

SUNTRUST BANKS INC  
Form DEF 14A  
February 29, 2008  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. \_\_)**

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**SunTrust Banks, Inc.**

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

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(2) Aggregate number of securities to which the transaction applies:

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

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

To the Shareholders of

SunTrust Banks, Inc.

The Annual Meeting of Shareholders of SunTrust Banks, Inc. will be held in Suite 105 on the 1st floor of SunTrust Plaza Garden Offices, 303 Peachtree Center Avenue, Atlanta, Georgia, on Tuesday, April 29, 2008, at 9:30 a.m. local time, for the following purposes:

1. To elect 4 directors to serve until the Annual Meeting of Shareholders in 2009;
2. To approve amendments to the SunTrust Banks, Inc. 2004 Stock Plan;
3. To ratify the appointment of Ernst and Young LLP as independent auditors for 2008; and

4. To transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

Only shareholders of record at the close of business on February 20, 2008 will be entitled to notice of and to vote at the Annual Meeting or any adjournment thereof.

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 29, 2008. The 2008 Proxy Statement and the Annual Report to Shareholders for the year ended December 31, 2007 are also available at [www.proxydocs.com/sti](http://www.proxydocs.com/sti).**

For your convenience, we also offer an audio webcast of the meeting. If you choose to listen to the webcast, go to Investor Relations located under About SunTrust at [www.suntrust.com](http://www.suntrust.com) shortly before the meeting time and follow the instructions provided. If you miss the meeting, you may listen to a replay of the webcast on our site beginning the afternoon of April 29. (Please note that you will not be able to vote your shares via the webcast. If you plan to listen to the webcast, please submit your vote using one of the methods described below prior to the meeting.)

We direct your attention to the attached Proxy Statement for more complete information regarding the matters to be acted upon at the Annual Meeting.

*By Order of the Board of Directors*

Raymond D. Fortin,

Corporate Secretary

February 29, 2008

**IMPORTANT NOTICE**

**Whether or not you plan to attend the Annual Meeting, please vote your shares by: (1) a toll-free telephone call, (2) the Internet, or (3) completing, signing, dating and returning the enclosed proxy as soon as possible in the postage paid envelope provided.**

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**SUNTRUST BANKS, INC.**

**303 PEACHTREE STREET, N.E.**

**ATLANTA, GEORGIA 30308**

**PROXY STATEMENT**

The enclosed proxy is solicited on behalf of the Board of Directors of SunTrust Banks, Inc. in connection with the Annual Meeting of Shareholders of SunTrust to be held in Suite 105 on the 1st floor of SunTrust Plaza Garden Offices, 303 Peachtree Center Avenue, Atlanta, Georgia, on Tuesday, April 29, 2008, at 9:30 a.m. local time. We are first mailing this Proxy Statement and the enclosed proxy to SunTrust's shareholders on or about March 6, 2008.

*Voting your shares.* The enclosed proxy is for use if you are unable to attend the Annual Meeting in person or wish to have your shares voted by proxy even if you attend the Annual Meeting. You may revoke the proxy at any time before it is exercised by notice to the Corporate Secretary of SunTrust, by submitting a proxy having a later date, or by appearing at the Annual Meeting and voting in person. All shares represented by valid proxies received pursuant to this solicitation and not revoked before they are exercised will be voted in the manner specified therein. If you do not specify, then the proxies for the proposals described below will be voted as recommended by the Board of Directors.

*Method of Voting.* You can simplify your voting and reduce SunTrust's costs by voting your shares via telephone or the Internet. We have designed the telephone and Internet voting procedures to allow shareholders to vote their shares and to confirm that their instructions have been properly recorded. If you hold your shares in the name of a bank or broker, the availability of telephone and Internet voting will depend on the voting processes of the applicable bank or broker. Therefore, we recommend that you follow the voting instructions on the form you receive. If you do not choose to vote by telephone or the Internet, please date, sign and return the proxy card.

*Webcast of Annual Meeting.* We are pleased to offer an audio webcast of the 2008 Annual Meeting. If you choose to listen to the webcast, go to Investor Relations located under About SunTrust at [www.suntrust.com](http://www.suntrust.com) shortly before the meeting time and follow the instructions provided. If you miss the meeting, you may listen to a replay of the webcast on our site beginning the afternoon of April 29 and available until May 29, 2008. Please note that you will not be able to vote your shares via the webcast. If you plan to listen to the webcast, please submit your vote using one of the methods described above prior to the meeting.

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**ELECTION OF DIRECTORS**

**Director Selection Process**

SunTrust maintains a standing Governance and Nominating Committee, which we refer to in this section as the Committee, comprised solely of independent directors who are responsible for identifying individuals qualified to become Board members and recommending director nominees to the Board. The Committee periodically reviews the size and composition of the Board and determines whether to add or replace directors. You may access the Committee's charter on our website at [www.suntrust.com](http://www.suntrust.com).

Nominees for director will be selected based on the following criteria: (i) integrity (ii) outstanding achievement in their careers; (iii) broad experience; (iv) independence; (v) financial expertise; (vi) ability to make independent, analytical inquiries; (vii) understanding of the business environment; and (viii) willingness to devote adequate time to Board duties. The Board believes that each director should have, and expects the nominees to have, the capacity to obtain a basic understanding of: (i) the principal operational and financial objectives and plans and strategies of SunTrust; (ii) the results of operations and financial condition of SunTrust and of any significant subsidiaries or business segments; and (iii) the relative standing of SunTrust and its business segments in relation to its competitors. The Committee considers it essential that the Audit Committee have at least one member who qualifies as an audit committee financial expert.

The Committee and the Board consider a variety of sources when selecting individuals as potential Board members. Generally, SunTrust does not retain a search firm to assist in the selection of directors. Historically, most of SunTrust's director nominees have served on one of SunTrust Bank's local boards or the board of a company acquired by SunTrust, and have had a leadership position with an entity located in a community served by SunTrust. This practice has served SunTrust well and has been used in part to select the candidates that were considered as nominees. In addition, the Committee considers for nominees certain chief executive officers of publicly held companies headquartered in SunTrust's markets and directors of companies acquired by SunTrust. SunTrust senior management assembles the list of candidates which the Committee considers. The Committee and Board also consider the diversity of the Board when selecting nominees. The Committee will review this process from time to time and may alter the process in its discretion.

The Committee will consider candidates for director nominees put forward by shareholders. Please refer to the later section of this Proxy Statement entitled, *Shareholder Nominations for Election to the Board* for a discussion of the requirements of a shareholder-nomination. The nomination should state how the proposed candidate meets the criteria described above and the shareholder must comply with the other requirements described in that section. The Committee will consider candidates proposed by shareholders by evaluating such candidates in the same manner and using the criteria described above. The Committee will also adhere to all applicable laws and regulations.

**Policy on Majority Voting**

In February 2007, we adopted a Policy on Majority Voting for the election of directors. We include that policy in our Corporate Governance Guidelines, which you can view by clicking the heading "About SunTrust" on SunTrust's website at [www.suntrust.com](http://www.suntrust.com) and then clicking on "Corporate Governance." The policy requires nominees who receive a greater number of votes withheld from his or her election than votes for his or her election to tender his or her written resignation to the Chairman of the Board for consideration by the Governance and Nominating Committee (the "Committee") within 5 days following the certification of the shareholder vote. This requirement applies only in an uncontested election of directors, which is an election in which the only nominees are persons nominated by the Board of Directors.

The Committee will then consider such resignation and, within 45 days following the date of the shareholders' meeting at which the election occurred, make a recommendation to the Board concerning whether

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to accept or reject such resignation. In determining its recommendation to the Board, the Committee will consider all factors deemed relevant by members of the Committee including, without limitation, the stated reason or reasons why shareholders who cast withheld votes for the director did so, the qualifications of the director (including, for example, whether the director serves on the Audit Committee of the Board as an Audit Committee financial expert and whether there are one or more other directors qualified, eligible and available to serve on the Audit Committee in such capacity), and whether the director's resignation from the Board would be in the best interests of SunTrust and its shareholders.

The Committee also will consider a range of possible alternatives concerning the director's tendered resignation as the members of the Committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation, or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Committee to have substantially resulted in the withheld votes. The Board will take formal action on the Committee's recommendation no later than 75 days following the date of the shareholders' meeting at which the election occurred. In considering the Committee's recommendation, the Board will consider the information, factors and alternatives considered by the Committee and such additional information, factors and alternatives as the Board deems relevant. We will publicly disclose, in a Form 8-K filed with the Securities and Exchange Commission, the Board's decision, together with a full explanation of the process by which the Board made its decision and, if applicable, the Board's reason or reasons for rejecting the tendered resignation within 4 business days after the Board makes its decision.

## **Corporate Governance and Director Independence**

The Board of Directors has determined that a majority of SunTrust's directors are independent. In determining director independence, the Board broadly considers all relevant facts and circumstances, including the rules of the New York Stock Exchange. The Board considers the issue not merely from the standpoint of a director, but also from that of persons or organizations with which the director has an affiliation. An independent director is free of any relationship with SunTrust or its management that may impair the director's ability to make independent judgments. The Board pays particular attention to whether a director is independent from management and to any credit relationships that may exist with a director or a related interest.

Regulation O requires loans made to executive officers and directors to be made on substantially the same terms, including interest rates and collateral, and following credit-underwriting procedures that are no less stringent than those prevailing at the time for comparable transactions by SunTrust with other persons not related to the lender. Such loans also may not involve more than the normal risk of repayment or present other unfavorable features. Additionally, no event of default may have occurred (that is, such loans are not disclosed as non-accrual, past due, restructured, or potential problems). Our Board of Directors must review any credit to a director or his or her related interests that has become criticized in order to determine the impact that such classification has on the director's independence.

In addition, we do not consider independent any director who is also an executive officer of a company to which we have extended credit unless such credit meets the substantive requirements of Regulation O. We also do not consider independent any director who is an executive officer of a company that makes payments to, or receives payments from, SunTrust for property or services in an amount which, in any year, is greater than 2% of such director's company's consolidated gross revenues.

The following directors have been determined by the Board to be independent after applying the guidelines set forth above: Messrs. Beall, Correll, Crowe, Farnsworth, Mrs. Frist, Messrs. Garrett, Hughes, Isdell, Ivester, Lanier, Minor, Prince, Dr. Royal, Ms. Williams and Dr. Wynn. Each member of the Compensation Committee, the Governance and Nominating Committee, and the Audit Committee is independent. There are no family relationships between any director, executive officer, or person nominated or chosen by SunTrust to become a director or executive officer.



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The Board of Directors conducts a self-assessment annually, which our Governance and Nominating Committee reviews and discusses with the Board. In addition, the Governance and Nominating Committee, the Compensation Committee, the Audit Committee and the Risk Committee also undergo an annual assessment of their performance. The non-management directors of the Board typically meet in executive session at each regularly scheduled meeting, and such meetings are presided over by a Presiding Director selected by a majority of independent directors. Mr. Prince currently serves as the Presiding Director.

SunTrust has adopted a policy requiring directors who change the job responsibility they held when they were elected to the Board to submit a letter of resignation to the Board. The Board, through the Governance and Nominating Committee, will then make a determination as to whether continued Board membership is appropriate.

SunTrust has adopted a Senior Financial Officers Code of Ethical Conduct that applies to SunTrust's senior financial officers, including its principal executive officer, principal financial officer and controller. SunTrust also has adopted a SunTrust Code of Conduct that applies to all employees, and a Code of Business Conduct and Ethics for members of the Board of Directors. These 3 Codes of Conduct, as well as SunTrust's Corporate Governance Guidelines, and the charters for the Executive Committee, the Audit Committee, the Governance and Nominating Committee, the Compensation Committee and the Risk Committee, can be found by clicking the heading "About SunTrust" on SunTrust's website at [www.suntrust.com](http://www.suntrust.com) and then clicking on "Corporate Governance". In addition, this information is available in print to any shareholder who requests it by contacting Steven Shriner, Director of Investor Relations, at 404-827-6714. The Board intends that non-management directors make decisions on matters of corporate governance. As additional corporate governance standards are adopted, they will be disclosed on an ongoing basis on SunTrust's website.

### **Shareholder Communications with Directors**

The Board of Directors has adopted a process to facilitate written communications by shareholders or other interested parties to the Board. Persons wishing to write to the Board of Directors of SunTrust or a specified director, including the Presiding Director, the non-management directors as a group, or a committee of the Board, should send correspondence to the Corporate Secretary at SunTrust Banks, Inc., P.O. Box 4418, Mail Code 643, Atlanta, Georgia 30302. All communications so received from shareholders or other interested parties will be forwarded to the members of the Board of Directors or to the applicable director or directors if so designated by such person. Anyone who wishes to communicate with a specific Board member, the non-management directors only, or a committee should send instructions asking that the material be forwarded to the applicable director, group of directors or to the appropriate committee chairman.

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**NOMINEES FOR DIRECTORSHIP**

**(ITEM 1)**

Previously, the Board of Directors determined that the full Board will be comprised of 18 directors. Also, our Articles of Incorporation previously required that the directors be elected to serve for 3-year terms and that the terms of all directors be staggered into 3 classes. However, on April 17, 2007, SunTrust amended its Articles of Incorporation to provide that directors be elected to serve for only 1-year terms. Therefore, each of the 4 directors expected to be elected at this year's Annual Meeting of Shareholders will serve only until next year's annual meeting of shareholders and until their successor is elected and qualified. SunTrust expects that 10 members of the Board of Directors who were elected to 3-year terms prior to such amendment will serve the remainder of their terms, which are scheduled to expire at the annual meeting of shareholders to be held in 2009 and 2010, as indicated below. The Nominating and Governance Committee nominated the following persons for election as directors at the Annual Meeting in 2008 for terms expiring in 2009: Patricia C. Frist, Blake P. Garrett, Jr., M. Douglas Ivester, and Karen Hastie Williams.

Two incumbent directors, J. Hyatt Brown and Thomas C. Farnsworth, Jr., will be at least 70 years old at the time of the 2008 Annual Meeting of Shareholders. The terms of these directors and that of another director, L. Phillip Humann, will expire immediately following the Annual Meeting in 2008. Also, Mr. Isdell has resigned from our Board of Directors effective as of the Annual Meeting. Accordingly, the Board has adopted a resolution which will re-set the size of the full Board of Directors at 14 persons immediately following the Annual Meeting in 2008.

You may not vote your proxy for the election of a person to fill a directorship for which no nominee is named in this Proxy Statement. If, at the time of the Annual Meeting, any of the nominees named in the enclosed proxy should be unable or decline to serve as a director, the proxies are authorized to be voted for such substitute nominee or nominees as the Board recommends. The Board has no reason to believe that any nominee will be unable or decline to serve as a director.

**Nominees for Terms Expiring in 2009**

*Patricia C. Frist* is a partner in Frist Capital Partners, which invests in equities, real estate and venture capital. Mrs. Frist is also President of Frisco, Inc., an investment corporation, as well as President of the Patricia C. Frist and Thomas F. Frist, Jr. Foundation.

*Blake P. Garrett, Jr.* is a partner in Garrett and Garrett Construction and related companies (commercial real estate development), and has held such positions since March 1966. Mr. Garrett served as a director of National Commerce Financial Corporation and became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004.

*M. Douglas Ivester* is President of Deer Run Investments, LLC. He retired as Chairman of the Board and Chief Executive Officer of The Coca-Cola Company in February 2000. He served as President and Chief Operating Officer of The Coca-Cola Company from July 1994 until elected Chairman of the Board and Chief Executive Officer in October 1997. He is also a director of S1 Corporation and is Chairman of the Board of the Woodruff Health Sciences Center, Inc.

*Karen Hastie Williams* is a retired partner in the Washington, D.C. law firm of Crowell and Moring LLP. She is also a director of Chubb Corporation, Continental Airlines, Inc., Gannett Company, Inc. and WGL Holdings, Inc.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ALL NOMINEES.**

**Table of Contents****DIRECTORS**

The following table sets forth for each nominee and each director whose term continues after the meeting, the year in which the person first became a director of SunTrust, and the director's age. Except for Mr. Humann and Mr. Wells, none of the nominees or directors is employed by SunTrust or any entity that is an affiliate of SunTrust.

<b>Name</b>	<b>Director Since</b>	<b>Age</b>	<b>Positions with SunTrust</b>
Robert M. Beall, II	2004	64	Director
Alston D. Correll	1997	66	Director
Jeffrey C. Crowe	2004	61	Director
Patricia C. Frist	2000	68	Director
Blake P. Garrett, Jr.	2004	67	Director
David H. Hughes	1984	64	Director
M. Douglas Ivester	1998	61	Director
J. Hicks Lanier	2003	67	Director
G. Gilmer Minor, III	1998	67	Director
Larry L. Prince	1996	69	Presiding Director
Frank S. Royal, M.D.	1998	68	Director
James M. Wells III	2006	61	President and Chief Executive Officer; Director
Karen Hastie Williams	2002	63	Director
Phail Wynn, Jr.	2004	60	Director

**Directors Whose Terms Expire in 2009**

*Alston D. Correll* is the retired Chairman of the Board of Georgia-Pacific Corporation, a manufacturer and distributor of pulp, paper and building products. He is Chairman of Atlanta Equity Investors, LLC, a private equity firm. Until December 2005, Mr. Correll also served as Chief Executive Officer of Georgia-Pacific Corporation. He is also a director of Mirant Corporation and Norfolk Southern Corp.

*David H. Hughes* is a director of Brown and Brown, Inc. and Darden Restaurants, Inc. Until April 1, 2006, Mr. Hughes also served as Chairman of the Board of Hughes Supply, Inc., a distributor of construction materials. Until May 2003, he also served as Chief Executive Officer of Hughes Supply, Inc.

*G. Gilmer Minor, III* is Chairman of the Board of Owens and Minor, Inc., a national distributor of hospital and medical supplies. Until July 2005, Mr. Minor also served as Chief Executive Officer of Owens and Minor, Inc. He was named Chairman of Owens and Minor, Inc. in May 1994.

*James M. Wells III* has been President and Chief Executive Officer of SunTrust since January 1, 2007. From December 9, 2004 until December 31, 2006, Mr. Wells was President and Chief Operating Officer of SunTrust. From August 2000 until December 9, 2004, Mr. Wells was a Vice Chairman of SunTrust with responsibility for oversight of SunTrust's commercial, retail, mortgage and wealth and investment management lines of business, as well as senior executive responsibility for SunTrust's marketing and corporate strategy units. Since February 2003, Mr. Wells has had responsibility for SunTrust's technology and operations functions. On December 9, 2004, Mr. Wells added the Corporate and Investment Banking Group to his responsibilities.

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**Directors Whose Terms Expire in 2010**

*Robert M. Beall, II* is Executive Chairman of Bealls, Inc., the parent company of Bealls Department Stores, Inc. and Bealls Outlet Stores, Inc., which operate retail stores located from Florida to California. Until August 2006, he was also the Chief Executive Officer of Bealls, Inc. He is also Chairman of the Board of Directors of Bealls, Inc. and a director of FPL Group, Inc.

*Jeffrey C. Crowe* is Chairman of the Board of Landstar System, Inc. Landstar System, Inc. and its affiliates provide transportation services to customers throughout North America. Until July 2004, Mr. Crowe was also Chief Executive Officer of Landstar System, Inc. Mr. Crowe was also Chairman of the U.S. Chamber of Commerce from June 2003 until June 2004. From June 2002 to June 2003, he served as Vice Chairman of the U.S. Chamber of Commerce. From October 1993 to October 2003, he served as Chairman of the National Defense Transportation Association. He is also a director of Silgan Holdings, Inc. and PSS World Medical, Inc.

*J. Hicks Lanier* is Chairman and Chief Executive Officer of Oxford Industries, Inc., a business engaged in the design, manufacture, marketing and sale of consumer apparel products. Mr. Lanier is also a director of Crawford and Company and Genuine Parts Company.

*Larry L. Prince* is Chairman of the Executive Committee of the Board of Genuine Parts Company, a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts and office products. Until April 2005, Mr. Prince was Chairman of the Board and until August 2004, he was also Chairman of the Board and Chief Executive Officer, of Genuine Parts Company. Mr. Prince is also a director of Equifax Inc. and Crawford and Company.

*Frank S. Royal, M.D.* is President and a member of Frank S. Royal, M.D., P.C. (family medicine). Dr. Royal is also a director of CSX Corporation, Dominion Resources, Inc. and Smithfield Foods, Inc.

*Phail Wynn, Jr.* is the Vice President for Regional Affairs for Duke University since January 2008. He retired as President of Durham Technical Community College in December 2007. Dr. Wynn is a director of North Carolina Mutual Life Insurance Company. He was also a director of National Commerce Financial Corporation, and became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004.

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The Board has established 5 standing committees. Membership of these committees is as follows:

<b>Audit</b>	<b>Compensation</b>	<b>Executive</b>	<b>Governance &amp; Nominating</b>	<b>Risk</b>
Mr. Crowe	Mr. Correll	Mr. Brown	Mr. Correll	Mr. Beall
Mr. Ivester, <i>Chair</i>	Mr. Hughes	Mr. Humann	Mr. Hughes, <i>Chair</i>	Mr. Farnsworth, <i>Chair</i>
Mr. Lanier	Mr. Minor	Mr. Isdell	Mr. Ivester	Mrs. Frist
Dr. Royal	Mr. Prince, <i>Chair</i>	Mr. Wells, <i>Chair</i>	Mr. Minor	Mr. Garrett
Ms. Williams			Ms. Williams	Dr. Wynn

The terms of 4 incumbent directors, J. Hyatt Brown, Thomas C. Farnsworth, Jr., L. Phillip Humann, and E. Neville Isdell will expire immediately following the Annual Meeting in 2008. Messrs. Brown and Farnsworth will be at least 70 years old at the time of the 2008 Annual Meeting of Shareholders and, therefore, in accordance with SunTrust's bylaws, are not seeking reelection. Also, Mr. Isdell has resigned from our Board effective as of the Annual Meeting. Presently, Messrs. Brown, Humann and Isdell are members of the Executive Committee and Mr. Farnsworth chairs the Risk Committee.

*Audit Committee.* The Audit Committee appoints, compensates, retains, and directly oversees the work of SunTrust's independent auditor (subject to shareholder ratification if applicable). It is charged with monitoring

the integrity of SunTrust's financial statements;

the independence and qualifications of its independent auditor;

SunTrust's system of internal controls;

the performance of SunTrust's internal audit process and independent auditor; and

SunTrust's compliance with laws, regulations and the codes of conduct.

The Audit Committee also resolves any disagreements between management and the auditors regarding financial reporting. It pre-approves all audit services and permitted non-audit services provided to SunTrust by its independent auditor. It also performs other related duties as defined in its written charter. Our Audit Committee has only members that are independent under our Corporate Governance Guidelines, the Securities Exchange Act of 1934 and applicable rules, and the rules of the New York Stock Exchange. Our Board has determined that Mr. Ivester meets the definition of Audit Committee financial expert as defined by the Securities and Exchange Commission's rules and regulations. Our Board has also determined that Ms. Williams' service on the audit committees of 3 other companies will not impair her ability to serve on our audit committee. Our Audit Committee held 11 meetings in 2007.

*Compensation Committee.* The Compensation Committee is responsible for approving the compensation arrangements for senior management. It is also responsible for oversight and administration of certain executive and employee compensation and benefit plans, including the SunTrust Banks, Inc. 2004 Stock Plan, the Management Incentive Plan, the Performance Unit Plan, the 401(k) Excess Plan, the Supplemental Executive Retirement Plan, the ERISA Excess Retirement Plan, and our executive Change in Control Agreements. It also performs other related duties as defined in its written charter. Our Compensation Committee has only members that are independent under SunTrust's Corporate Governance Guidelines and the rules of the New York Stock Exchange. Our Compensation Committee held 7 meetings in 2007.



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*Executive Committee.* Our Executive Committee held 4 meetings in 2007. The Executive Committee may exercise the authority of full Board except that it may not:

approve or propose to shareholders any action that must lawfully be approved by shareholders;

fill vacancies on the Board or any committee;

amend the Articles of Incorporation;

adopt, amend or repeal the Bylaws; or

approve a dissolution or merger of SunTrust or the sale of all or substantially all our assets.

*Governance & Nominating Committee.* The Governance & Nominating Committee is responsible for making recommendations to the Board regarding the size and composition of the Board, reviewing the qualifications of candidates to the Board, and recommending nominees to the Board. It is also responsible for:

taking a leadership role in shaping the corporate governance of SunTrust.

developing and recommending to the Board a set of corporate governance guidelines, and periodically reviewing and reassessing the adequacy of those principles and recommending any proposed changes to the Board for approval.

leading the Board in its annual review of the Board's performance.

addressing committee structure and operations, committee reporting to the Board, committee member qualifications and committee member appointment and removal.

It has sole authority for retaining or terminating any search firm used to identify director candidates and determining such firm's fees. Our Governance & Nominating Committee also performs other related duties as defined in its written charter. It has only members that are independent under SunTrust's Corporate Governance Guidelines and the rules of the New York Stock Exchange. It held 4 meetings in 2007.

*Risk Committee.* The Risk Committee is responsible for assisting the Board in overseeing and reviewing SunTrust's enterprise risk management framework, including the significant policies, procedures and practices employed to manage credit risk, market risk and operational risk. It is also responsible for overseeing SunTrust's implementation plan to qualify for the advanced regulatory capital approaches expected to be effective in 2008, including approval of significant components of SunTrust's credit risk framework, operational risk framework, and disclosure policies as expected to be required by the Federal Reserve Board. It also reviews and discusses with various members of senior management matters related to credit risk, market risk, operational risk, legal, regulatory and compliance risk and enterprise risk management. The Risk Committee held 8 meetings in 2007.

## **Attendance**

Regular meetings of the Board are held quarterly. During 2007, the Board held 11 regular and special meetings, and various committees of the Board met 35 times. All SunTrust directors attended at least 75% of the aggregate number of Board meetings and meetings of the committees on which they served. SunTrust expects, but does not require, directors to attend the Annual Meeting of Shareholders. Last year, all directors

attended SunTrust's Annual Meeting of Shareholders.



**Table of Contents****Director Compensation**

The Governance and Nominating Committee determines the amount and form of director compensation. Its procedures regarding the determination of director compensation are similar to those used by the Compensation Committee regarding executive compensation and which are described under the caption, Compensation Committee Processes and Procedures.

The table below provides information concerning the compensation of the directors for our most recently completed fiscal year. Except as noted below, all of our non-employee directors are paid at the same rate. We pay each non-employee director an annual retainer of \$45,000, which we pay in 2 installments. The Chairs of each of the Governance and Nominating Committee, Compensation Committee, Risk Committee, and Audit Committee also received an additional retainer of \$10,000. In addition, we paid each non-employee director a fee of \$1,500 for each Board or committee meeting attended. Non-employee directors serving on the Board immediately after our annual meeting of shareholders in April 2007 also received a grant of either 1,200 shares of restricted stock or 1,200 restricted stock units, at their election. Such restricted stock or restricted stock units vest after 1 year. The differences among directors in the table below are a function of additional compensation for chairing a committee, varying numbers of meetings attended and corresponding payments of meeting fees, differences in the FAS 123(R) expense we are required to reflect depending on whether they elected to receive restricted stock or restricted stock units, and payments for service on local bank advisory boards (reported in the All Other column if applicable).

Directors may defer their meeting and/or retainer fees payable to them under SunTrust's Directors Deferred Compensation Plan. We determine the return on deferred amounts as if such funds had been invested in SunTrust common stock or at a floating interest rate equal to the prime interest rate in effect at SunTrust Bank computed on the last day of each quarter, at the election of the director. Pursuant to SEC regulations, we report only above-market or preferential earnings on nonqualified deferred compensation, including such earnings on nonqualified defined contribution plans, if any, in the column Change in Pension Value and NQDC Earnings.

Directors that are also employees of SunTrust are not compensated for their service as directors in addition to their compensation as an employee. In 2007, 2 of our directors also served as employees. James M. Wells III served as our President and CEO, and we discuss his compensation in this Proxy Statement beginning under the caption, Executive Compensation. Another director, L. Phillip Humann, served as Executive Chairman of the Board.

In 2007, for his services as an employee, we paid Mr. Humann a total of \$2,496,909. This consisted of a salary of \$725,000, equity compensation expense of \$1,638,325, non-equity incentive plan compensation of \$960,000, change in pension value of \$-976,963, and all other compensation of \$150,547. Non-equity incentive plan compensation reflected payment under a 2005 Performance Unit Plan grant covering the 2005-2007 performance period. All other compensation consisted of financial planning, \$11,800; personal use of SunTrust aircraft, \$2,690; club membership, \$23,353; security, \$360; qualified and nonqualified 401(k) match, \$94,416; supplemental disability insurance premiums, \$8,189; and tax reimbursements, \$9,739. Mr. Humann declined his Management Incentive Plan Award payment in light of our performance in 2007 and did not receive any equity grants in 2007. At December 31, 2007, Mr. Humann held stock options to purchase 772,000 shares, 120,000 unvested shares of performance stock, and 50,000 shares of vested but not distributed restricted stock. Also, Mr. Humann's benefits under the SunTrust Retirement Plan, SunTrust ERISA Excess Plan, and the SunTrust Tier 1 Supplemental Executive Retirement Plan have vested. At December 31, 2007, he was entitled to lump sum retirement benefits of \$1,577,578, \$2,671,007, and \$18,241,553, respectively, under these plans.

On February 20, 2008, the Company entered into an agreement with Mr. Humann which will become effective April 30, 2008. Pursuant to this agreement, Mr. Humann will serve as a consultant through April 29, 2009 and will be paid at an annual rate of \$250,000, after which he will retire. In addition, (i) SunTrust and Mr. Humann terminated the existing Change-In-Control Agreement between them, (ii) Mr. Humann agreed to certain non-competition and non-solicitation restrictions, (iii) SunTrust accelerated the vesting of 104,000 shares of performance stock by approximately 6 months to April 30, 2009.

**Table of Contents****2007 DIRECTOR COMPENSATION**

Name <sup>(1)</sup>	Fees Earned or Paid in		Option Awards (\$) <sup>(3)</sup>	Change in Pension Value and NQDC Earnings <sup>(4)</sup>	All Other Compensation (\$) <sup>(5)</sup>	Total (\$)
	Cash (\$)	Stock Awards (\$) <sup>(2)</sup>				
Beall II, Robert M.	\$ 73,500	\$ 97,749	\$ 0	\$ 0	\$ 0	\$ 171,249
Brown, J. Hyatt	\$ 61,500	\$ 97,749	\$ 0	\$ 0	\$ 2,400	\$ 163,149
Correll, Alston D.	\$ 73,500	\$ 78,930	\$ 0	\$ 0	\$ 0	\$ 152,430
Crowe, Jeffrey C.	\$ 73,500	\$ 97,749	\$ 0	\$ 0	\$ 2,500	\$ 173,749
Farnsworth, Thomas C.	\$ 83,500	\$ 97,749	\$ 0	\$ 0	\$ 0	\$ 181,249
Frist, Patricia	\$ 73,500	\$ 97,749	\$ 0	\$ 0	\$ 15,325	\$ 186,574
Garrett Jr., Blake P.	\$ 73,500	\$ 97,749	\$ 0	\$ 0	\$ 0	\$ 171,249
Garrott, Thomas M.	\$ 28,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,500
Hughes, David H.	\$ 88,000	\$ 97,749	\$ 0	\$ 0	\$ 0	\$ 185,749
Isdell, E. Neville	\$ 63,000	\$ 28,872	\$ 0	\$ 0	\$ 0	\$ 91,872
Ivester, M. Douglas	\$ 92,500	\$ 2,520	\$ 0	\$ 0	\$ 6,000	\$ 101,020
Lanier, J. Hicks	\$					