estate:					
Construction	(0.6)	-	-	(0.1)	-
Residential mortgages	(2.3)	(1.8)	(1.6)	(2.2)	(2.2)
Other	(1.0)	(1.0)	(1.2)	(0.9)	(0.3)
Credit card	(0.5)	(1.6)	(1.7)	(0.9)	(1.2)
Other consumer loans	(18.2)	(15.7)	(13.9)	(12.6)	(15.3)
Total charge-offs	(79.4)	(67.1)	(47.1)	(40.2)	(35.3)
Recoveries:					
Commercial	4.6	4.9	8.5	4.6	4.6
Real estate:					
Construction	0.2	-	0.3	-	0.1
Residential mortgages	0.5	1.1	0.9	0.7	0.6
Other	1.4	1.3	0.6	0.2	1.8
Credit card	0.4	0.5	0.5	0.6	1.5
Other consumer loans	6.0	5.9	5.8	6.9	7.1
Total recoveries	13.1	13.7	16.6	13.0	15.7
Net charge-offs	(66.3)	(53.4)	(30.5)	(27.2)	(19.6)
Balance - end of quarter	\$ 872.0	\$ 874.5	\$ 874.5	\$ 874.5	\$ 874.0
Quarter-end loans outstanding	\$ 70,360.1	\$ 72,239.8	\$ 72,113.6	\$ 71,450.4	\$ 68,614.4
Average loans	71,654.4	71,774.6	71,506.9	69,830.6	67,030.0
Allowance to quarter-end loans	1.24%	1.21%	1.21%	1.22%	1.27%
Allowance to nonperforming loans	250.1	215.8	229.6	309.6	306.8
Net charge-offs to average loans (annualized)	0.38	0.30	0.17	0.16	0.12
Provision to average loans (annualized)	0.38	0.30	0.17	0.16	0.13
Recoveries to total charge-offs	16.5	20.4	35.2	32.3	44.5

Nonperforming Assets Table 6
(Dollars in millions)

	2001	2000			
	March 31	December 31	September 30	June 30	March 31
Nonperforming Assets					
Nonaccrual loans:					
Commercial	\$ 210.5	\$ 273.6	\$ 270.4	\$ 149.1	\$ 129.6
Real Estate:					
Construction	2.1	2.2	2.5	1.8	4.7
Residential mortgages	83.3	81.8	65.1	75.6	84.0
Other	32.8	29.0	23.9	27.4	37.8
Consumer loans	20.0	18.7	19.0	28.6	28.8
Total nonaccrual loans	348.7	405.3	380.9	282.5	284.9
Restructured loans	-	-	-	-	-
Total nonperforming loans	348.7	405.3	380.9	282.5	284.9
Other real estate owned	20.6	23.0	23.6	23.2	27.0
Total nonperforming assets	\$ 369.3	\$ 428.3	\$ 404.5	\$ 305.7	\$ 311.9
Ratios:					
Nonperforming loans to total loans	0.50%	0.56%	0.53%	0.40%	0.42%
Nonperforming assets to total loans plus other real estate owned	0.52	0.59	0.56	0.43	0.45
Accruing Loans Past Due 90 Days or More	\$ 223.7	\$ 181.2	\$ 150.8	\$ 189.4	\$ 160.1

Nonperforming Assets. Nonperforming assets consist of nonaccrual loans, restructured loans and other real estate owned. Nonperforming assets declined 13.8%, or \$59.0 million since December 31, 2000, but increased 18.4%, or \$57.4 million since March 31, 2000. The decline from December 31, 2000 was due primarily to the sale of three of the Company's largest nonperforming loans and the write-down of certain other large corporate credits. Much of the increase since March 31, 2000 can be attributed to the continued economic slowdown that occurred in a diverse mix of industries, including manufacturing, technology, agribusiness and transportation, along with companies impacted by asbestos litigation. Given the continued weakness in the economy, Management anticipates modest increases in nonperforming assets during the remainder of the year.

Interest income on nonaccrual loans, if recognized, is recorded using the cash basis method of accounting. During the first three months of 2001, this amounted to \$5.3 million. Interest income of \$7.1 million would have been recorded if all nonaccrual and restructured loans had been accruing interest according to their original contract terms.

Loan Portfolio by Types of Loans Table 7

(In millions)

	2001	2000			
	March 31	December 31	September 30	June 30	March 31
Commercial	\$ 30,583.3	\$ 30,781.1	\$ 30,821.6	\$ 30,209.5	\$ 29,639.6
Real estate:					
Construction	3,631.0	2,966.1	2,884.3	2,647.2	2,600.8
Residential mortgages	17,706.6	19,953.0	20,557.4	20,295.0	19,643.1
Other	7,693.9	8,121.4	7,960.6	7,851.5	7,937.4
Credit card	82.6	76.8	79.3	75.4	98.7
Other consumer loans	10,662.7	10,341.4	9,810.4	10,371.8	8,694.8
Total loans	\$ 70,360.1	\$ 72,239.8	\$ 72,113.6	\$ 71,450.4	\$ 68,614.4
	=====	=====	=====	=====	=====

Loans. Total loans at March 31, 2001 were \$70.4 billion, an increase of \$1.7 billion or 2.5% from March 31, 2000. The Company recorded steady growth in commercial loans, up 3.2% from March 31, 2000, while recognizing significant loan growth in its real estate construction portfolio, up 39.6%. Residential real estate declined 9.9% from \$19.6 billion in the first quarter of 2000 due to the Company's securitizations of \$2.8 billion in residential mortgages in the fourth quarter 2000 and first quarter 2001 that are now carried as "Securities available for sale" on the balance sheet. Of the \$17.7 billion in residential mortgages at March 31, 2001, \$2.2 billion were home equity loans, which also demonstrated significant growth of 13.4% in the last twelve months.

Income Taxes. The provision for income taxes was \$183.3 million for the first three months of 2001 compared to \$173.4 million in the same period last year. This represents a 35% effective tax rate for both quarters.

Securities available for sale. The investment portfolio is managed to optimize yield over an entire interest rate cycle while providing liquidity and managing market risk. The portfolio yield increased from an average of 6.65% in the first quarter of 2000 to 6.92% in the first quarter of 2001 primarily because the Company was able to replace lower-yielding securities with longer-term, higher-yielding securities at historically attractive rates.

The average portfolio size increased by \$1.2 billion from December 31, 2000 to March 31, 2001, on an amortized cost basis. The increase during the first quarter of 2001 was due to the Company securitizing \$1.9 billion of single-family mortgage loans to mortgage-backed securities for funding flexibility and more favorable regulatory capital treatment. The Company securitized \$0.9 billion of single-family mortgage loans in the fourth quarter 2000. These securities were retained in the investment portfolio and the Company may continue to securitize single-family mortgage loans throughout 2001.

At March 31, 2001, approximately 1% of the portfolio consisted of U.S. Treasury securities, 13% U.S. government agency securities, 54% mortgage-backed securities, 12% asset-backed securities, 13% corporate bonds, 3% municipal securities and 4% other securities. Most of SunTrust's holdings in mortgage-backed securities are backed by U.S. government or federal agency guarantees thus limiting the credit risk associated with the mortgage loans. The carrying value of the securities portfolio, all of which is classified as "Securities available for sale" reflected \$2.5 billion in net unrealized gains at March 31, 2001, including a \$2.2 billion unrealized gain on SunTrust's investment in common stock of The Coca-Cola Company. The market value of this common stock investment decreased \$761.6 million during the first quarter of 2001, which did not affect the net income of SunTrust, but was included in comprehensive income.

Liquidity Management. Liquidity is managed to ensure there is sufficient funding to satisfy demand for credit, deposit withdrawals and attractive investment opportunities. A large, stable core deposit base, strong capital position and excellent credit ratings are the solid foundation for the Company's liquidity position.

Funding sources primarily include customer-based core deposits, but also include borrowed funds and cash flows from operations. Customer-based core deposits, the Company's largest and most cost-effective source of funding, accounted for 60% of the funding base on average for the first quarter of 2001 compared to 62% at December 31, 2000 and 63% in the first quarter of 2000. Net borrowed funds, which primarily include short-term funds purchased and sold, wholesale domestic and foreign deposits, other short term borrowings and long term debt, were \$34.3 billion at March 31, 2001, compared with \$33.2 billion at December 31, 2000 and \$30.0 billion at March 31, 2000. Cash flows from operations are also a significant source of liquidity. Net cash from operations primarily results from net income adjusted for noncash items such as depreciation and amortization, provision for loan losses, and deferred tax items.

Liquidity is strengthened by ready access to a diversified base of wholesale funding sources. These sources include fed funds purchased, securities sold under agreements to repurchase, negotiable certificates of deposit, offshore deposits, Federal Home Loan Bank advances, Global Bank Note issuance, and commercial paper issuance by the Parent Company. Liquidity is also available through unpledged securities in the investment portfolio and the securitization of loans.

In November 2000, the Company established a \$10 billion Senior and Subordinated Global Bank Note program to expand funding and capital sources to include both domestic and international investors. In the first quarter of 2001, \$500 million of subordinated debt was issued under this program with an original maturity of April 2011.

In the first quarter of 2001, the Company securitized \$1.9 billion of single-family mortgage loans. In addition, during the first quarter of 2001 the Company increased its long-term advances with the Federal Home Loan Bank in order to reduce its reliance on purchased funds.

The Company has a contingency funding plan that stress tests liquidity needs that may arise from certain events such as rapid loan growth or significant deposit runoff. The plan also provides for continual monitoring of net borrowed funds dependence and available sources of liquidity. Management believes the Company has the funding capacity to meet the liquidity needs arising from potential events.

Derivatives. Derivative financial instruments, such as interest rate swaps, options, caps, floors, futures and forward contracts, are components of the Company's risk management profile. The Company also enters into derivative instruments as a service to banking customers. Where contracts have been created for customers, the Company generally enters into offsetting positions to eliminate the Company's exposure to market risk.

The Company monitors its sensitivity to changes in interest rates and may use derivative instruments to hedge this risk. Prior to the adoption of SFAS 133, certain interest rate swaps were classified as hedges and recorded in the margin using the accrual method of accounting. The related market value of the derivative was accounted for off-balance sheet. These interest rate swap accruals reduced net interest income by \$0.7 million in the first quarter of 2000. On January 1, 2001, the Company adopted SFAS 133. Accordingly, all derivatives are recorded in the financial statements at fair value. Additional information on derivative hedging activity is included in Note 3.

Certain derivatives are classified as trading assets and liabilities. Additional trading income of \$2.9 million was recorded in the first quarter of 2001 to adjust the value of these interest rate swaps to their current market value.

The following table shows the derivative instruments entered into by the Company as an end-user.

Derivative Instruments Table 8

(Dollars in thousands)

As of March 31, 2001							
	Notional Balance	Weighted Average Maturity In Months	Average Received Rate	Average Pay Rate	Estimated Fair Value		
					Unrealized Gains	Unrealized Losses	Net
Mortgage Lending Commitments							
Forward Contracts	\$ 3,837,349	2	-%	-%	\$ 1,557	\$ (18,899)	\$ (17,342)
Interest Rate Lock Commitments	1,703,189	2	-	-	199	(1,916)	(1,717)
Option Contracts	40,000	2	5.00 (1)	-	44	-	44
Total Mortgage Related Derivatives	5,580,538				1,800	(20,815)	(19,015)
Foreign Currency							
Forward Contracts	752,017	8	-	-	18,068	(19,675)	(1,607)
Interest Rate Swaps	2,595,878	33	5.71	6.22	42,035	(42,064)	(29)
Interest Rate Caps/Floors	750,000	18	5.11 (1)	-	3,445	-	3,445
Futures Contracts	678,000	11	-	-	-	(1,947)	(1,947)
Equity Collar	56,081	24 (2)	-	-	-	-	-
Total Derivatives	\$10,412,514						\$ (19,153)

(1) Average option strike price.

(2) Option expiration.

	2001	2000			
	March 31	December 31	September 30	June 30	March 31
Tier 1 capital	\$ 6,760.5	\$ 6,850.6	\$ 6,677.4	\$ 6,648.7	\$ 6,484.3
Total capital	10,507.1	10,488.9	10,216.1	10,342.7	9,754.8
Risk-weighted assets	98,690.0	96,656.7	95,183.9	95,571.5	88,973.4
Risk-based ratios:					
Tier 1 capital	6.85%	7.09%	7.02%	6.95%	7.28%
Total capital	10.65	10.85	10.73	10.82	10.96
Tier 1 leverage ratio	6.77	6.98	6.92	7.00	7.00
Total shareholders' equity to assets	7.55	7.96	7.66	7.60	7.40

Capital Resources. Regulatory agencies measure capital adequacy within a framework that makes capital requirements sensitive to the risk profiles of individual banking companies. The guidelines define capital as either Tier 1 (primarily common shareholders' equity, as defined to include certain debt obligations) or Tier 2 (to include certain other debt obligations and a portion of the allowance for loan losses and since 1998, 45% of the unrealized gains on equity securities). The Company is subject to a minimum Tier 1 capital ratio (Tier 1 capital to risk-weighted assets) of 4%, total capital ratio (Tier 1 plus Tier 2 to risk-weighted assets) of 8% and Tier 1 leverage ratio (Tier 1 to average quarterly assets) of 3%. To be considered a "well capitalized" institution, the Tier 1 capital ratio, the total capital ratio, and the Tier 1 leverage ratio must equal or exceed 6%, 10% and 5%, respectively. SunTrust is committed to remaining well capitalized.

The Company raised \$100 million of regulatory capital during 2000 through the sale of preferred shares issued by a real estate investment trust subsidiary. In the first quarter of 2001, the Company raised an additional \$500 million of regulatory capital through the issuance of subordinated debt under the Global Bank Note program.

On August 10, 1999, the Board of Directors authorized the purchase of up to 15 million shares of SunTrust common stock. In 2000, SunTrust purchased 1.2 million shares of SunTrust common stock to complete the August 10, 1999 authorization.

On February 8, 2000, the Board of Directors authorized the purchase of up to 12 million shares of SunTrust common stock. As of December 31, 2000, 10.1 million shares had been purchased under this authorization. On August 8, 2000, the Board of Directors authorized the purchase of up to 10 million shares of SunTrust common stock (including 1.9 million shares still remaining unpurchased under the authorization to purchase shares of February 8, 2000). As of March 31, 2001, the Company had 3.7 million shares remaining to be purchased under the August 8, 2000 authorization.

Item 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company believes that there have not been any material changes in quantitative and qualitative information about market risk since year-end 2000. In particular, the loan securitizations during the three months ended March 31, 2001 did not have a material impact on the Company's interest rate risk profile.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The annual meeting of shareholders of the Registrant was held on April 17, 2001. At the meeting, the following individuals were elected directors of the Registrant: Patricia C. Frist, Douglas N. Daft, Summerfield K. Johnston, Jr., Larry L. Prince, R. Randall Rollins, Frank S. Royal, M.D. and James B. Williams. Votes ranged from 244,080,343 to 248,358,158. J. Hyatt Brown, Alston D. Correll, A.W. Dahlberg, David H. Hughes, M. Douglas Ivester, Joseph L. Lanier, Jr., G. Gilmer Minor, III and L. Phillip Humann continue as directors of the registrant.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

A. Exhibit 10.1-10.10 Change in Control Agreements

B. Reports on Form 8-K

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized this 15th day of May, 2001.

SunTrust Banks, Inc.

(Registrant)

/s/ W. P. O'Halloran

W. P. O'Halloran

*Senior Vice President and Controller
(Chief Accounting Officer)*

The attached form of agreement has been signed by the following executive officers:

Samuel O. Franklin III
Charles T. Hill
George W Koehn
E. Jenner Wood, III
R. Charles Shufeldt
Donald S. Downing
Craig J. Kelly
Ray L. Sandhagen
Rodney K. Purnell, Jr.
Robert C. Lawson, Jr.
Thomas H. Yochum
Thomas G. Kuntz
John P. Hashagen
Daniel W. Mahurin

CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement ("Agreement") is entered into by and between SunTrust Banks, Inc., a Georgia corporation ("SunTrust"), and _____ (Executive").

WHEREAS, Executive is employed by SunTrust or provides services directly or indirectly to SunTrust as a senior executive of SunTrust or one, or more than one, SunTrust Affiliate; and

WHEREAS, the Board and the Compensation Committee have decided that SunTrust should provide certain benefits to Executive in the event Executive's employment is terminated without Cause or Executive resigns for Good Reason following a Change in Control; and

WHEREAS, this Agreement sets forth the benefits which the Board and the Compensation Committee have decided SunTrust shall provide under such circumstances and the terms and conditions under which the Board and the Compensation Committee have decided that such benefits shall be provided;

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SunTrust and Executive hereby agree as follows:

(S) 1.

Definitions

1.1 Board. The term "Board" for purposes of this Agreement shall mean the Board of Directors of SunTrust.

1.2 Cause. The term "Cause" for purposes of this Agreement shall

(subject to (S) 1.2(e)) mean:

(a) The willful and continued failure by Executive to perform satisfactorily the duties of Executive's job;

(b) Executive is convicted of a felony or has engaged in a dishonest act, misappropriation of funds, embezzlement, criminal conduct or common law fraud;

(c) Executive has engaged in a material violation of the SunTrust Code of Conduct; or

(d) Executive has engaged in any willful act that materially damages or materially prejudices SunTrust or a SunTrust Affiliate or has engaged in conduct or activities materially damaging to the property, business or reputation of SunTrust or a SunTrust Affiliate; provided, however,

(e) No such act, omission or event shall be treated as "Cause" under this Agreement unless (i) Executive has been provided a detailed, written statement of the basis for SunTrust's belief that such act, omission or event constitutes "Cause" and an opportunity to meet with the Compensation Committee (together with Executive's counsel if Executive chooses to have Executive's counsel present at such meeting) after Executive has had a reasonable period in which to review such statement and, if the allegation is under (S) 1.2(a), has had at least a thirty (30) day period to take corrective action and

(ii) the Compensation Committee after such meeting (if Executive meets with the Compensation Committee) and after the end of such thirty (30) day correction period (if applicable) determines reasonably and in good faith and by the affirmative vote of at least two thirds of the members of the Compensation Committee then in office at a meeting called and held for such purpose that "Cause" does exist under this Agreement.

1.3 Change in Control. The term "Change in Control" for purposes of this Agreement shall mean a change in control of SunTrust of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act as in effect at the time of such "change in control", provided that such a change in control shall be deemed to have occurred at such time as (i) any "person" (as that term is used in Sections 13(d) and 14(d)(2) of the Exchange Act), is or becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) directly or indirectly, of securities representing 20% or more of the combined voting power for election of directors of the then outstanding securities of SunTrust or any successor of SunTrust; (ii) during any period of two consecutive years or less, individuals who at the beginning of such period constitute the Board cease, for any reason, to constitute at least a majority of the Board, unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period; (iii) the shareholders of SunTrust approve any reorganization, merger, consolidation or share exchange as a result of which the common stock of SunTrust shall be changed, converted or exchanged into or for securities of another corporation (other than a merger with a wholly-owned subsidiary of SunTrust) or any dissolution or liquidation of SunTrust or any sale or the disposition of 50% or more of the assets or business of SunTrust; or

(iv) the shareholders of SunTrust approve any reorganization, merger, consolidation or share exchange unless (A) the persons who were the beneficial owners of the outstanding shares of the common stock of SunTrust immediately before the consummation of such transaction beneficially own more than 65% of the outstanding shares of the common stock of the successor or survivor corporation in such transaction

immediately following the consummation of such transaction and (B) the number of shares of the common stock of such successor or survivor corporation beneficially owned by the persons described in (S) 1.3(iv)(A) immediately following the consummation of such transaction is beneficially owned by each such person in substantially the same proportion that each such person had beneficially owned shares of SunTrust common stock immediately before the consummation of such transaction, provided (C) the percentage described in (S) 1.3(iv)(A) of the beneficially owned shares of the successor or survivor corporation and the number described in (S) 1.3(iv)(B) of the beneficially owned shares of the successor or survivor corporation shall be determined exclusively by reference to the shares of the successor or survivor corporation which result from the beneficial ownership of shares of common stock of SunTrust by the persons described in (S) 1.3(iv)(A) immediately before the consummation of such transaction.

1.4 Change in Control Date. The term "Change in Control Date" for purposes of this Agreement shall mean the date which includes the "closing" of the transaction which results from a Change in Control or, if there is no transaction which results from a Change in Control, the date such Change in Control is reported by SunTrust to the Securities and Exchange Commission.

1.5 Code. The term "Code" for purposes of this Agreement shall mean

the Internal Revenue Code of 1986, as amended.

1.6 Compensation Committee. The term "Compensation Committee" for purposes of this Agreement shall mean the Compensation Committee of the Board.

1.7 Confidential or Proprietary Information. The term "Confidential or Proprietary Information" for purposes of this Agreement shall mean any secret, confidential, or proprietary information of SunTrust or a SunTrust Affiliate (not otherwise included in the definition of Trade Secret in (S) 1.23 of this Agreement) that has not become generally available to the public by the act of one who has the right to disclose such information without violating any right of SunTrust or a SunTrust Affiliate.

1.8 Current Compensation Package. The term "Current Compensation Package" for purposes of (S) 3(a)(2)(A) of this Agreement shall mean the sum of the following:

(a) Executive's highest annual base salary from SunTrust and any SunTrust Affiliate which (but for any salary deferral election) is in effect at any time during the 1 year period which ends on the date Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f);

(b) The greater of (i) Executive's target annual MIP bonus for the calendar year in which Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f) or (ii) the greater of (A) the average of the annual MIP bonus

which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election) for the 3 full calendar years in which Executive has participated in the MIP (or, if less, the number of full calendar years in which Executive has participated in the MIP) which immediately precedes the calendar year in which Executive's employment so terminates or, if Executive was not eligible to participate in the MIP in the calendar year which immediately precedes the calendar year in which Executive's employment so terminates, (B) the greater of (1) the average MIP bonus described in (S)1.8(b)(ii)(A) or (2) the last MIP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election); and

(c) (i) The average of the PUP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election) for the 3 full performance cycles in which Executive has participated in the PUP (or, if less, for the number of full performance cycles in which Executive has participated in the PUP) which immediately precede the performance cycle which ends in the calendar year in which Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f) or, if Executive was not eligible to participate in the PUP for the performance cycle which ends in the calendar year in which Executive's employment so terminates or if there is no such cycle, (ii) the average PUP bonus described in (S)1.8(c)(i) or the last PUP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election), whichever is greater.

1.9 Disability Termination. The term "Disability Termination" for purposes of this Agreement shall mean a termination of Executive's employment on or after the date Executive has a right immediately upon such termination to receive disability income benefits under SunTrust's long term disability plan or any successor to or replacement for such plan.

1.10 Exchange Act. The term "Exchange Act" for purposes of this Agreement shall mean the Securities Exchange Act of 1934, as amended.

1.11. Financial Services Business. The term "Financial Services Business" for purposes of this Agreement shall mean the business of banking, including deposit, credit, trust and investment services, mortgage banking, commercial and auto leasing, insurance, asset management, brokerage and investment banking services.

1.12 Good Reason. The term "Good Reason" for purposes of this

Agreement shall (subject to (S) 1.12(e)) mean:

*(a) SunTrust or any SunTrust Affiliate after a Change in Control
but before the end of Executive's Protection Period reduces
Executive's*

base salary or opportunity to receive comparable incentive compensation or bonuses without Executive's express written consent;

(b) SunTrust or any SunTrust Affiliate after a Change in Control but before the end of Executive's Protection Period reduces the scope of Executive's principal or primary duties, responsibilities or authority without Executive's express written consent;

(c) SunTrust or any SunTrust Affiliate at any time after a Change in Control but before the end of Executive's Protection Period (without Executive's express written consent) transfers Executive's primary work site from Executive's primary work site on the date of such Change in Control or, if Executive subsequently consents in writing to such a transfer under this Agreement, from the primary work site which was the subject of such consent, to a new primary work site which is outside the "standard metropolitan statistical area" which then includes Executive's then current primary work site unless such new primary work site is closer to Executive's primary residence than Executive's then current primary work site; or

(d) SunTrust or any SunTrust Affiliate after a Change in Control but before the end of Executive's Protection Period fails (without Executive's express written consent) to continue to provide to Executive health and welfare benefits, deferred compensation and retirement benefits, stock option and restricted stock grants that are in the aggregate comparable to those provided to Executive immediately prior to the Change in Control Date; provided, however,

(e) No such act or omission shall be treated as "Good Reason" under this Agreement unless

(i) (A) Executive delivers to the Compensation Committee a detailed, written statement of the basis for Executive's belief that such act or omission constitutes Good Reason, (B) Executive delivers such statement before the later of (1) the end of the ninety (90) day period which starts on the date there is an act or omission which forms the basis for Executive's belief that Good Reason exists or (2) the end of the period mutually agreed

upon for purposes of this (S) 1.12(e)(i)(B) in writing by Executive and the Chairman of the Compensation Committee, (C) Executive gives the Compensation Committee a thirty (30) day period after the delivery of such statement to cure the basis for such belief and (D) Executive actually submits Executive's written resignation to the Compensation Committee during the sixty (60) day period which begins immediately after the end of such thirty (30) day period if Executive reasonably and in good faith determines that Good

Reason continues to exist after the end of such thirty (30) day period, or

(ii) SunTrust states in writing to Executive that Executive has the right to treat such act or omission as Good Reason under this Agreement and Executive resigns during the sixty (60) day period which starts on the date such statement is actually delivered to Executive;

(f) If (i) Executive gives the Compensation Committee the statement described in (S) 1.12(e)(i) before the end of the thirty (30) day period which immediately follows the end of the Protection Period and Executive thereafter resigns within the period described in (S) 1.12(e)(i) or (ii) SunTrust provides the statement to Executive described in (S) 1.12(e)(ii) before the end of the thirty (30) day period which immediately follows the end of the Protection Period and Executive thereafter resigns within the period described in (S) 1.12(e)(ii), then (iii) such resignation shall be treated under this Agreement as if made in Executive's Protection Period; and

(g) If Executive consents in writing to any reduction described in (S) 1.12(a) or (S) 1.12(b), to any transfer described in (S) 1.12(c) or to any failure described in (S) 1.12(d) in lieu of exercising Executive's right to resign for Good Reason and delivers such consent to SunTrust, the date such consent is delivered to SunTrust thereafter shall be treated under this definition as the date of a Change in Control for purposes of determining whether Executive subsequently has Good Reason under this Agreement to resign under (S) 3(a) or (S) 3(f) as a result of any subsequent reduction described in (S) 1.12(a) or (S) 1.12(b), any subsequent transfer described in (S)

1.12(c) or any subsequent failure described in (S) 1.12(d).

1.13 Gross Up Payment. The term "Gross Up Payment" for purposes of

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this Agreement shall mean a payment to or on behalf of Executive which shall be sufficient to pay (i) any excise tax described in (S) 9 in full, (ii) any federal, state and local income tax and social security and other employment tax on the payment made to pay such excise tax as well as any additional taxes on such payment and (iii) any interest or penalties assessed by the Internal Revenue Service on Executive which are related to the payment of such excise tax unless such interest or penalties are attributable to Executive's willful misconduct or negligence.*

1.14 Managerial Responsibilities. The term "Managerial Responsibilities" for purposes of this Agreement shall mean managerial and supervisory responsibilities and duties that are substantially the same as those Executive is performing for SunTrust or a SunTrust Affiliate on the date of this Agreement.

1.15 MIP. The term "MIP" for purposes of this Agreement shall mean

the SunTrust Banks, Inc. Management Incentive Plan or, if there is any material change

in the terms, operation or administration of such plan following a Change in Control, any successor to such plan in which Executive is eligible to participate and which provides an opportunity for a bonus for Executive which is comparable to the opportunity which Executive had under such plan before such Change in Control or, if Executive reasonably determines that there is no such plan in which Executive is eligible to participate but SunTrust or a parent corporation maintains a short term bonus plan for the benefit of senior executives which provides for such an opportunity, such other plan as agreed to by Executive and the Compensation Committee.

1.16 Protection Period. The term "Protection Period" for purposes of this Agreement shall (subject to (S) 1.12(f)) mean the two (2) year period which begins on a Change in Control Date.

1.17 PUP. The term "PUP" for purposes of this Agreement shall mean

the SunTrust Banks, Inc. Performance Unit Plan or, if there is any material change in the terms, operation or administration of such plan following a Change in Control, any successor to such plan in which Executive is eligible to participate and which provides an opportunity for a bonus for Executive which is comparable to the opportunity which Executive had under such plan before such Change in Control or, if Executive reasonably determines that there is no such plan in which Executive is eligible to participate but SunTrust or a parent corporation maintains a long term bonus plan for the benefit of senior executives which provides for such an opportunity, such other plan as agreed to by Executive and the Compensation Committee.

1.18 Restricted Period. The term "Restricted Period" for purposes of this Agreement shall mean the period which starts on the date Executive's employment by SunTrust or a SunTrust Affiliate terminates under circumstances which require SunTrust to make the payments and provide the benefits described in (S) 3 and which ends on the earlier of (a)(i) the first anniversary of such termination date for purposes of (S) 5 and (ii) the second anniversary of such termination date for all other purposes under this Agreement, or (b) on the first date following such a termination on which SunTrust either breaches any obligation to Executive under (S) 3 or no longer has any obligation to Executive

under (S) 3.

1.19 SunTrust. The term "SunTrust" for purposes of this Agreement

shall mean SunTrust Banks, Inc. and any successor to SunTrust.

1.20 SunTrust Affiliate. The term "SunTrust Affiliate" for purposes of this Agreement shall mean any corporation which is a subsidiary corporation (within the meaning of (S) 424(f) of the Code) of SunTrust except a corporation which has subsidiary corporation status under (S) 424(f) of the Code exclusively as a result of SunTrust or a SunTrust Affiliate holding stock in such corporation as a fiduciary with respect to any trust, estate, conservatorship, guardianship or agency.

1.21 Term. The term "Term" for purposes of this Agreement shall mean

the period described in (S) 2(b).

1.22 Territory. The term "Territory" for purposes of this Agreement shall mean the state of Tennessee.

1.23 Trade Secret. The term "Trade Secret" for purposes of this Agreement shall mean information, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers that:

(a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and

(b) is the subject of reasonable efforts by SunTrust or a SunTrust Affiliate to maintain its secrecy.

(S) 2.

Effective Date and Term

(a) Effective Date. This Agreement shall be effective on the earlier of the date that

(1) SunTrust no longer can participate in any transaction which can be accounted for on the "pooling of interests" method under the requirements of Accounting Principles Board Opinion No. 16, Business Combinations without regard to whether this Agreement is effective on such date,

(2) a Change in Control cannot be accounted for on such "pooling of interests" method without regard to the date this Agreement becomes effective, or

(3) a Change in Control can be accounted for on such "pooling of interests" method without regard to whether this Agreement is effective on the date of such Change in Control;

provided, this Agreement shall be effective at the end of the six (6) month period which starts on the date of this Agreement (even if neither (S) 2(1), (S) 2(2) nor (S) 2(3) is applicable) if SunTrust has not entered into a letter of intent or other written agreement to effect a Change in Control before the end of such period.

(b) Term.

(1) The Term of this Agreement shall be the period which starts on the date on which this Agreement becomes effective under (S) 2(a) and ends (subject to (S) 2(b)(2) and (S) 2(b)(3)) on the third anniversary of such effective date.

(2) The Term of this Agreement shall automatically be extended for one additional year effective as of the first anniversary of the date on which this Agreement becomes effective under (S) 2(a) and one additional year effective as of each such anniversary date thereafter unless either Executive or SunTrust delivers to the other person notice to the effect that there will be no such one year extension before the beginning of the 90 day period which ends on the anniversary date on which such automatic one year extension otherwise would have been effective.

(3) (A) If Executive's Protection Period starts before the Term of this Agreement (as extended, if applicable, under (S) 2(b)(2)) expires, the then Term of this Agreement shall automatically be extended until the expiration of such Protection Period.

(B) If Executive's employment terminates during Executive's Protection Period under the circumstances described in (S) 3(a) or if Executive's employment terminates under the

circumstances described in (S) 3(f) before the Term of this Agreement (as extended, if applicable, under (S) 2(b)(2)) expires, the then Term of this Agreement shall automatically be extended until the earlier of (1) the date Executive agrees that all SunTrust's obligations to Executive under this Agreement have been satisfied in full or (B) the date a final determination is made pursuant to (S) 8 that SunTrust has no further obligations to Executive under this Agreement.

(S) 3.

Compensation and Benefits

(a) General. If a Change in Control occurs during the Term of this Agreement and

(1) SunTrust or a SunTrust Affiliate terminates Executive's employment without Cause during Executive's Protection Period or

(2) Executive resigns for Good Reason during Executive's Protection Period, then:

(A) Cash Payment. SunTrust shall pay Executive two (2)

times Executive's Current Compensation Package in cash in a lump sum within 30 days after the date Executive's employment so terminates.

(B) Stock Options. Each outstanding stock option granted to Executive by SunTrust shall (subject to (S) 3(a)(2)(G)) immediately become fully vested and exercisable on the date Executive's employment so terminates and Executive shall be deemed to continue to be employed by

SunTrust for the period described in (S) 3(d) for purposes of determining when Executive's right to exercise each such option expires notwithstanding the terms of any plan or agreement under which such option was granted.

(C) Restricted Stock. Any restrictions on any outstanding restricted or performance stock grants to

Executive by SunTrust shall (subject to (S) 3(a)(2)(G)) immediately expire and Executive's right to such stock shall be non-forfeitable notwithstanding the terms of any plan or agreement under which such grants were made.

(D) Earned but Unpaid Salary, Bonus and Vacation. SunTrust shall promptly pay Executive any earned but unpaid base salary and bonus, shall promptly pay Executive for any earned but untaken vacation and shall promptly reimburse Executive for any incurred but unreimbursed expenses which are otherwise reimbursable under SunTrust's expense reimbursement policy as in effect for senior executives immediately before Executive's employment so terminates.

(E) MIP. SunTrust shall pay Executive within 30 days

after Executive's employment terminates a portion of Executive's target bonus or, if greater, Executive's projected bonus under the MIP for the calendar year in which Executive's employment terminates, where (1) Executive's projected bonus shall be no less than the bonus which would have been projected under the projection procedures in effect under the MIP on the date of the Change in Control and (2) such portion shall be determined by multiplying such target bonus or, if greater, such projected bonus by a fraction, the numerator of which shall be the number of days

Executive is employed in such calendar year and the denominator of which shall be the number of days in such calendar year.

(F) PUP. SunTrust shall pay Executive within 30 days

after Executive's employment terminates a portion of Executive's target bonus or, if greater, Executive's projected bonus under the PUP for each performance cycle in effect on the date Executive's employment terminates, where

(1) Executive's projected bonus shall be no less than the bonus which would have been projected under the projection procedures in effect under the PUP on the date of the Change in Control and (2) such portion shall be determined by multiplying such target bonus or, if greater, such projected bonus by a fraction, the numerator of which shall be the number of days Executive is employed in each such performance cycle and the denominator of which shall be the number of days in each such performance cycle.

(G) Pooling. The provisions of (S) 3(a)(2)(B) and (S)

3(a)(2)(C) shall be effective on the earlier of (1) the date that SunTrust no longer can participate in any transaction which can be accounted for on the "pooling of interests" method under the requirements of Accounting Principles Board Opinion No. 16, Business Combinations without regard to whether these provisions are effective on such date, (2) the date there is a Change in Control which can not be accounted for on such "pooling of interests" method without regard to the date these provisions become effective or (3) the date there is a Change in Control which can be accounted for on such "pooling of interests" method without regard to whether these provisions are effective on the date of such Change in Control; provided, these provisions shall be effective at the end of the two (2) year period which starts on the date of this Agreement (even if neither (S) 3(a)(2)(G)(1), (S) 3(a)(2)(G)(2) nor (S) 3(a)(2)(G)(3) is applicable) if SunTrust has not entered into a letter of intent or other written agreement to effect a Change in Control before the end of such period.

(b) Continuing Benefit Coverage. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), SunTrust or a SunTrust Affiliate from the date of such termination of Executive's employment until the end of Executive's Protection Period shall provide to Executive medical, dental and life insurance benefits which are similar in all material respects as those benefits provided under SunTrust's

employee benefit plans, policies and programs to senior executives of SunTrust who have not terminated their employment. If SunTrust cannot provide such benefits under SunTrust's employee benefit plans, policies and programs, SunTrust either shall provide such benefits to Executive outside such plans, policies and programs at no additional expense or tax liability to Executive or shall reimburse Executive for Executive's cost to purchase such benefits and for any tax liability for such reimbursements.

(c) No Interference with Vested Benefits. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive shall have a right to any benefits under any employee benefit plan, policy or program maintained by SunTrust or any SunTrust Affiliate (other than the MIP, the PUP and the SunTrust Severance Pay Plan) which Executive had a right to receive under the terms of such employee benefit plan, policy or program after a termination of Executive's employment without regard to this Agreement.

(d) Additional Age and Service Credit. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive shall be deemed to have been employed by SunTrust throughout Executive's Protection Period for purposes of computing Executive's age and service credit on the date Executive's employment so terminates under any deferred compensation or welfare plan, policy or program (except a plan described in (S) 401 of the Code) maintained by SunTrust or a SunTrust Affiliate in which Executive is a participant and under which Executive's benefit, or eligibility for a benefit, is based in whole or in part on Executive's age or service or age and service, and Executive shall receive such age and service credit notwithstanding the terms of any such plan, policy or program.

(e) No Increase in Other Benefits; No Other Severance Pay. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive waives Executive's right, if any, to have any payment made under this (S) 3 taken into account to increase the benefits otherwise payable to, or on behalf of, Executive under any employee benefit plan, policy or program, whether qualified or nonqualified, maintained by SunTrust or a SunTrust Affiliate and, further, waives Executive's right, if any, to the payment of severance pay under any severance pay plan, policy or program maintained by SunTrust or a SunTrust Affiliate subject to the condition that SunTrust not be relieved of any of its obligations to Executive under

this (S) 3 pursuant to (S) 3(g) or (S) 3(h).

(f) Termination in Anticipation of Change in Control Date.

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Executive shall be treated under (S) 3(a) as if Executive's employment
had been terminated without Cause or Executive had resigned for Good*

Reason during Executive's Protection Period if (1)(A) Executive's employment is terminated by SunTrust or a SunTrust Affiliate without Cause after a Change in Control but before the Change in Control Date which results from such Change in Control or (B) Executive resigns for Good Reason after a Change in Control but before the Change in Control Date which results from such Change in Control, (2) such Change in Control occurs on or after the date this Agreement becomes effective under (S) 2 and (3) there is a Change in Control Date which results from such Change in Control.

(g) Death or Disability. Executive agrees that SunTrust will have no obligations to Executive under this (S) 3 if Executive's employment terminates exclusively as a result of Executive's death or Executive has a Disability Termination.

(h) Release. Executive agrees that SunTrust will have no obligations to Executive under this (S) 3 until Executive executes the form of release which is attached as Exhibit A to this Agreement and, further, will have no further obligations to Executive under this (S) 3 if Executive revokes such release.

(S) 4

Noncompetition

(a) No Competitive Activity. Absent the Compensation Committee's written consent, Executive shall not, during the Restricted Period and within the Territory, engage in any Managerial Responsibilities, for or on behalf of, any corporation, partnership, venture, or other business entity that engages directly or indirectly in the Financial Services Business whether as an owner, partner, employee, agent, consultant, advisor, contractor, salesman, stockholder, investor, officer or director; provided, however, Executive may own up to five percent (5%) of the stock of a publicly traded company that engages in the Financial Services Business so long as Executive is only a passive investor and is not actively involved in such company in any way.

(b) No Solicitation of Customers or Clients. Executive shall not during the Restricted Period solicit any customer or client of SunTrust or any SunTrust Affiliate with whom Executive had any material business contact during the two (2) year period which ends on the date Executive's employment by SunTrust or a SunTrust Affiliate terminates for the purpose of competing with SunTrust or any SunTrust Affiliate for any reason, either individually, or as an owner, partner, employee, agent, consultant, advisor, contractor, salesman, stockholder, investor, officer or director of, or

service provider to, any corporation, partnership, venture or other business entity.

(S) 5.

Antipirating of Employees

Absent the Compensation Committee's written consent, Executive will not during the Restricted Period solicit to employ on Executive's own behalf or on behalf of any other person, firm or corporation, any person who was employed by SunTrust or a SunTrust Affiliate during the term of Executive's employment by SunTrust or a SunTrust Affiliate (whether or not such employee would commit a breach of contract), and who has not ceased to be employed by SunTrust or a SunTrust Affiliate for a period of at least one (1) year.

(S) 6.

Trade Secrets and Confidential Information

Executive hereby agrees that Executive will hold in a fiduciary capacity for the benefit of SunTrust and each SunTrust Affiliate, and will not directly or indirectly use or disclose, any Trade Secret that Executive may have acquired during the term of Executive's employment by SunTrust or a SunTrust Affiliate for so long as such information remains a Trade Secret.

Executive in addition agrees that during the Restricted Period Executive will hold in a fiduciary capacity for the benefit of SunTrust and each SunTrust Affiliate, and will not directly or indirectly use or disclose, any Confidential or Proprietary Information that Executive may have acquired (whether or not developed or compiled by Executive and whether or not Executive was authorized to have access to such information) during the term of, in the course of, or as a result of Executive's employment by SunTrust or a SunTrust Affiliate.

(S) 7.

Reasonable and Necessary Restrictions and Non-Disparagement

Executive acknowledges that the restrictions, prohibitions and other provisions set forth in this Agreement, including without limitation the Territory and Restricted Period, are reasonable, fair and equitable in scope, terms and duration; are necessary to protect the legitimate business interests of SunTrust; and are a material inducement to SunTrust to enter into this Agreement. Executive covenants that Executive will not challenge the enforceability of this Agreement nor will Executive raise any equitable defense to its enforcement. Further, Executive and SunTrust each agree not to knowingly make false or materially misleading statements or disparaging comments about the other during the Restricted Period.

(S) 8.

Arbitration

Any dispute, controversy or claim arising out of or relating to this Agreement shall be determined by binding arbitration in accordance with Title 9 of the United States Code and the applicable set of arbitration rules of the American Arbitration Association. Judgment upon any award made in such arbitration may be entered and enforced in any court of competent jurisdiction. All statutes of limitation which would otherwise be applicable in a judicial action brought by a party shall apply to any arbitration or reference proceeding hereunder. Neither SunTrust nor Executive shall appeal such award to or seek review, modification, or vacation of such award in any court or regulatory agency. Unless otherwise agreed, venue for arbitration shall be in Atlanta, Georgia. All of Executive's reasonable costs and expenses incurred in connection with such arbitration shall be paid in full by SunTrust promptly on written demand from Executive, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees and attorneys' fees; provided, however, SunTrust shall pay no more than \$30,000 in attorneys' fees unless a higher figure is awarded in the arbitration, in which event SunTrust shall pay the figure awarded in the arbitration.

(S) 9.

Tax Protection

If SunTrust or SunTrust's independent accountants determine that any payments and benefits called for under this Agreement together with any other payments and benefits made available to Executive by SunTrust or a SunTrust Affiliate will result in Executive being subject to an excise tax under (S) 4999 of the Code or if such an excise tax is assessed against Executive as a result of any such payments and other benefits, SunTrust shall make a Gross Up Payment to or on behalf of Executive as and when any such determination or assessment is made, provided Executive takes such action (other than waiving Executive's right to any payments or benefits) as SunTrust reasonably requests under the circumstances to mitigate or challenge such tax. Any determination under this (S) 9 by SunTrust or SunTrust's independent accountants shall be made in accordance with (S) 280G of the Code and any applicable related regulations (whether proposed, temporary or final) and any related Internal Revenue Service rulings and any related case law and, if SunTrust reasonably requests that Executive take action to mitigate or challenge, or to mitigate and challenge, any such tax or assessment (other than waiving Executive's right to any payment or benefit) and Executive complies with such request, SunTrust shall provide Executive with such information and such expert advice and assistance from SunTrust's independent accountants, lawyers and other advisors as Executive may reasonably request and

shall pay for all expenses incurred in effecting such compliance and any related fines, penalties, interest and other assessments.

(S) 10.

Miscellaneous Provisions

10.1 Assignment. This Agreement is for the personal services of Executive, and the rights and obligations of Executive under this Agreement are not assignable in whole or in part by Executive without the prior written consent of SunTrust. This Agreement is assignable in whole or in part to any successor to SunTrust. However, if SunTrust as part of any Change in Control transaction fails to assign SunTrust's obligations under this Agreement to SunTrust's successor or such successor fails to expressly agree to such assignment on or before the Change in Control Date, SunTrust on the Change in Control Date shall (without any further action on the part of Executive) take the action called for in (S) 3 of this Agreement as if Executive had been terminated without Cause without regard to whether Executive's employment actually has terminated.

10.2 Governing Law. This Agreement will be governed by and construed under the laws of the State of Georgia (without reference to the choice of law principles thereof), except to the extent superseded by federal law.

10.3 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.4 Headings; References. The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. Any reference to a section ((S)) shall be to a section ((S)) of this Agreement unless there is an express reference to a section ((S)) of the Code or the Exchange Act, in which event the reference shall be to the Code or to the Exchange Act, whichever is applicable.

10.5 Amendments and Waivers. Except as otherwise specified in this Agreement, this Agreement may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of SunTrust and Executive.

10.6 Severability. Any provision of this Agreement held to be unenforceable under applicable law will be enforced to the maximum extent possible, and the balance of this Agreement will remain in full force and effect.

10.7 Entire Agreement. This Agreement constitutes the entire understanding and agreement of SunTrust and Executive with respect to the matters

contemplated in this Agreement, and supersedes all prior understandings and agreements between SunTrust and Executive with respect to such transactions.

10.8 Notices. Any notice required hereunder to be given by either SunTrust or Executive will be in writing and will be deemed effectively given upon personal delivery to the party to be notified or five (5) days after deposit with the United States Post Office by registered or certified mail, postage prepaid, to the other party at the address set forth below or to such other address as either party may from time to time designate by ten (10) days advance written notice pursuant to this (S) 10.8. All such written communication will be directed as follows:

If to SunTrust:

SunTrust Banks, Inc.
Attention: Chief Executive Officer
303 Peachtree St., NE, 30/th/ Floor
Atlanta, GA 30308

If to Executive, to the most recent address Executive has provided to SunTrust for inclusion in Executive's personnel records.

10.9 Binding Effect. This Agreement shall be for the benefit of, and shall be binding upon, SunTrust and Executive and their respective heirs, personal representatives, legal representatives, successors and assigns, subject, however, to the provisions in (S) 10.1 of this Agreement.

10.10 Not an Employment Contract. This Agreement is not an employment contract and shall not give Executive the right to continue in employment by SunTrust or a SunTrust Affiliate for any period of time or from time to time. Moreover, this Agreement shall not adversely affect the right of SunTrust or a SunTrust Affiliate to terminate Executive's employment with or without cause at any time.

IN WITNESS WHEREOF, SunTrust and Executive have entered into this Agreement this ____ day of March, 2001, and such date shall be the date of this Agreement.

SUNTRUST BANKS, INC.

EXECUTIVE

By: /s/ Mary T. Steele

Mary T. Steele

*Title: Senior Vice President and
Human Resources Director*

The attached form of agreement has been signed by the following executive officers:

Raymond D. Fortin
Mary T. Steele
Robert C. Whitehead
David F. Dierker
Donald T. Heroman
Deborah A. Jamison
William P. O'Halloran
Brian E. Szabo
Robert J. Williams
Gary Peacock
Joy Wilder Morgan

CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement ("Agreement") is entered into by and between SunTrust Banks, Inc., a Georgia corporation ("SunTrust"), and _____ ("Executive").

WHEREAS, Executive is employed by SunTrust or provides services directly or indirectly to SunTrust as a senior executive of SunTrust or one, or more than one, SunTrust Affiliate; and

WHEREAS, the Board and the Compensation Committee have decided that SunTrust should provide certain benefits to Executive in the event Executive's employment is terminated without Cause or Executive resigns for Good Reason following a Change in Control; and

WHEREAS, this Agreement sets forth the benefits which the Board and the Compensation Committee have decided SunTrust shall provide under such circumstances and the terms and conditions under which the Board and the Compensation Committee have decided that such benefits shall be provided;

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SunTrust and Executive hereby agree as follows:

(S) 1.

Definitions

1.1 Board. The term "Board" for purposes of this Agreement shall mean the Board of Directors of SunTrust.

1.2 Cause. The term "Cause" for purposes of this Agreement shall

(subject to (S) 1.2(e)) mean:

(a) The willful and continued failure by Executive to perform satisfactorily the duties of Executive's job;

(b) Executive is convicted of a felony or has engaged in a dishonest act, misappropriation of funds, embezzlement, criminal conduct or common law fraud;

(c) Executive has engaged in a material violation of the SunTrust Code of Conduct; or

(d) Executive has engaged in any willful act that materially damages or materially prejudices SunTrust or a SunTrust Affiliate or has engaged in conduct or activities materially damaging to the property, business or reputation of SunTrust or a SunTrust Affiliate; provided, however,

(e) No such act, omission or event shall be treated as "Cause" under this Agreement unless (i) Executive has been provided a detailed, written statement of the basis for SunTrust's belief that such act, omission or event constitutes "Cause" and an opportunity to meet with the Compensation Committee (together with Executive's counsel if Executive chooses to have Executive's counsel present at such meeting) after Executive has had a reasonable period in which to review such statement and, if the allegation is under (S) 1.2(a), has had at least a thirty (30) day period to take corrective action and

(ii) the Compensation Committee after such meeting (if Executive meets with the Compensation Committee) and after the end of such thirty (30) day correction period (if applicable) determines reasonably and in good faith and by the affirmative vote of at least two thirds of the members of the Compensation Committee then in office at a meeting called and held for such purpose that "Cause" does exist under this Agreement.

1.3 Change in Control. The term "Change in Control" for purposes of this Agreement shall mean a change in control of SunTrust of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act as in effect at the time of such "change in control", provided that such a change in control shall be deemed to have occurred at such time as (i) any "person" (as that term is used in Sections 13(d) and 14(d)(2) of the Exchange Act), is or becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) directly or indirectly, of securities representing 20% or more of the combined voting power for election of directors of the then outstanding securities of SunTrust or any successor of SunTrust; (ii) during any period of two consecutive years or less, individuals who at the beginning of such period constitute the Board cease, for any reason, to constitute at least a majority of the Board, unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period; (iii) the shareholders of SunTrust approve any reorganization, merger, consolidation or share exchange as a result of which the common stock of SunTrust shall be changed, converted or exchanged into or for securities of another corporation (other than a merger with a wholly-owned subsidiary of SunTrust) or any dissolution or liquidation of SunTrust or any sale or the disposition of 50% or more of the assets or business of SunTrust; or

(iv) the shareholders of SunTrust approve any reorganization, merger, consolidation or share exchange unless (A) the persons who were the beneficial owners of the outstanding shares of the common stock of SunTrust immediately before the consummation of such transaction beneficially own more than 65% of the outstanding shares of the common stock of the successor or survivor corporation in such transaction

immediately following the consummation of such transaction and (B) the number of shares of the common stock of such successor or survivor corporation beneficially owned by the persons described in (S) 1.3(iv)(A) immediately following the consummation of such transaction is beneficially owned by each such person in substantially the same proportion that each such person had beneficially owned shares of SunTrust common stock immediately before the consummation of such transaction, provided (C) the percentage described in (S) 1.3(iv)(A) of the beneficially owned shares of the successor or survivor corporation and the number described in (S) 1.3(iv)(B) of the beneficially owned shares of the successor or survivor corporation shall be determined exclusively by reference to the shares of the successor or survivor corporation which result from the beneficial ownership of shares of common stock of SunTrust by the persons described in (S) 1.3(iv)(A) immediately before the consummation of such transaction.

1.4 Change in Control Date. The term "Change in Control Date" for purposes of this Agreement shall mean the date which includes the "closing" of the transaction which results from a Change in Control or, if there is no transaction which results from a Change in Control, the date such Change in Control is reported by SunTrust to the Securities and Exchange Commission.

1.5 Code. The term "Code" for purposes of this Agreement shall mean

the Internal Revenue Code of 1986, as amended.

1.6 Compensation Committee. The term "Compensation Committee" for purposes of this Agreement shall mean the Compensation Committee of the Board.

1.7 Confidential or Proprietary Information. The term "Confidential or Proprietary Information" for purposes of this Agreement shall mean any secret, confidential, or proprietary information of SunTrust or a SunTrust Affiliate (not otherwise included in the definition of Trade Secret in (S) 1.20 of this Agreement) that has not become generally available to the public by the act of one who has the right to disclose such information without violating any right of SunTrust or a SunTrust Affiliate.

1.8 Current Compensation Package. The term "Current Compensation Package" for purposes of (S) 3(a)(2)(A) of this Agreement shall mean the sum of the following:

(a) Executive's highest annual base salary from SunTrust and any SunTrust Affiliate which (but for any salary deferral election) is in effect at any time during the 1 year period which ends on the date Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f);

(b) The greater of (i) Executive's target annual MIP bonus for the calendar year in which Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f) or (ii) the greater of (A) the average of the annual MIP bonus

which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election) for the 3 full calendar years in which Executive has participated in the MIP (or, if less, the number of full calendar years in which Executive has participated in the MIP) which immediately precedes the calendar year in which Executive's employment so terminates or, if Executive was not eligible to participate in the MIP in the calendar year which immediately precedes the calendar year in which Executive's employment so terminates, (B) the greater of (1) the average MIP bonus described in (S)1.8(b)(ii)(A) or (2) the last MIP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election); and

(c) (i) The average of the PUP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election) for the 3 full performance cycles in which Executive has participated in the PUP (or, if less, for the number of full performance cycles in which Executive has participated in the PUP) which immediately precede the performance cycle which ends in the calendar year in which Executive's employment with SunTrust or a SunTrust Affiliate terminates under the circumstances described in (S) 3(a) or (S) 3(f) or, if Executive was not eligible to participate in the PUP for the performance cycle which ends in the calendar year in which Executive's employment so terminates or if there is no such cycle, (ii) the average PUP bonus described in (S)1.8(c)(i) or the last PUP bonus which was paid to Executive (or, if greater, which would have been paid to Executive but for any bonus deferral election), whichever is greater.

1.9 Disability Termination. The term "Disability Termination" for purposes of this Agreement shall mean a termination of Executive's employment on or after the date Executive has a right immediately upon such termination to receive disability income benefits under SunTrust's long term disability plan or any successor to or replacement for such plan.

1.10 Exchange Act. The term "Exchange Act" for purposes of this Agreement shall mean the Securities Exchange Act of 1934, as amended.

1.11 Good Reason. The term "Good Reason" for purposes of this

Agreement shall (subject to (S) 1.11(e)) mean:

(a) SunTrust or any SunTrust Affiliate after a Change in Control but before the end of Executive's Protection Period reduces Executive's base salary or opportunity to receive comparable incentive compensation or bonuses without Executive's express written consent;

(b) SunTrust or any SunTrust Affiliate after a Change in Control but before the end of Executive's Protection Period reduces the scope of

Executive's principal or primary duties, responsibilities or authority without Executive's express written consent;

(c) SunTrust or any SunTrust Affiliate at any time after a Change in Control but before the end of Executive's Protection Period (without Executive's express written consent) transfers Executive's primary work site from Executive's primary work site on the date of such Change in Control or, if Executive subsequently consents in writing to such a transfer under this Agreement, from the primary work site which was the subject of such consent, to a new primary work site which is outside the "standard metropolitan statistical area" which then includes Executive's then current primary work site unless such new primary work site is closer to Executive's primary residence than Executive's then current primary work site; or

(d) SunTrust or any SunTrust Affiliate after a Change in Control but before the end of Executive's Protection Period fails (without Executive's express written consent) to continue to provide to Executive health and welfare benefits, deferred compensation and retirement benefits, stock option and restricted stock grants that are in the aggregate comparable to those provided to Executive immediately prior to the Change in Control Date; provided, however,

(e) No such act or omission shall be treated as "Good Reason" under this Agreement unless

(i) (A) Executive delivers to the Compensation Committee a detailed, written statement of the basis for Executive's belief that such act or omission constitutes Good Reason, (B) Executive delivers such statement before the later of (1) the end of the ninety (90) day period which starts on the date there is an act or omission which forms the basis for Executive's belief that Good Reason exists or (2) the end of the period mutually agreed

upon for purposes of this (S) 1.11(e)(i)(B) in writing by Executive and the Chairman of the Compensation Committee, (C) Executive gives the Compensation Committee a thirty (30) day period after the delivery of such statement to cure the basis for such belief and (D) Executive actually submits Executive's written resignation to the Compensation Committee during the sixty (60) day period which begins immediately after the end of such thirty (30) day period if Executive reasonably and in good faith determines that Good Reason continues to exist after the end of such thirty (30) day period, or

(ii) SunTrust states in writing to Executive that Executive has the right to treat such act or omission as Good Reason under

this Agreement and Executive resigns during the sixty (60) day period which starts on the date such statement is actually delivered to Executive;

(f) If (i) Executive gives the Compensation Committee the statement described in (S) 1.11(e)(i) before the end of the thirty (30) day period which immediately follows the end of the Protection Period and Executive thereafter resigns within the period described in (S) 1.11(e)(i) or (ii) SunTrust provides the statement to Executive described in (S) 1.11(e)(ii) before the end of the thirty (30) day period which immediately follows the end of the Protection Period and Executive thereafter resigns within the period described in (S) 1.11(e)(ii), then (iii) such resignation shall be treated under this Agreement as if made in Executive's Protection Period; and

(g) If Executive consents in writing to any reduction described in (S) 1.11(a) or (S) 1.11(b), to any transfer described in (S) 1.11(c) or to any failure described in (S) 1.11(d) in lieu of exercising Executive's right to resign for Good Reason and delivers such consent to SunTrust, the date such consent is delivered to SunTrust thereafter shall be treated under this definition as the date of a Change in Control for purposes of determining whether Executive subsequently has Good Reason under this Agreement to resign under (S) 3(a) or (S) 3(f) as a result of any subsequent reduction described in (S) 1.11(a) or (S) 1.11(b), any subsequent transfer described in (S)

1.11(c) or any subsequent failure described in (S) 1.11(d).

1.12 Gross Up Payment. The term "Gross Up Payment" for purposes of

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this Agreement shall mean a payment to or on behalf of Executive which shall be sufficient to pay (i) any excise tax described in (S) 9 in full, (ii) any federal, state and local income tax and social security and other employment tax on the payment made to pay such excise tax as well as any additional taxes on such payment and (iii) any interest or penalties assessed by the Internal Revenue Service on Executive which are related to the payment of such excise tax unless such interest or penalties are attributable to Executive's willful misconduct or negligence.*

1.13 MIP. The term "MIP" for purposes of this Agreement shall mean

the SunTrust Banks, Inc. Management Incentive Plan or, if there is any material change in the terms, operation or administration of such plan following a Change in Control, any successor to such plan in which Executive is eligible to participate and which provides an opportunity for a bonus for Executive which is comparable to the opportunity which Executive had under such plan before such Change in Control or, if Executive reasonably determines that there is no such plan in which Executive is eligible to participate but SunTrust or a parent corporation maintains a short term bonus plan for the benefit of senior executives which provides for such an opportunity, such other plan as agreed to by Executive and the Compensation Committee.

1.14 Protection Period. The term "Protection Period" for purposes of this Agreement shall (subject to (S) 1.11(f)) mean the two (2) year period which begins on a Change in Control Date.

1.15 PUP. The term "PUP" for purposes of this Agreement shall mean

the SunTrust Banks, Inc. Performance Unit Plan or, if there is any material change in the terms, operation or administration of such plan following a Change in Control, any successor to such plan in which Executive is eligible to participate and which provides an opportunity for a bonus for Executive which is comparable to the opportunity which Executive had under such plan before such Change in Control or, if Executive reasonably determines that there is no such plan in which Executive is eligible to participate but SunTrust or a parent corporation maintains a long term bonus plan for the benefit of senior executives which provides for such an opportunity, such other plan as agreed to by Executive and the Compensation Committee.

1.16 Restricted Period. The term "Restricted Period" for purposes of this Agreement shall mean the period which starts on the date Executive's employment by SunTrust or a SunTrust Affiliate terminates under circumstances which require SunTrust to make the payments and provide the benefits described in (S) 3 and which ends on the earlier of (a)(i) the first anniversary of such termination date for purposes of (S) 5 and (ii) the second anniversary of such termination date for all other purposes under this Agreement, or (b) on the first date following such a termination on which SunTrust either breaches any obligation to Executive under (S) 3 or no longer has any obligation to Executive

under (S) 3.

1.17 SunTrust. The term "SunTrust" for purposes of this Agreement

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shall mean SunTrust Banks, Inc. and any successor to SunTrust.*

1.18 SunTrust Affiliate. The term "SunTrust Affiliate" for purposes of this Agreement shall mean any corporation which is a subsidiary corporation (within the meaning of (S) 424(f) of the Code) of SunTrust except a corporation which has subsidiary corporation status under (S) 424(f) of the Code exclusively as a result of SunTrust or a SunTrust Affiliate holding stock in such corporation as a fiduciary with respect to any trust, estate, conservatorship, guardianship or agency.

1.19 Term. The term "Term" for purposes of this Agreement shall mean

the period described in (S) 2(b).

1.20 Trade Secret. The term "Trade Secret" for purposes of this

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Agreement shall mean information, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers that:*

(a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means

by, other persons who can obtain economic value from its disclosure or use, and

(b) is the subject of reasonable efforts by SunTrust or a SunTrust Affiliate to maintain its secrecy.

(S) 2.

Effective Date and Term

(a) Effective Date. This Agreement shall be effective on the earlier of the date that

(1) SunTrust no longer can participate in any transaction which can be accounted for on the "pooling of interests" method under the requirements of Accounting Principles Board Opinion No. 16, Business Combinations without regard to whether this Agreement is effective on such date,

(2) a Change in Control cannot be accounted for on such "pooling of interests" method without regard to the date this Agreement becomes effective, or

(3) a Change in Control can be accounted for on such "pooling of interests" method without regard to whether this Agreement is effective on the date of such Change in Control;

provided, this Agreement shall be effective at the end of the six (6) month period which starts on the date of this Agreement (even if neither (S) 2(1), (S) 2(2) nor (S) 2(3) is applicable) if SunTrust has not entered into a letter of intent or other written agreement to effect a Change in Control before the end of such period.

(b) Term.

(1) The Term of this Agreement shall be the period which starts on the date on which this Agreement becomes effective under (S) 2(a) and ends (subject to (S) 2(b)(2) and (S) 2(b)(3)) on the third anniversary of such effective date.

(2) The Term of this Agreement shall automatically be extended for one additional year effective as of the first anniversary of the date on which this Agreement becomes effective under (S) 2(a) and one additional year effective as of each such anniversary date thereafter unless either Executive or SunTrust delivers to the other person notice to the effect that there will be no

such one year extension before the beginning of the 90 day period which ends on the anniversary date on which such automatic one year extension otherwise would have been effective.

(3) (A) If Executive's Protection Period starts before the Term of this Agreement (as extended, if applicable, under (S) 2(b)(2)) expires, the then Term of this Agreement shall automatically be extended until the expiration of such Protection Period.

(B) If Executive's employment terminates during Executive's Protection Period under the circumstances described in (S) 3(a) or if Executive's employment terminates under the

circumstances described in (S) 3(f) before the Term of this Agreement (as extended, if applicable, under (S) 2(b)(2)) expires, the then Term of this Agreement shall automatically be extended until the earlier of (1) the date Executive agrees that all SunTrust's obligations to Executive under this Agreement have been satisfied in full or (B) the date a final determination is made pursuant to (S) 8 that SunTrust has no further obligations to Executive under this Agreement.

(S) 3.

Compensation and Benefits

(a) General. If a Change in Control occurs during the Term of this Agreement and

(1) SunTrust or a SunTrust Affiliate terminates Executive's employment without Cause during Executive's Protection Period or

(2) Executive resigns for Good Reason during Executive's Protection Period, then:

(A) Cash Payment. SunTrust shall pay Executive two

(2) times Executive's Current Compensation Package in cash in a lump sum within 30 days after the date Executive's employment so terminates.

(B) Stock Options. Each outstanding stock option granted to Executive by SunTrust shall (subject to (S)

3(a)(2)(G)) immediately become fully vested and exercisable on the date Executive's employment so terminates and Executive shall be deemed to continue to be employed by

SunTrust for the period described in (S) 3(d) for

purposes of determining when Executive's right to exercise each such option expires notwithstanding the terms of any plan or agreement under which such option was granted.

(C) Restricted Stock. Any restrictions on any outstanding restricted or performance stock grants to

Executive by SunTrust shall (subject to (S) 3(a)(2)(G)) immediately expire and Executive's right to such stock shall be non-forfeitable notwithstanding the terms of any plan or agreement under which such grants were made.

(D) Earned but Unpaid Salary, Bonus and Vacation. SunTrust shall promptly pay Executive any earned but unpaid base salary and bonus, shall promptly pay Executive for any earned but untaken vacation and shall promptly reimburse Executive for any incurred but unreimbursed expenses which are otherwise reimbursable under SunTrust's expense reimbursement policy as in effect for senior executives immediately before Executive's employment so terminates.

(E) MIP. SunTrust shall pay Executive within 30 days

after Executive's employment terminates a portion of Executive's target bonus or, if greater, Executive's projected bonus under the MIP for the calendar year in which Executive's employment terminates, where (1) Executive's projected bonus shall be no less than the bonus which would have been projected under the projection procedures in effect under the MIP on the date of the Change in Control and (2) such portion shall be determined by multiplying such target bonus or, if greater, such projected bonus by a fraction, the numerator of which shall be the number of days Executive is employed in such calendar year and the denominator of which shall be the number of days in such calendar year.

(F) PUP. SunTrust shall pay Executive within 30 days

after Executive's employment terminates a portion of Executive's target bonus or, if greater, Executive's projected bonus under the PUP for each performance cycle in effect on the date Executive's employment terminates, where

(1) Executive's projected bonus shall be no less than the bonus which would have been projected under the projection procedures in effect under the PUP on the date of the Change in Control and (2) such portion shall be determined by multiplying such target bonus or, if greater, such

projected bonus by a fraction, the numerator of which shall be the number of days Executive is employed in each such performance cycle and the denominator of which shall be the number of days in each such performance cycle.

(G) Pooling. The provisions of (S) 3(a)(2)(B) and (S)

3(a)(2)(C) shall be effective on the earlier of (1) the date that SunTrust no longer can participate in any transaction which can be accounted for on the "pooling of interests" method under the requirements of Accounting Principles Board Opinion No. 16, Business Combinations without regard to whether these provisions are effective on such date, (2) the date there is a Change in Control which can not be accounted for on such "pooling of interests" method without regard to the date these provisions become effective or (3) the date there is a Change in Control which can be accounted for on such "pooling of interests" method without regard to whether these provisions are effective on the date of such Change in Control; provided, these provisions shall be effective at the end of the two (2) year period which starts on the date of this Agreement (even if neither (S) 3(a)(2)(G)(1), (S) 3(a)(2)(G)(2) nor (S) 3(a)(2)(G)(3) is applicable) if SunTrust has not entered into a letter of intent or other written agreement to effect a Change in Control before the end of such period.

(b) Continuing Benefit Coverage. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), SunTrust or a SunTrust Affiliate from the date of such termination of Executive's employment until the end of Executive's Protection Period shall provide to Executive medical, dental and life insurance benefits which are similar in all material respects as those benefits provided under SunTrust's employee benefit plans, policies and programs to senior executives of SunTrust who have not terminated their employment. If SunTrust cannot provide such benefits under SunTrust's employee benefit plans, policies and programs, SunTrust either shall provide such benefits to Executive outside such plans, policies and programs at no additional expense or tax liability to Executive or shall reimburse Executive for Executive's cost to purchase such benefits and for any tax liability for such reimbursements.

(c) No Interference with Vested Benefits. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive shall have a right to any benefits under any employee benefit plan, policy or program maintained by SunTrust or any SunTrust Affiliate (other than the MIP, the PUP and the SunTrust Severance Pay Plan) which Executive had a right to receive under the terms of such

employee benefit plan, policy or program after a termination of Executive's employment without regard to this Agreement.

(d) Additional Age and Service Credit. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive shall be deemed to have been employed by SunTrust throughout Executive's Protection Period for purposes of computing Executive's age and service credit on the date Executive's employment so terminates under any deferred compensation or welfare plan, policy or program (except a plan described in (S) 401 of the Code) maintained by SunTrust or a SunTrust Affiliate in which Executive is a participant and under which Executive's benefit, or eligibility for a benefit, is based in whole or in part on Executive's age or service or age and service, and Executive shall receive such age and service credit notwithstanding the terms of any such plan, policy or program.

(e) No Increase in Other Benefits; No Other Severance Pay. If Executive's employment terminates under the circumstances described in (S) 3(a) or (S) 3(f), Executive waives Executive's right, if any, to have any payment made under this (S) 3 taken into account to increase the benefits otherwise payable to, or on behalf of, Executive under any employee benefit plan, policy or program, whether qualified or nonqualified, maintained by SunTrust or a SunTrust Affiliate and, further, waives Executive's right, if any, to the payment of severance pay under any severance pay plan, policy or program maintained by SunTrust or a SunTrust Affiliate subject to the condition that SunTrust not be relieved of any of its obligations to Executive under

this (S) 3 pursuant to (S) 3(g) or (S) 3(h).

(f) Termination in Anticipation of Change in Control Date.

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Executive shall be treated under (S) 3(a) as if Executive's employment had been terminated without Cause or Executive had resigned for Good Reason during Executive's Protection Period if (1)(A) Executive's employment is terminated by SunTrust or a SunTrust Affiliate without Cause after a Change in Control but before the Change in Control Date which results from such Change in Control or (B) Executive resigns for Good Reason after a Change in Control but before the Change in Control Date which results from such Change in Control, (2) such Change in Control occurs on or after the date this Agreement becomes effective under (S) 2 and (3) there is a Change in Control Date which results from such Change in Control.*

(g) Death or Disability. Executive agrees that SunTrust will have no obligations to Executive under this (S) 3 if Executive's employment terminates exclusively as a result of Executive's death or Executive has a Disability Termination.

(h) Release. Executive agrees that SunTrust will have no obligations to Executive under this (S) 3 until Executive executes the form of release which is attached as Exhibit A to this Agreement and, further, will have no further obligations to Executive under this (S) 3 if Executive revokes such release.

(S) 4

No Solicitation of Customers or Clients

Executive shall not during the Restricted Period solicit any customer or client of SunTrust or any SunTrust Affiliate with whom Executive had any material business contact during the two (2) year period which ends on the date Executive's employment by SunTrust or a SunTrust Affiliate terminates for the purpose of competing with SunTrust or any SunTrust Affiliate for any reason, either individually, or as an owner, partner, employee, agent, consultant, advisor, contractor, salesman, stockholder, investor, officer or director of, or service provider to, any corporation, partnership, venture or other business entity.

(S) 5.

Antipirating of Employees

Absent the Compensation Committee's written consent, Executive will not during the Restricted Period solicit to employ on Executive's own behalf or on behalf of any other person, firm or corporation, any person who was employed by SunTrust or a SunTrust Affiliate during the term of Executive's employment by SunTrust or a SunTrust Affiliate (whether or not such employee would commit a breach of contract), and who has not ceased to be employed by SunTrust or a SunTrust Affiliate for a period of at least one (1) year.

(S) 6.

Trade Secrets and Confidential Information

Executive hereby agrees that Executive will hold in a fiduciary capacity for the benefit of SunTrust and each SunTrust Affiliate, and will not directly or indirectly use or disclose, any Trade Secret that Executive may have acquired during the term of Executive's employment by SunTrust or a SunTrust Affiliate for so long as such information remains a Trade Secret.

Executive in addition agrees that during the Restricted Period Executive will hold in a fiduciary capacity for the benefit of SunTrust and each SunTrust Affiliate, and will not directly or indirectly use or disclose, any Confidential or Proprietary Information that Executive may have acquired (whether or not developed or compiled by

Executive and whether or not Executive was authorized to have access to such information) during the term of, in the course of, or as a result of Executive's employment by SunTrust or a SunTrust Affiliate.

(S) 7.

Reasonable and Necessary Restrictions and Non-Disparagement

Executive acknowledges that the restrictions, prohibitions and other provisions set forth in this Agreement, including without limitation the Territory and Restricted Period, are reasonable, fair and equitable in scope, terms and duration; are necessary to protect the legitimate business interests of SunTrust; and are a material inducement to SunTrust to enter into this Agreement. Executive covenants that Executive will not challenge the enforceability of this Agreement nor will Executive raise any equitable defense to its enforcement. Further, Executive and SunTrust each agree not to knowingly make false or materially misleading statements or disparaging comments about the other during the Restricted Period.

(S) 8.

Arbitration

Any dispute, controversy or claim arising out of or relating to this Agreement shall be determined by binding arbitration in accordance with Title 9 of the United States Code and the applicable set of arbitration rules of the American Arbitration Association. Judgment upon any award made in such arbitration may be entered and enforced in any court of competent jurisdiction. All statutes of limitation which would otherwise be applicable in a judicial action brought by a party shall apply to any arbitration or reference proceeding hereunder. Neither SunTrust nor Executive shall appeal such award to or seek review, modification, or vacation of such award in any court or regulatory agency. Unless otherwise agreed, venue for arbitration shall be in Atlanta, Georgia. All of Executive's reasonable costs and expenses incurred in connection with such arbitration shall be paid in full by SunTrust promptly on written demand from Executive, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees and attorneys' fees; provided, however, SunTrust shall pay no more than \$30,000 in attorneys' fees unless a higher figure is awarded in the arbitration, in which event SunTrust shall pay the figure awarded in the arbitration.

(S) 9.

Tax Protection

If SunTrust or SunTrust's independent accountants determine that any payments and benefits called for under this Agreement together with any other

payments and benefits made available to Executive by SunTrust or a SunTrust Affiliate will result in Executive being subject to an excise tax under (S) 4999 of the Code or if such an excise tax is assessed against Executive as a result of any such payments and other benefits, SunTrust shall make a Gross Up Payment to or on behalf of Executive as and when any such determination or assessment is made, provided Executive takes such action (other than waiving Executive's right to any payments or benefits) as SunTrust reasonably requests under the circumstances to mitigate or challenge such tax. Any determination under this (S) 9 by SunTrust or SunTrust's independent accountants shall be made in accordance with (S) 280G of the Code and any applicable related regulations (whether proposed, temporary or final) and any related Internal Revenue Service rulings and any related case law and, if SunTrust reasonably requests that Executive take action to mitigate or challenge, or to mitigate and challenge, any such tax or assessment (other than waiving Executive's right to any payment or benefit) and Executive complies with such request, SunTrust shall provide Executive with such information and such expert advice and assistance from SunTrust's independent accountants, lawyers and other advisors as Executive may reasonably request and shall pay for all expenses incurred in effecting such compliance and any related fines, penalties, interest and other assessments.

(S) 10.

Miscellaneous Provisions

10.1 Assignment. This Agreement is for the personal services of Executive, and the rights and obligations of Executive under this Agreement are not assignable in whole or in part by Executive without the prior written consent of SunTrust. This Agreement is assignable in whole or in part to any successor to SunTrust. However, if SunTrust as part of any Change in Control transaction fails to assign SunTrust's obligations under this Agreement to SunTrust's successor or such successor fails to expressly agree to such assignment on or before the Change in Control Date, SunTrust on the Change in Control Date shall (without any further action on the part of Executive) take the action called for in (S) 3 of this Agreement as if Executive had been terminated without Cause without regard to whether Executive's employment actually has terminated.

10.2 Governing Law. This Agreement will be governed by and construed under the laws of the State of Georgia (without reference to the choice of law principles thereof), except to the extent superseded by federal law.

10.3 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.4 Headings; References. The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. Any reference to a section ((S)) shall be to a section ((S)) of

this Agreement unless there is an express reference to a section ((S)) of the Code or the Exchange Act, in which event the reference shall be to the Code or to the Exchange Act, whichever is applicable.

10.5 Amendments and Waivers. Except as otherwise specified in this Agreement, this Agreement may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of SunTrust and Executive.

10.6 Severability. Any provision of this Agreement held to be unenforceable under applicable law will be enforced to the maximum extent possible, and the balance of this Agreement will remain in full force and effect.

10.7 Entire Agreement. This Agreement constitutes the entire understanding and agreement of SunTrust and Executive with respect to the matters contemplated in this Agreement, and supersedes all prior understandings and agreements between SunTrust and Executive with respect to such transactions.

10.8 Notices. Any notice required hereunder to be given by either SunTrust or Executive will be in writing and will be deemed effectively given upon personal delivery to the party to be notified or five (5) days after deposit with the United States Post Office by registered or certified mail, postage prepaid, to the other party at the address set forth below or to such other address as either party may from time to time designate by ten (10) days advance written notice pursuant to this (S) 10.8. All such written communication will be directed as follows:

If to SunTrust:

SunTrust Banks, Inc.
Attention: Chief Executive Officer
303 Peachtree St., NE, 30/th/ Floor
Atlanta, GA 30308

If to Executive, to the most recent address Executive has provided to SunTrust for inclusion in Executive's personnel records.

10.9 Binding Effect. This Agreement shall be for the benefit of, and shall be binding upon, SunTrust and Executive and their respective heirs, personal representatives, legal representatives, successors and assigns, subject, however, to the provisions in (S) 10.1 of this Agreement.

10.10 Not an Employment Contract. This Agreement is not an employment contract and shall not give Executive the right to continue in employment by SunTrust or a SunTrust Affiliate for any period of time or from time to time. Moreover, this Agreement shall not adversely affect the right of SunTrust or a SunTrust Affiliate to terminate Executive's employment with or without cause at any time.

IN WITNESS WHEREOF, SunTrust and Executive have entered into this Agreement this ____ day of March, 2001, and such date shall be the date of this Agreement.

SUNTRUST BANKS, INC.

EXECUTIVE

By: /s/ Mary T. Steele

Mary T. Steele

*Title: Senior Vice President and
Human Resources Director*

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End of Filing

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