ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION
(Include Holding Company Where Applicable)

SunTrust Banks, Inc.

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CPP Funds Received:	$4,850,000,000	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Repaid to Date:	$0	FDIC Certificate Number: (For Depository Institutions)	867
Date Funded (first funding):	11/14/2008	City:	Atlanta
Date Repaid[1]:		State:	Georgia

[1]If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

☒	Increase lending or reduce lending less than otherwise would have occurred.	See the answers regarding actions taken/avoided due to CPP funds. For all answers, note that SunTrust did not segregate its CPP funds from other capital and liquidity sources. Thus, responses represent ways that SunTrust deployed its various sources of capital and liquidity, not just CPP.

☒	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	SunTrust originated more than $90 billion in new and renewed loans to its clients in 2009. Extensions of credit to consumers (e.g., mortgages, home equity, student lending, and credit card) accounted for approximately $57 billion of this figure, which is an increase of 20% from 2008.
☒	Increase securities purchased (ABS, MBS, etc.).	SunTrust's investment securities increased $5.3 billion in 2009, primarily due to an increase in U.S. Treasuries and federal agency securities. SunTrust purchased $5 billion in Treasury securities in late 2009 in anticipation of future redemption of the preferred stock sold to Treasury through the CPP.
☐	Make other investments	
☐	Increase reserves for non-performing assets	

☐	Reduce borrowings	
☐	Increase charge-offs	
☐	Purchase another financial institution or purchase assets from another financial institution	
☒	Held as non-leveraged increase to total capital	Due to the difficult economic environment in 2009, qualified borrowers' demand for loans declined. Consequentially, SunTrust's capital was not leveraged to the extent that it was historically, and it operated at higher capital ratios than it would have during more certain economic times.

What actions were you able to avoid because of the capital infusion of CPP funds?

SunTrust (the "Company") believes that the CPP funds and other government programs served as important sources of stabilization for the financial markets and the banking industry, particularly during late 2008 and early 2009. A primary benefit of the CPP was the incremental liquidity that it provided. Due in part to this liquidity, SunTrust did not have to borrow from the Federal Reserve discount window or execute other aspects of its contingent liquidity plan.

Prior to the receipt of CPP funds in the fall of 2008, SunTrust had made efforts to reduce its exposure to certain types of lending in order to, among other things, enhance capital ratios. It also had implemented initiatives to reduce production of certain kinds of lending due to concerns around concentration risk, profitability and liquidity. After selling preferred stock to the U.S. Treasury under the CPP, SunTrust worked to enhance its lending efforts or, in certain instances, not seek to reduce its lending to the extent that it had planned to do so prior to the receipt of the CPP funds.

Reflecting a significant downturn in loan demand from qualified borrowers -- and consistent with the industry's experience overall -- SunTrust's total loan portfolio declined in 2009. This decline was primarily as a result of reduced demand for commercial loans, particularly in the utilization of lines of credit by mid-sized and corporate clients due to lower working capital needs and enhanced access to the capital markets. It is important to note, however, that the rate of decline would have been more substantial had SunTrust not implemented actions to enhance its lending in an effort to effectively deploy the CPP funds.

From a capital perspective, SunTrust's capital ratios remained well above the regulatory minimums throughout 2009. Excluding the capital benefit of the CPP funds, the Company's 2009 ratios for Tier 1 Common, Tier 1 Capital, and Total Capital bottomed in Q1 at 5.83%, 8.02%, and 11.14%, respectively. These ratios exceeded the regulatory minimums of 4%, 6%, and 10%, respectively. The CPP funds provided SunTrust a substantial regulatory capital buffer and mitigated other steps that the Company may have otherwise deemed necessary to manage its capital position.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

Because SunTrust did not segregate the CPP funds from its other sources of capital, it is not possible to provide the precise impact that the CPP funds had on the Company's operations. However, the items below reflect certain actions that the Company believes it would not have been able to make to the extent that it did in 2009 without the CPP funds, and they also demonstrate that SunTrust has recognized its responsibilities to use the CPP funds consistent with the public interest.

SunTrust remained an active, full-service lender with a strong record of working with current and potential clients to meet their credit needs. While overall loan demand was down in 2009 throughout the industry, SunTrust still originated over $90 billion in loans during the year. Lending to consumers accounted for $57 billion of these originations, representing a 20% increase versus the prior year level. Due to the recession, loan demand from our small business and commercial clients decreased, though SunTrust still originated about $33 billion in new and renewed credit facilities to these clients. SunTrust's lending efforts demonstrate that it understood the need to put the CPP funds - along with its other sources of capital - to work to support the economy and meet the needs of creditworthy borrowers during the uncertain environment.

SunTrust also continued its mortgage relief efforts, working with clients who were experiencing difficulties. The Company expanded its special counseling and management staff and significantly increased its foreclosure mitigation efforts. In 2009, SunTrust provided relief to approximately 33,200 homeowners at risk of foreclosure.

SunTrust was also an active purchaser of securities, including residential mortgage-backed securities. These purchases contributed to keeping interest rates low and making loans for borrowers more affordable.

During 2009, SunTrust's liquidity position was enhanced, primarily through strong deposit growth (average consumer and commercial deposits were up $11.8 billion, or 11.7%, versus 2008). SunTrust's capital position also improved, including through its issuance of common stock. As such, the liquidity and capital benefits of the CPP funds became less beneficial as 2009 unfolded, while the cost of the preferred dividends on the CPP funds remained expensive versus other forms of liquidity. Given this, SunTrust purchased $5 billion in Treasury securities in late 2009, funds which it designated for the future redemption of the preferred stock the Company issued under the CPP.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.