SunTrust Bank
Index-Linked Certificates of Deposit

SunTrust Bank may offer its Index-Linked Certificates of Deposit, also known as SILCsSM (the “CDs”), from time to time and will specify the terms and conditions of each series in a supplement to this Disclosure Statement (the “Disclosure Statement Supplement”).

- On the stated maturity date of a CD (which will be specified in the applicable Disclosure Statement Supplement and may be subject to certain adjustments as discussed therein, the “Maturity Date”), provided that you own the CD on the Maturity Date, SunTrust Bank will pay the outstanding principal amount of the CD plus an interest payment, if any, that may be determined, in whole or in part, by reference to a stock market measure or measures, such as individual stocks, baskets of stocks, one or more stock indexes, an individual commodity or commodities, a commodity index, an individual currency, basket of currencies or currency index or such other reference as may be determined by SunTrust Bank (each, a “specified index”). SunTrust Bank may offer CDs that have a minimum interest payment (“Minimum Interest Amount”) and/or a periodic interest payment (“Periodic Interest Payment”) which, if applicable, will be indicated in the relevant Disclosure Statement Supplement.

- SunTrust Bank will pay no less than the outstanding principal amount of each CD on its Maturity Date.

- If so specified in the Disclosure Statement Supplement applicable to your CD, you may redeem your CD on certain days during the term of the CD, but otherwise, no withdrawal of funds will be permitted prior to the Maturity Date except, if so specified in the applicable Disclosure Statement Supplement, upon the death or adjudication of incompetence of the beneficial owner.

- The CD will be eligible for federal deposit insurance up to $100,000 (including principal and accrued interest) in most insurable capacities (e.g., individual, joint, etc.). CDs held through an IRA, Section 457 Plan, self-directed Keogh Plan and certain self-directed defined contribution plans will be eligible to be insured up to $250,000 (including principal and accrued interest) in the aggregate. The insurance limit applicable to each insurable capacity will be referred to as the “Maximum Applicable Deposit Insurance Amount.” For purposes of the Maximum Applicable Deposit Insurance Amount, you must aggregate all deposits that you maintain with SunTrust Bank in the same insurable capacity, including deposits you hold directly with SunTrust Bank and deposits of SunTrust Bank you hold through any intermediary, such as a securities broker. The Federal Deposit Insurance Corporation (“FDIC”) has taken the position that contingent interest does not accrue, and is not insured by the FDIC, until the contingency has been removed. Because the interest on the CD (except for Periodic Interest Payments, if any) will be related to changes in a specified index over the term of the CD as measured on one or more valuation dates, interest on the CD (except for Periodic Interest Payments, if any) cannot be determined and does not accrue until the final valuation date and is considered contingent interest until that date. Therefore, except for Periodic Interest Payments (if any), interest on the CD, if any, will not be eligible for federal deposit insurance prior to the final valuation date. The extent of, and limitations on, federal deposit insurance are discussed below in the sections headed “Deposit Insurance: General” and “Deposit Insurance: Retirement Plans and Accounts” below.

- The CD may be made available through SunTrust Robinson Humphrey, Inc., SunTrust Investment Services, Inc. and certain other brokers (each, an “Offering Broker” and, together, the “Offering Brokers”), as specified in the applicable Disclosure Statement Supplement. SunTrust Robinson Humphrey, Inc. and SunTrust Investment Services, Inc. are affiliates of SunTrust Bank. Each CD will be a direct deposit obligation of SunTrust Bank and will not, either directly or indirectly, be an obligation of any Offering Broker or any other person or entity.

- An investment in a CD involves risk. For a discussion of certain of these risks, please see the section entitled “Risk Factors” herein. In making an investment decision, you must rely on your own examination of SunTrust Bank and the terms of the CD, including the risks involved. You should not purchase a CD unless you have the financial status and, either alone or with a financial advisor, the knowledge and experience to understand, and the ability to bear, such risks.

- Unless otherwise indicated in the applicable Disclosure Statement Supplement, in the case of a CD with a maturity of more than one year, most U.S. Holders (as defined below) of a CD, other than those purchasing a CD through a tax-advantaged or tax-deferred retirement account (such as an IRA), are required to include in their taxable income imputed interest income on the CD during each tax year in which the CD is
outstanding, even if there are no payments of interest on the CD until maturity or at all. Accordingly, you should be prepared to pay taxes on the imputed interest income during each tax year. See the section headed “Certain United States Federal Income Tax Considerations” below.

This Disclosure Statement and any Disclosure Statement Supplement do not constitute an offer or solicitation by anyone in any state or jurisdiction in which such offer or solicitation is not authorized or in which the person making the offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. The information contained in this Disclosure Statement and any Disclosure Statement Supplement may only be accurate as of the dates of such documents.

The specific terms and conditions of each CD offering will be described in the Disclosure Statement Supplement delivered with this Disclosure Statement. To the extent that any of the specific descriptions in the Disclosure Statement Supplement are inconsistent with the descriptions contained in this Disclosure Statement, the descriptions in the Disclosure Statement Supplement will control. The information contained in this Disclosure Statement and any Disclosure Statement Supplement may not be modified by any oral representation made prior or subsequent to the purchase of a CD.

CIRCULAR 230 DISCLOSURE

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE (THE “IRS”), WE INFORM YOU THAT (A) ANY UNITED STATES FEDERAL TAX DISCUSSION CONTAINED HEREIN (INCLUDING ANY ATTACHMENTS OR ENCLOSURES) WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES, (B) ANY SUCH DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION OR MATTER ADDRESSED HEREIN AND (C) ANY TAXPAYER TO WHOM THE TRANSACTIONS OR MATTERS ARE BEING PROMOTED OR MARKETED SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.
DESCRIPTION OF THE CD

General

SunTrust Bank may offer, from time to time, certain CDs. This Disclosure Statement contains a general description of the CD. The specific terms of each offering of CDs, including the specified index, interest payable, calculation methodology, early redemption feature, if any, special risk factors and special tax considerations (each, to the extent applicable), will be set forth in the applicable Disclosure Statement Supplement. To the extent that any of the specific descriptions in the applicable Disclosure Statement Supplement are inconsistent with the descriptions contained in this Disclosure Statement, the descriptions in the applicable Disclosure Statement Supplement will control.

The CDs will be offered in denominations of $1,000 and integral multiples thereof. The applicable Disclosure Statement Supplement will disclose if the particular offer requires a minimum investment of more than one CD. In addition, each Offering Broker may independently require that a minimum principal amount be purchased in a single transaction.

On the Maturity Date for a CD, you will be entitled to receive the principal amount of such CD that you own plus an interest payment (such interest payment, the “Indexed Amount”), if any, which, unless otherwise provided in the applicable Disclosure Statement Supplement, will be related to the change in the level of a specified index (the “Index”) determined as described in the applicable Disclosure Statement Supplement. SunTrust Bank may offer CDs that pay a Minimum Interest Amount which, if payable, will be indicated in the applicable Disclosure Statement Supplement. The Minimum Interest Amount, if applicable, will be paid as a one time payment on the Maturity Date in lieu of the Indexed Amount if such Minimum Interest Amount is greater than the Indexed Amount. SunTrust Bank may also offer CDs that pay Periodic Interest Payments over the term of the CD at a specified annual interest rate which, if payable, will be indicated in the applicable Disclosure Statement Supplement. The interest rate for any Periodic Interest Payments may be a fixed rate or a variable rate. If Periodic Interest Payments are made over the term of the CD, you will receive on the Maturity Date the principal amount of each CD that you own, the Indexed Amount or Minimum Interest Amount, if applicable, plus any accrued but unpaid Periodic Interest Payments at the specified rate.

Early withdrawal may be permitted in the case of the death or adjudication of incompetence of the beneficial owner of a CD as described herein if so provided in the applicable Disclosure Statement Supplement. In addition, if so provided in the applicable Disclosure Statement Supplement, you will have the right to elect to redeem your CD on specified days during the term of the CD. You may not receive the full principal amount of a CD if you make such a redemption election on any specified day. No additions to the CD will be permitted. The CD will not be automatically renewed. No interest will accrue and no Indexed Amount will be earned on a CD prior to its original issue date (the “Issue Date”) or after its Maturity Date.

If a Periodic Interest Payment date or Maturity Date falls on a day that is not a Business Day, that payment will be made on the next Business Day and no interest shall accrue as a result of the delayed payment. “Business Day” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in New York, New York or Atlanta, Georgia. The Maturity Date for a CD may be subject to certain other adjustments as may be specified in the applicable Disclosure Statement Supplement and, where any such adjustment applies, no interest shall accrue as a result of the delayed payment.

For information regarding the United States federal income tax treatment of the CD, please see the section entitled “Certain United States Federal Income Tax Considerations” herein.

Payment at Maturity

You will be entitled to receive the principal amount of each CD that you own on the applicable Maturity Date for such CD plus the Indexed Amount, if any, as provided for below. If applicable, you may be entitled to receive any Minimum Interest Amount on the Maturity Date in lieu of the Indexed Amount if such Minimum Interest Amount is greater than the Indexed Amount. SunTrust Bank will be obligated to repay the principal amount of each CD on its Maturity Date regardless of any changes in the Index.

Determination of the Indexed Amount

The Indexed Amount for a CD will be determined by SunTrust Bank (in such capacity, the “Calculation Agent”) as set forth in the applicable Disclosure Statement Supplement. The determination of the Indexed Amount for any CD will
be based on the change in the Index over the term of the CD or based on the changes in the Index for specified periods within the term of the CD. The actual methodology for determining the Indexed Amount will be set forth in the applicable Disclosure Statement Supplement. If the Indexed Amount, as determined in accordance with the specified methodology, is negative, it shall be deemed to be zero. All determinations made by the Calculation Agent shall be at the sole discretion of the Calculation Agent and, in the absence of manifest error, shall be conclusive for all purposes and binding on the beneficial owners of the CDs.

Early Withdrawal/Early Redemption

Except as provided in the next paragraph, no withdrawals of principal or interest, as the case may be, will be permitted prior to the Maturity Date, except, if so specified in the applicable Disclosure Statement Supplement, in the event of the death of the beneficial owner of a CD, or the adjudication of incompetence of any such beneficial owner by a court or other administrative body of competent jurisdiction. In such event, provided that prior written notice of such proposed withdrawal has been given to the broker from whom the CD was purchased and SunTrust Bank, together with appropriate documentation to support such request, SunTrust Bank will permit withdrawal of the full principal amount of the CD held by such beneficial owner (no partial withdrawals will be permitted). Unless provided for in the applicable Disclosure Statement Supplement, upon such withdrawal, only the principal amount will be paid and no other amount will be due.

If so specified in the Disclosure Statement Supplement applicable to your CD, you will have a limited right to elect early redemption of your CD for the applicable Early Redemption Amount (as defined below). Prior to each date specified as a redemption date in the applicable Disclosure Statement Supplement (each, an “Early Redemption Date”), you may request that a CD be redeemed in a principal amount that is at least $1,000 and integral multiples of $1,000 provided that the remaining principal amount of such CD is at least equal to the minimum denomination specified in the Disclosure Statement Supplement. The Calculation Agent will calculate the Early Redemption Amount once it has been informed of the aggregate amount that all beneficial owners intend to redeem on the applicable Early Redemption Date.

The “Early Redemption Amount” shall be determined at the sole discretion of the Calculation Agent and will be computed differently than the amount payable on the CD on the Maturity Date. The Early Redemption Amount will include an early withdrawal penalty, which will be determined by taking into account certain factors and may include the costs to SunTrust Bank associated with the early withdrawal. The applicable Disclosure Statement Supplement will describe the early redemption provisions, if any, applicable to your CD.

SunTrust Bank will make final payment of the Early Redemption Amount on the third Business Day after the applicable Early Redemption Date, without accrual of any interest on the Early Redemption Amount.

The Early Redemption Amount could be less than the principal amount of your CD, resulting in a negative return on your investment notwithstanding increases in the level of the Index from the Issue Date to the Early Redemption Date.

Seven Business Days prior to each Early Redemption Date, the Calculation Agent will calculate and deliver to the Depository Trust Company (“DTC”) an indicative Early Redemption Amount, illustrating what the Early Redemption Amount would have been had such Early Redemption Date occurred on the date of such calculation, and will provide an explanation of the procedures for early redemption. The indicative Early Redemption Amount will not be binding on SunTrust Bank and will differ, perhaps significantly, from that calculated with respect to the Early Redemption Date.

You must exercise the option to redeem your CD through your broker. To make your election effective, you must make certain that your notice of election to redeem is delivered to SunTrust Bank through your broker prior to 12:00 noon in The City of New York two (2) Business Days prior to the applicable Early Redemption Date. Different brokers have different deadlines for accepting instructions from their customers. You should consult your broker to ascertain the deadline for ensuring that timely notice will be delivered to SunTrust Bank through your broker.
RISK FACTORS

Your purchase of a CD will involve certain risks. For example, there is the risk that you might not earn a return on your investment and the risk that you will be unable to sell your CD in the secondary market prior to the Maturity Date. You should compare the features of the CD to other available investments before deciding to purchase a CD. Due to the uncertainty as to whether a CD will earn an Indexed Amount, the return you receive with respect to a CD may be higher or lower than the returns on other deposits available from the Offering Brokers or SunTrust Bank. You should not purchase a CD unless you have the financial status and, either alone or with a financial advisor, the knowledge and experience to understand, and the ability to bear, the risks of an investment in the CD. You should reach an investment decision only after carefully considering with your advisors the suitability of an investment in a CD in light of your particular circumstances.

The Indexed Amount

You should be aware that if the Index does not change so as to produce an Indexed Amount greater than zero, you will receive only the principal amount of your CD plus the Minimum Interest Amount or Periodic Interest Payments, if any, specified in the related Disclosure Statement Supplement. The level of the Index, at some time during the life of a CD, may increase so that the Indexed Amount would be greater than zero, but the Index can later fall and reduce the Indexed Amount to zero. If the Indexed Amount is based upon several Index levels determined at intervals over the term of a CD, it is possible that the Indexed Amount will equal zero even though the Index level on the Maturity Date is greater than the initial Index level. In addition, the Indexed Amount may be subject to the application of a participation factor (the “Participation Factor”), which will reduce or increase the Indexed Amount. If the Indexed Amount is zero, you will be paid only the principal amount of your CD plus the Minimum Interest Amount or Periodic Interest Payments, if any, specified in the related Disclosure Statement Supplement.

Insolvency of SunTrust Bank

In the event SunTrust Bank approaches insolvency or becomes insolvent, it may be placed in regulatory conservatorship or receivership with the FDIC typically appointed the conservator or receiver. The FDIC as conservator or receiver may transfer to another insured depository institution any of the insolvent institution’s assets and liabilities, including liabilities such as the CDs, without the approval or consent of the beneficial owners of the CDs. The transferee depository institution would be permitted to offer beneficial owners of the CDs the choice of (i) repayment of the principal amount of the CDs or (ii) less favorable terms. If the CD is paid off prior to its Maturity Date, either by a transferee depository institution or the FDIC, its beneficial owner may not be able to reinvest the funds at the same rate of return as the rate on the original CD.

An Investment in a CD Subjects You to the Credit Risk of SunTrust Bank

An investment in a CD will be subject to the credit risk of SunTrust Bank. A CD constitutes a senior unsecured obligation of SunTrust Bank.

Limitations on Deposit Insurance

The FDIC has taken the position that the Indexed Amount, if any, and any secondary market premium paid by a depositor above the principal amount on the CD are not insured by the FDIC. In the event that FDIC insurance payments become necessary for the CD, the FDIC is required to pay the principal amount of the CD and any accrued but unpaid Periodic Interest Payment, as prescribed by law, subject to the Maximum Applicable Deposit Insurance Amount. The extent of, and limitations on, federal deposit insurance are discussed in this Disclosure Statement in the section entitled “Deposit Insurance: General” and “Deposit Insurance: Retirement Plans and Accounts.” Except to the extent insured by the FDIC as described in this Disclosure Statement, the CD is not otherwise insured by any governmental agency or instrumentality or any other person.

Limited Access to Invested Funds

You may redeem a CD on the periodic Early Redemption Dates, if any, specified in the Disclosure Statement Supplement for your CD. Otherwise, withdrawals of funds will be permitted only upon the death or adjudication of incompetence of the beneficial owner of a CD. Because of these restrictions, you should understand that access to your funds is limited prior to the Maturity Date.
The Offering Brokers, though not obligated to do so, may maintain a secondary market in a CD upon completion of the distribution. However, neither the Offering Brokers nor SunTrust Bank can provide assurance that you will be able to sell your CD in the secondary market prior to its Maturity Date. Therefore, you should not rely on any such ability to sell your CD prior to its Maturity Date for any benefits, including achieving trading profits, limiting trading or other losses, realizing income or having access to the proceeds. Even if the Offering Brokers maintain a secondary market, it is unlikely that the secondary market value of the CD will correlate closely with the level of the Index. The CD will not be listed on any national exchange or quoted on any U.S. automated inter-dealer quotation system or traded in the over-the-counter market.

You May Not Be Entitled To The Return Of Your Principal Amount Prior To The Maturity Date

SunTrust Bank will return 100% of the principal amount of a CD on the Maturity Date or, if applicable, if such funds are withdrawn prior to the Maturity Date due to death or adjudication of incompetence of the beneficial owner as described herein. The amount you receive upon any other redemption or upon a secondary market sale of your CD may be less and could be significantly less than the principal amount. This may be true even if the level of the Index on the date of such redemption or sale is greater than such level at the beginning of the term of the CD.

Your Return, If Any, May Be Lower Than The Return On Other Available Investments

The return you receive on your CD may be less than the return you could have earned on other investments, including a direct investment in each of the components comprising an Index. Your return may be less than the return available on other deposits available at SunTrust Bank or from any Offering Broker. An investment in a CD could produce no return, if the Indexed Amount is zero and no Minimum Interest Amount or Periodic Interest Payments are payable in respect of such CD. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money. This is because you have lost the use of the principal amount deposited for the term of the CD’s investment. The payment on the Maturity Date of a CD does not include any dividends paid, if any, on a component of the Index.

You Have No Rights In The Components Of The Index

Your interest in a CD does not entitle you to the rights of a holder of any of the components of the Index, including voting rights, the right to receive interest, dividends or other distributions.

Hedging Transactions By Us May Affect Your Return

SunTrust Bank and certain of its affiliates may enter into transactions in the components of the Index and futures or options contracts on the Index prior to and during the term of a CD in order to hedge their obligations related to the CD and for other business reasons. While SunTrust Bank does not expect that these transactions will have a material effect on the Index, no assurance can be given that these activities will not have a negative impact on the return you receive on the CD.

United States Federal Income Tax Considerations

Unless otherwise indicated in the applicable Disclosure Statement Supplement, there generally will be taxes due on ordinary income from a CD prior to the receipt of any cash payments, except for any Periodic Interest Payments that may be payable on the CD, as described in the section entitled “Certain United States Federal Income Tax Considerations” herein. All purchasers should consult their tax advisors regarding the United States federal income tax consequences of purchasing, owning and disposing of a CD.

PURCHASING A CD

CDs may only be purchased through an Offering Broker and a depositor must deliver to that Offering Broker an amount equal to at least the minimum denomination required by the relevant Disclosure Statement Supplement.

No CD account will be established by SunTrust Bank until the later of (i) SunTrust Bank’s receipt of the proceeds thereof from an Offering Broker and (ii) the settlement of a CD through the facilities of DTC on the Issue Date thereof (the “Closing Time”). Furthermore, SunTrust Bank has the right, exercisable in its own discretion at or prior to the Closing Time, to reject any such proceeds, without regard to its earlier receipt thereof. Any such rejection of funds after receipt
thereof may result from a determination made solely by SunTrust Bank in good faith that market conditions as of the Issue Date would render issuance of the relevant CD uneconomic to SunTrust Bank on the terms set forth in the relevant Disclosure Statement Supplement. Any such funds rejected by SunTrust Bank will be returned without the accrual of any interest.

YOUR RELATIONSHIP WITH THE OFFERING BROKER AND SUNTRUST BANK

The CD will be evidenced by one or more master certificates issued by SunTrust Bank, each representing a number of individual CDs. These master certificates will be held by or on behalf of DTC. The Offering Broker through which you purchase your CD acting as your nominee, authorized representative, agent or custodian, will maintain records evidencing your ownership of the CD that you purchase, and will provide you with a confirmation (a “Confirmation”) and periodic account statements (each an “Account Statement”) reflecting such purchase, which should be retained for your records. No evidence of ownership, such as a passbook or a certificate, will be provided to you. The Confirmation will state the original principal amount of your CD, from which you can determine how much premium, if any, you paid for the CD. The value of your CD may be difficult to accurately determine at any time during the term of the CD. The value indicated on your Account Statement is an estimated value, which may be less than the original principal amount of your CD and more than the Early Redemption Amount available to you upon an early redemption. Because you will not be provided with a certificate evidencing your CD, the purchase of a CD is not recommended for persons who wish to take physical possession of a certificate. Each CD constitutes a direct deposit obligation of SunTrust Bank and is not, either directly or indirectly, an obligation of any Offering Broker or other person or entity.

Payments on the CD will be remitted by SunTrust Bank to DTC when due. Upon receipt in full of such amounts by DTC, SunTrust Bank will be discharged from any further obligation with regard to such payments. Such payments will be credited through DTC’s procedures to participant firms and thereafter will be remitted to the Offering Broker through whom you purchased your CD, so long as such Offering Broker acts as your nominee, authorized representative, agent or custodian, and credited to your account with such Offering Broker.

If you choose to terminate your Offering Broker as nominee, authorized representative, agent or custodian with regard to a CD, you (i) may transfer your CD to another broker-dealer or other institution that is a member of DTC, or a correspondent of such a member, or (ii) request that your ownership of the CD be evidenced directly on the books of SunTrust Bank, subject to applicable law and SunTrust Bank’s terms and conditions, including those related to the manner of evidencing CD ownership. If you choose to remove the Offering Broker, the Offering Broker will have no further responsibility for payments made with respect to the CD. If your CD is established on the books of SunTrust Bank, you will have the ability to enforce your rights in the CD directly against SunTrust Bank.

SUNTRUST BANK

SunTrust Bank is a Georgia-chartered bank and a member of the Federal Reserve System. SunTrust Bank offers a full range of financial services for consumers and businesses. As of March 31, 2008, SunTrust Bank had 1,678 full-service branches, including 335 in-store branches, and 2,509 automated teller machines located primarily in Florida, Georgia, Maryland, North Carolina, South Carolina, Tennessee, Virginia and the District of Columbia. In addition, SunTrust Bank provides customers with a selection of technology-based banking channels including Internet and telephone banking. The principal executive offices of SunTrust Bank are located at 303 Peachtree Street, N.E., Atlanta, Georgia.

SunTrust Bank files Consolidated Reports of Condition and Income (the “Call Reports”) on Federal Financial Institutions Examination Council (“FFIEC”) Form 031 with its primary federal regulator. Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules as of the end of or for the period to which the Call Report relates. The Call Reports are prepared in accordance with regulatory instructions issued by the FFIEC. These instructions in most, but not all, cases follow generally accepted accounting principles, including the opinions and statements of the Accounting Principles Board and the Financial Accounting Standards Board. While the Call Reports are supervisory and regulatory documents, not primarily accounting documents, and do not provide a complete range of financial disclosure about SunTrust Bank, the Call Reports nevertheless provide important information concerning the financial condition and results of operations of SunTrust Bank. The Call Reports are on file with, and are publicly available upon written request to, the FDIC at 801 17th Street, N.W., Washington, D.C. 20429, Room 100, or by calling the FDIC at (202) 416-6940. The Call Reports are also available by accessing the FDIC’s web site (http://www.fdic.gov).

SunTrust Bank is a wholly-owned indirect subsidiary of SunTrust Banks, Inc., a financial holding company under the Bank Holding Company Act of 1956, as amended, incorporated under the laws of the State of Georgia. SunTrust
Banks, Inc. is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the “SEC”). Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. The SEC also maintains a web site (http://www.sec.gov) that contains reports, proxy statements and other information regarding SunTrust Banks, Inc. Such reports, proxy statements and other information also may be inspected at the offices of the New York Stock Exchange at 20 Broad Street, 17th Floor, New York, New York 10005. The CDs are deposit obligations of SunTrust Bank and are not obligations of, or guaranteed by, SunTrust Banks, Inc., or any other affiliate of SunTrust Bank.

DEPOSIT INSURANCE: GENERAL

Your CD is insured by the FDIC, an independent agency of the U.S. Government, to the Maximum Applicable Deposit Insurance Amount (including principal and interest) for all deposits held in the same insurable capacity at any one issuer. Generally, any accounts or deposits that you may maintain directly with SunTrust Bank, or through any other intermediary in the same capacity in which the CD is maintained, would be aggregated with the CD for purposes of the Maximum Applicable Deposit Insurance Amount. In the event SunTrust Bank fails, an interest-bearing CD is insured, up to the Maximum Applicable Deposit Insurance Amount, for principal and interest accrued to the date SunTrust Bank is closed. Interest is determined for deposit insurance purposes in accordance with federal law and regulations.

Under certain circumstances, if you become the owner of a CD or other deposit at SunTrust Bank because another depositor dies, beginning six months after the death of the depositor, the FDIC will aggregate those deposits for purposes of the Maximum Applicable Deposit Insurance Amount with any other CD or deposit that you own in the same insurable capacity at SunTrust Bank. Examples of accounts that may be subject to this FDIC policy include joint accounts, “payable on death” accounts and certain trust accounts. The FDIC provides a six month “grace period” to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

The FDIC has taken the position that contingent interest does not accrue, and is not insured by the FDIC, until the contingency has been removed. Because the interest on the CD, except for Periodic Interest Payments, if any, cannot be determined until the final valuation date (as specified in the applicable Disclosure Statement Supplement, the “Final Valuation Date”), the interest (except for Periodic Interest Payments, if any) does not accrue until the Final Valuation Date and is considered contingent interest until that date. If SunTrust Bank fails before the Final Valuation Date, the interest (except for Periodic Interest Payments, if any) will not be insured by the FDIC.

If your CD or other deposit at SunTrust Bank is assumed by another depository institution pursuant to a merger or consolidation, such CD or deposit will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of the CD or other time deposit that was assumed or (ii) with respect to deposits that are not time deposits, the expiration of a six-month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiror held in the same insurable capacity for purposes of federal deposit insurance. Any deposit opened at the acquiror after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

In the event that you purchase a CD in the secondary market at a premium over the par amount, that premium is not insured. Similarly, you are not insured for any premium reflected in the estimated market value of your CD on your periodic statement. If deposit insurance payments become necessary for SunTrust Bank, you can lose the premium paid for your CD and you will not receive any premium shown on your periodic statement. See the section headed “Secondary Market” below.

The application of the Maximum Applicable Deposit Insurance Amount is illustrated by several common factual situations discussed below.

Individual Customer Accounts. Deposits of any one issuer held by an individual in an account in the name of an agent or nominee of such individual (such as a CD held in a brokerage account) or held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the agent, nominee or custodian, but are added to other deposits of such individual held in the same capacity (including funds held in a sole proprietorship) and insured up to $100,000 in the aggregate. Deposits held through a qualified tuition savings program (529 Plan) will be insured as deposits of the participant in the qualified tuition savings program and aggregated with other
deposits of the participant if the arrangement and the name of the participant are identified on the Offering Broker’s account records.

**Corporate, Partnership and Unincorporated Association Accounts.** Deposits of any one issuer owned by corporations (including Subchapter S corporations), partnerships and unincorporated associations, operated for a purpose other than to increase deposit insurance, are added together with other deposits owned by such corporation, partnership and unincorporated association, respectively, and are insured up to $100,000 in the aggregate.

**Joint Accounts.** An individual’s interest in deposits of any one issuer held under any form of joint ownership valid under applicable state law may be insured up to $100,000 in the aggregate, separately and in addition to the $100,000 allowed on other deposits individually owned by any of the co-owners of such accounts (hereinafter referred to as a “Joint Account”). For example, a Joint Account owned by two persons would be eligible for insurance coverage of up to $200,000 ($100,000 for each person), subject to aggregation with each owner’s interests in other Joint Accounts at the same depository institution. Joint Accounts will be insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners.

**Revocable Trust Accounts. General Rule.** Deposits of any one issuer in which the owner evidences an intent that at his or her death the funds shall belong to one or more individuals (frequently referred to as a “Totten trust” account, “payable upon death” account or other type of revocable trust account (as determined under applicable state law)) will be aggregated with other deposits of the owner held in an individual capacity at the issuer and insured up to a maximum of $100,000. **Special Rule.** Revocable trust accounts will be insured as to each named beneficiary, separately from another account of the owner or the beneficiary, provided that: (i) the Offering Broker’s account records evidence an intention that upon the death of the owner the funds will belong to the owner’s spouse, or to one or more parents, siblings, children or grandchildren and (ii) the beneficiaries of the revocable trust are specifically named in the Offering Broker’s account records. However, a revocable trust account established by a husband and wife that names the husband and wife as sole beneficiaries will be treated as a Joint Account, and will be aggregated with other Joint Accounts subject to the rules described above under “Joint Accounts.” **Living Trusts.** A living trust is a formal revocable trust over which the owner retains ownership and control of the assets and designation of beneficiaries during his or her lifetime. Living trusts are subject to special rules, which should be carefully reviewed in order to determine the available deposit insurance coverage.

**Irrevocable Trust Accounts.** Deposits of any one issuer held pursuant to one or more irrevocable trust agreements created by the same grantor (as determined under applicable state law) will be insured for up to $100,000 for the interest of each beneficiary provided that the beneficiary’s interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). According to the FDIC, **Coverdell Education Savings Accounts** will be treated as irrevocable trust accounts for deposit insurance purposes. The deposit insurance of each beneficiary’s interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee or other beneficiaries. The interest of a beneficiary in irrevocable trust accounts at an issuer created by the same grantor will be aggregated and insured up to $100,000.

**Medical Savings Accounts.** Deposits of any one issuer held in a medical savings account, sometimes referred to as an Archer Medical Savings Account, will be eligible for deposit insurance as either an individual account, a revocable trust account or an employee benefit plan. You may wish to consult with your attorney or the FDIC to determine the available coverage.

**Temporary Increase in Deposit Insurance Limits**

On October 3, 2008, the Maximum Applicable Deposit Insurance Amount of $100,000 (where applicable prior to that date) was temporarily increased to $250,000 through December 31, 2009. SunTrust Bank is not presently required, and does not intend, to notify depositors of any subsequent changes in FDIC insurance coverage limits.

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**DEPOSIT INSURANCE: RETIREMENT PLANS AND ACCOUNTS**

**Introduction**

If you have CDs that are held through one or more retirement plans and accounts, the Maximum Applicable Deposit Insurance Amount available for those CDs will vary depending on the type of plan or account and, in some cases, the features of the plan or account.
The following sections discuss in general terms the rules that apply to CDs and other deposits held through retirement plans and accounts. Because these rules determine the Maximum Applicable Deposit Insurance Amount available to you and whether your deposits at any one issuer held through different retirement plans and accounts will be aggregated for purposes of the Maximum Applicable Deposit Insurance Amount, you should consult with your tax or legal adviser before investing in the CDs.

Pass-Through Deposit Insurance for Employee Benefit Plan Deposits

Subject to the limitations discussed below, under FDIC regulations an individual’s non-contingent interests in the deposits of any one issuer held by many types of plans are eligible for insurance up to the Maximum Applicable Deposit Insurance Amount on a pass-through basis. This means that instead of an employee benefit plan’s deposits at one issuer being entitled to only the Maximum Applicable Deposit Insurance Amount in total per issuer, each participant in the employee benefit plan is entitled to insurance of his or her non-contingent interest in the employee benefit plan’s deposits of up to the Maximum Applicable Deposit Insurance Amount per issuer (subject to the aggregation of the participant’s interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is separate from the Maximum Applicable Deposit Insurance Amount allowed on other deposits held by an individual in different insurable capacities with an issuer.

The types of plans for which deposits may receive pass-through treatment are employee benefit plans, as defined in Section 3(3) of the Employee Retirement Income Security Act (“ERISA”) (including Keogh plans, whether or not they are technically “employee benefit plans” under ERISA) (“ERISA Plans”) and eligible deferred compensation plans described in Section 457 of the Internal Revenue Code of 1986. For purposes of Section 3(3) of ERISA, employee benefit plans are broadly defined to include most employee benefit plans, including most defined benefit plans and most defined contribution plans.

A deposit held by an employee benefit plan that is eligible for pass-through insurance is not insured for an amount equal to the number of plan participants multiplied by the Maximum Applicable Deposit Insurance Amount. For example, an employee benefit plan owns $200,000 in CDs at one issuer and the participants are eligible for up to $100,000 per plan beneficiary. The employee benefit plan has two participants, one with a non-contingent interest of $170,000 and one with a non-contingent interest of $30,000. In this case, the employee benefit plan’s deposit would be insured up to only $130,000; the individual with the $170,000 interest would be insured up to the $100,000 limit and the individual with the $30,000 interest would be insured up to the full value of such interest.

The contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee benefit plan are not insured on a pass-through basis. Contingent interests of employees in an employee benefit plan deposit are interests that are not capable of evaluation in accordance with FDIC rules and are aggregated and insured up to the Maximum Applicable Deposit Insurance Amount per issuer. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to the Maximum Applicable Deposit Insurance Amount separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.

Retirement Plans and Accounts Eligible For a Maximum Applicable Deposit Insurance Amount of $250,000

The retirement plans and accounts described below are eligible for a Maximum Applicable Deposit Insurance Amount of $250,000 and all deposits held through such plans and accounts will be aggregated for purposes of the Maximum Applicable Deposit Insurance Amount. This means that all deposits of any one issuer that you hold through the plans and accounts described below will be eligible for insurance up to a total of $250,000.

Individual Retirement Accounts (“IRAs”). All deposits of the same issuer held in traditional, Roth, SEP and SIMPLE IRAs will be aggregated for purposes of the Maximum Applicable Deposit Insurance Amount and will be further aggregated with deposits held through other plans described in this section.

Section 457 Plans. These plans include any eligible deferred compensation plan described in Section 457 of the Internal Revenue Code of 1986, as amended (the “Code”).

Self-Directed Keogh and 401(k) Plans. These include deposits held in any plan described in Section 401(d) of the Internal Revenue Code of 1986, generally referred to as Keogh plans, and in any plan described in Section 3(34) of ERISA including, but not limited to, plans generally referred to as Section 401(k) plans. The plan must be “self-directed”
to qualify for the $250,000 deposit insurance limit. The FDIC defines self-directed to mean the ability of the plan participants to direct funds into a specific depository institution.

**Retirement Plans and Accounts Eligible For a Maximum Applicable Deposit Insurance Amount of $100,000**

All retirement plans and accounts not listed above, including defined contribution plans and plans that do not meet the FDIC’s “self-directed” criteria, will be eligible for federal deposit insurance up to $100,000 per participant, subject to the aggregation rules described below.

**Additional Aggregation For Purposes of the Maximum Applicable Deposit Insurance Amount**

In addition to the aggregation rules discussed above for retirement plans and accounts eligible for a Maximum Applicable Deposit Insurance Amount of $250,000, under FDIC regulations an individual’s interests in plans maintained by the same employer or employee organization (e.g., a union) that are holding deposits of the same issuer will be aggregated for purposes of the Maximum Applicable Deposit Insurance Amount. It is therefore important to understand the type of plan or account holding your deposits.

**QUESTIONS ABOUT FDIC DEPOSIT INSURANCE COVERAGE**

If you have questions about basic FDIC insurance coverage, please contact your financial and/or legal advisors. You may particularly wish to seek advice concerning FDIC insurance coverage of deposits held in more than one insurable capacity. You may also obtain information by contacting the FDIC, Office of Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)) or by e-mail (dcainternet@fdic.gov) or visiting the FDIC website at www.fdic.gov.

**PAYMENTS UNDER ADVERSE CIRCUMSTANCES**

As with all deposits, if it becomes necessary for federal deposit insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make insurance payments available. Accordingly, you should be prepared for the possibility of an indeterminate delay in obtaining insurance payments.

As explained above, the Maximum Applicable Deposit Insurance Amount applies to the principal and accrued interest on all CDs and other deposit accounts maintained by you at SunTrust Bank in the same insurable capacity. The records maintained by SunTrust Bank and your Offering Broker regarding ownership of the CDs would be used to establish your eligibility for federal deposit insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to your Offering Broker before insurance payments are released to you. For example, if you hold CDs as trustee for the benefit of trust participants, you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding an insurance payment.

In the event that deposit insurance payments become necessary for your CDs, the FDIC is required to pay the original par amount plus accrued interest to the date of the closing of SunTrust Bank, as prescribed by law, and subject to the Maximum Applicable Deposit Insurance Amount. No interest is earned on deposits or the CDs from the time SunTrust Bank is closed until insurance payments are received.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on deposit insurance coverage, the healthy institution may assume the CDs under the original terms or offer you a choice between paying the CDs off and maintaining the deposit at a different rate. Your Offering Broker will advise you of your options in the event of a deposit transfer.

The Offering Broker will not be obligated to you for amounts not covered by deposit insurance and will not be obligated to make any payments to you in satisfaction of a loss you may incur a loss as a result of, (i) a delay in insurance payouts applicable to your CD, (ii) your receipt of a decreased interest rate on an investment replacing your CD as a result of the payment of the principal and accrued interest or the accreted value of a CD prior to its scheduled maturity or (iii) payment in cash of the principal and accrued interest of your CDs prior to maturity in connection with the liquidation of SunTrust Bank or the assumption of all or a portion of its deposit liabilities. In connection with the latter, the amount of a payment on a CD that had been purchased at a premium in the secondary market is based on the original par amount (or, in the case of a zero-coupon CD, its accreted value) and not on any premium amount. Therefore, you can lose
up to the full amount of the premium as a result of such a payment. Also, the Offering Broker will not be obligated to credit your account with funds in advance of payments received from the FDIC.

**FEES**

Under the arrangements established by SunTrust Bank with the Offering Brokers selling the CD, your Offering Broker will receive a placement fee in connection with your purchase of a CD. Also, a CD sold in the secondary market may have been purchased from SunTrust Bank by a broker upon issuance and held by the broker until the secondary market sale.

Unless otherwise specified in the applicable Disclosure Statement Supplement, Offering Brokers may purchase CDs from SunTrust Bank and resell such CDs at varying prices with varying mark ups.

SunTrust Bank may enter into arrangements with one or more of its affiliates to hedge the market risks associated with its obligations to pay amounts due on the Maturity Date of any CD. The affiliates on occasion may include SunTrust Robinson Humphrey, Inc. and the affiliates may make a profit in connection with this arrangement.

**SECONDARY MARKET**

The Offering Broker, though not obligated to do so, may maintain a secondary market in the CDs after their Settlement Date. If you wish to sell your CD prior to maturity and the Offering Broker does not maintain a secondary market, the Offering Broker may attempt to sell your CD in a secondary market maintained by another broker-dealer. The Offering Broker cannot provide assurance that you will be able to sell your CDs prior to their maturity. In addition, a secondary market for the CDs may be discontinued at any time without notice. Therefore, you should not rely on any such ability to sell your CDs for any benefits, including achieving trading profits, limiting trading or other losses, realizing income prior to maturity, or having access to proceeds prior to maturity.

In the event that a buyer is available at a time you attempt to sell your CD prior to its maturity, the price at which your CD is sold may result in a return to you that may differ from the yield that the CD would have earned had it been held to maturity, since the selling price for a CD in such circumstances will likely be based on a number of factors such as interest rate movements, time remaining until maturity and other market conditions. Also, the price you may pay for any CD purchased in the secondary market will include a mark-up established by the Offering Broker. Similarly, the price at which a CD may be sold if a secondary market is available will reflect a mark-down retained by the Offering Broker. In the event you choose to sell a CD in the secondary market, you may receive less in sale proceeds than the original principal (par) amount of the CD or the estimated price on your account statement.

In the event that a CD is purchased in the secondary market at a premium over the par amount (or accreted value in the case of a zero-coupon CD), the premium is not insured. Therefore, if deposit insurance payments become necessary for the issuer, the owner of a CD purchased in the secondary market can incur a loss of up to the amount of the premium paid for the CD. (Also see the section headed “Deposit Insurance: General.”)

The uninsured premium being paid for an interest bearing CD can be determined from the price set forth in your trade confirmation. Price on CDs is expressed in relation to par (100.00). Any amount over 100.00 represents the premium. For example, if your trade confirmation states that the price for a CD purchased in the secondary market is 100.25, there is a premium that will not be insured by the FDIC. A price of 99.75 would not include a premium. The trade confirmation will also inform you if the CD has accrued interest, which will be insured as long as the par amount of CDs held by you in one insurable capacity at the issuer plus the accrued interest does not exceed the Maximum Applicable Deposit Insurance Amount.

In the case of a zero-coupon CD purchased in the secondary market, the uninsured premium can initially be calculated by subtracting the accreted value from the “Gross Amount” paid. This uninsured premium does, however, decline over time. The accreted value of a zero-coupon CD, which is based upon the original issue yield and price, can be obtained at the time of purchase from the Offering Broker.

If you purchase a callable CD in the secondary market at a premium, you will receive only the par amount if the CD is called.
CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

CIRCULAR 230 DISCLOSURE

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, WE INFORM YOU THAT (A) ANY UNITED STATES FEDERAL TAX DISCUSSION CONTAINED HEREIN (INCLUDING ANY ATTACHMENTS OR ENCLOSURES) WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES, (B) ANY SUCH DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION OR MATTER ADDRESSED HEREIN AND (C) ANY TAXPAYER TO WHOM THE TRANSACTIONS OR MATTERS ARE BEING PROMOTED OR MARKETED SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The following is a summary of certain United States federal income and, for certain foreign persons, estate tax consequences of the purchase, ownership and disposition of the CDs. The following summary is based upon laws, regulations, rulings and decisions in effect as of the date of this Disclosure Statement, all of which are subject to change (possibly with retroactive effect) or possible differing interpretations. The discussion below applies only to CDs held as capital assets for United States federal income tax purposes and does not purport to address tax consequences to persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, real estate investment trusts, dealers in securities or currencies, tax-exempt entities, persons holding CDs in a tax-exempt, tax-deferred or tax-advantaged account, persons subject to the alternative minimum tax or persons holding CDs as a hedge against currency risks, as a position in a “straddle” or as part of a “hedging,” “conversion,” “synthetic security” or other integrated transaction for tax purposes. In addition, this summary does not address any applicable state, local or foreign tax laws. This summary applies only to purchasers of CDs who acquire the CDs for an amount equal to the original principal amount.

Persons considering purchasing a CD should consult the applicable Disclosure Statement Supplement for additional discussion of the United States federal income tax consequences related to a particular CD. **In addition, persons considering purchasing a CD should consult their own tax advisors concerning the application of the United States federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of a CD arising under the laws of any other taxing jurisdiction.**

As used herein, the term “U.S. Holder” means a beneficial owner of a CD that is for United States federal income tax purposes (a) a citizen or resident of the United States, (b) a corporation, partnership or other entity treated as a corporation or a partnership that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable Treasury regulations), (c) an estate the income of which is subject to United States federal income taxation regardless of its source, or (d) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust. Certain trusts not described in clause (d) above in existence on August 20, 1996, that elect to be treated as United States persons will also be U.S. Holders for purposes of the following discussion. As used herein, the term “non-U.S. Holder” means a beneficial owner of a CD that is not a U.S. Holder.

**General**

There are no statutory provisions, regulations, published rulings or judicial decisions addressing or involving the characterization, for United States federal income tax purposes, of the CD or other instruments with terms substantially the same as the CD. However, although the matter is not free from doubt, under current law, each CD should be treated as a debt instrument of SunTrust Bank for United States federal income tax purposes. SunTrust Bank currently intends to treat each CD as a debt instrument of SunTrust Bank for United States federal income tax purposes and, where required, intends to file information returns with the IRS in accordance with such treatment, in the absence of any change or clarification in the law, by regulation or otherwise, requiring a different characterization of the CD. Moreover, by purchasing the CD, a purchaser agrees to this treatment of the CD. Prospective investors in the CD should be aware, however, that the IRS is not bound by SunTrust Bank’s or a purchaser’s characterization of the CD as indebtedness, and the IRS could possibly take a different position as to the proper characterization of the CD for United States federal income tax purposes. The following discussion of certain United States federal income tax consequences of the purchase, ownership and disposition of the CDs is based upon the assumption that each CD will be treated as a debt instrument of SunTrust Bank for United States federal income tax purposes. If the CD is not in fact treated as a debt instrument of SunTrust Bank for United States federal income tax purposes, then the United States federal income tax treatment of the purchase, ownership and disposition of the
U.S. Holders

**CDs With Maturities of One Year or Less**

*Cash Method U.S. Holders.* The amount payable at maturity with respect to a CD having a stated maturity of one year or less (a “short-term CD”) in excess of the original principal amount thereof, if any, should generally be includible in income by a U.S. Holder who uses the cash method of accounting as ordinary interest on the date the amount payable at maturity is received. In addition, a U.S. Holder of a short-term CD who uses the cash method of accounting will be required to include in income prior to the Maturity Date the receipt of Periodic Interest Payments, if any, with respect to the short-term CD. Upon the sale, exchange or redemption of a short-term CD prior to its Maturity Date, a U.S. Holder who uses the cash method of accounting generally should recognize taxable gain or loss in an amount equal to the difference between the amount realized on the sale, exchange or redemption and such U.S. Holder’s tax basis in the short-term CD. Such a U.S. Holder’s tax basis in a short-term CD generally should equal such U.S. Holder’s initial investment in the short-term CD. Such gain or loss generally would be short-term capital gain or loss. However, all or a portion of any such gain should be treated as ordinary income to the extent of the original issue discount (as described below under “—Accrual Method U.S. Holders”) that has accrued on a straight-line basis, or upon election under a constant yield method (based on daily compounding), through the date of the disposition. In addition, a U.S. Holder of a short-term CD who uses the cash method of accounting generally will be required to defer deductions for interest paid on indebtedness incurred to purchase or carry a short-term CD in an amount not exceeding the accrued original issue discount until the accrued original issue discount is included in income.

*Accrual Method U.S. Holders.* U.S. Holders who use the accrual method of accounting, and certain other holders including banks and dealers in securities and currencies, should be required to accrue original issue discount on a short-term CD on a straight-line basis unless an election is made to accrue the original issue discount under a constant yield method (based on daily compounding). Such original issue discount should accrue based upon an estimated yield for the short-term CD. Upon maturity of a short-term CD, to the extent that the actual yield on the short-term CD differs from this estimated yield, such difference should be treated as additional original issue discount or as an offset to previously accrued original issue discount. Upon the sale, exchange or redemption of a short-term CD prior to its Maturity Date, a U.S. Holder who uses the accrual method of accounting generally should recognize short-term capital gain or loss (or, in some cases, possibly an offset to previously accrued original issue discount) in an amount equal to the difference between the amount realized on the sale, exchange or redemption and such U.S. Holder’s adjusted tax basis in the short-term CD. A U.S. Holder’s adjusted tax basis generally should equal such U.S. Holder’s initial investment in the short-term CD increased by any original issue discount included in income by the U.S. Holder, and decreased by the amount of any payments previously received with respect to the short-term CD (e.g., Periodic Interest Payments).

**CDs With Maturities of More Than One Year**

Regulations (the “Regulations”) issued by the Treasury Department address the proper United States federal income tax treatment of contingent payment debt instruments, such as a CD having a stated maturity of more than one year (a “long-term CD”). The Regulations will apply to a long-term CD. The Regulations generally require a U.S. Holder of a contingent payment debt instrument to include future contingent and noncontingent interest payments in income as that interest accrues based upon a projected payment schedule. Although a long-term CD may not be issued at a discount, all amounts includible in income by a U.S. Holder as ordinary interest pursuant to the Regulations will be treated as original issue discount. Moreover, in general, under the Regulations, any gain recognized by a U.S. Holder on the sale, exchange, redemption or retirement of a contingent payment debt instrument is treated as ordinary income and all or a portion of any loss realized could be treated as ordinary loss as opposed to capital loss (depending upon the circumstances). The Regulations provide no definitive guidance as to whether an instrument is properly characterized as a debt instrument for United States federal income tax purposes.

In particular, solely for purposes of applying the Regulations to a long-term CD, SunTrust Bank will be required to determine a projected payment schedule for the long-term CD. The projected payment schedule for a long-term CD will consist of the Periodic Interest Payments on the long-term CD, if any, a payment on the Maturity Date of the principal amount of the long-term CD, and a projected Indexed Amount (the “Projected Indexed Amount”). This projected payment schedule will represent an estimated yield for the long-term CD. Long-term CDs having different Maturity Dates and/or offered at different times will have different projected payment schedules and estimated yields.
During the term of a long-term CD, a U.S. Holder of a long-term CD will be required to include in income as ordinary interest an amount equal to the sum of the daily portions of interest on the long-term CD that are deemed to accrue at the applicable estimated yield for each day during the taxable year (or portion of the taxable year) on which the U.S. Holder holds such long-term CD (regardless of such U.S. Holder’s regular method of tax accounting). The amount of interest that will be deemed to accrue in any accrual period will equal the product of the applicable estimated yield (properly adjusted for the length of the accrual period) and the long-term CD’s adjusted issue price (as described below) at the beginning of the accrual period. The daily portions of interest will be determined by allocating to each day in the accrual period the ratable portion of the interest that is deemed to accrue during the accrual period. In general, for these purposes, a long-term CD’s adjusted issue price will equal the long-term CD’s issue price (i.e., the principal amount thereof), increased by the interest previously accrued on the long-term CD, and decreased by the amount of Periodic Interest Payments, if any, previously made on the long-term CD. As a result of the foregoing rules, a U.S. Holder will not be required to separately include in income the Periodic Interest Payments, if any, received on a long-term CD.

On the Maturity Date of a long-term CD, if the actual Indexed Amount, if any, exceeds the Projected Indexed Amount, a U.S. Holder will be required to include the excess of the actual Indexed Amount over the Projected Indexed Amount in income as ordinary interest on the Maturity Date. Alternatively, if the actual Indexed Amount, if any, is less than the Projected Indexed Amount, the excess of the Projected Indexed Amount over the actual Indexed Amount (or, if the actual Indexed Amount is less than or equal to any one-time Minimum Interest Amount payable at maturity, such one-time Minimum Interest Amount) will be treated first as an offset to any interest otherwise includible in income by the U.S. Holder with respect to the long-term CD for the taxable year in which the Maturity Date occurs to the extent of the amount of that includible interest. Any remaining portion of the Projected Indexed Amount in excess of the actual Indexed Amount (or, if the actual Indexed Amount is less than or equal to any one-time Minimum Interest Amount payable at maturity, such one-time Minimum Interest Amount) that is not treated as an interest offset pursuant to the foregoing rules generally will be an ordinary loss to the extent of interest previously included in income, and thereafter, capital loss. The deductibility of any such ordinary loss will not be subject to the limitations applicable to miscellaneous itemized deductions. Any such capital loss generally will be treated as long-term or short-term capital loss depending upon the U.S. Holder’s holding period for the CD.

Notwithstanding the foregoing, if the actual Indexed Amount becomes fixed (either at zero or, if a one-time Minimum Interest Amount may be payable at maturity, at such one-time Minimum Interest Amount) more than six months before the Maturity Date, a U.S. Holder will have a positive or negative adjustment, as appropriate, equal to the difference between the present value of the actual fixed Indexed Amount, using the comparable yield as the discount rate, and the projected amounts of the Indexed Amount as provided in the projected payment schedule. Under the Regulations, a U.S. Holder would be required to take into account such positive or negative adjustment in a reasonable manner over the period to which such adjustment relates. In addition, under the Regulations, if the Indexed Amount becomes fixed more than six months before the Maturity Date, the Indexed Amount will no longer be treated as a contingent payment after the date the Indexed Amount becomes fixed. Moreover, on the date the Indexed Amount becomes fixed, the projected payment schedule for a long-term CD will be modified prospectively to reflect the fixed amount of the payment. Thus, for example, at maturity of a long-term CD, a U.S. Holder would not be permitted to treat the excess, if any, of the Projected Indexed Amount over the actual Indexed Amount as an interest offset or as an ordinary loss on the Maturity Date. In addition to the foregoing, for purposes of accruing original issue discount under the Regulations, if the actual Indexed Amount becomes fixed during an accrual period (i.e., generally each six-month period during which the long-term CD is outstanding), a new accrual period will begin on the day after the day on which the actual Indexed Amount becomes fixed. U.S. Holders should consult their own tax advisors regarding the application of these special rules.

Upon the sale, exchange or redemption of a long-term CD prior to the Maturity Date, a U.S. Holder will be required to recognize taxable gain or loss in an amount equal to the difference, if any, between the amount realized by the U.S. Holder upon such sale, exchange or redemption and the U.S. Holder’s adjusted tax basis in the long-term CD as of the date of disposition. A U.S. Holder’s adjusted tax basis in a long-term CD generally will equal such U.S. Holder’s initial investment in the long-term CD increased by any interest previously accrued on the long-term CD by the U.S. Holder, and decreased by the amount of any payments previously received with respect to the long-term CD (i.e., Periodic Interest Payments). Any such taxable gain will be treated as ordinary income. Any such taxable loss will be treated as ordinary loss to the extent of the U.S. Holder’s total interest inclusions on the long-term CD. Any remaining loss generally will be treated as long-term or short-term capital loss (depending upon the U.S. Holder’s holding period for the long-term CD). Notwithstanding the foregoing, if the actual Indexed Amount becomes fixed more than six months before the Maturity Date, any gain or loss recognized by a U.S. Holder upon the sale or exchange of a long-term CD prior to the Maturity Date generally will be treated as capital gain or loss. Any such gain or loss would generally be long-term or short-term capital gain or loss (depending upon the U.S. Holder’s holding period for the long-term CD).
All prospective investors in long-term CDs should consult their own tax advisors concerning the application of the Regulations to their investment in long-term CDs. Investors in long-term CDs may also obtain the projected payment schedule for their long-term CDs, as determined by SunTrust Bank for purposes of applying the Regulations to the long-term CDs, from SunTrust Bank as more fully described in the applicable Disclosure Statement Supplement.

The projected payment schedule (including both the Projected Indexed Amount and the estimated yield on a long-term CD) will be determined solely for United States federal income tax purposes (i.e., for purposes of applying the Regulations to the long-term CD) and is neither a prediction nor a guarantee of what the actual Indexed Amount will be, or that the actual Indexed Amount will even exceed zero (or, if a one-time Minimum Interest Amount may be payable at maturity, such one-time Minimum Interest Amount).

Non-U.S. Holders

Subject to the discussion of backup withholding below, a non-U.S. Holder will not be subject to United States federal income taxes on payments of principal or interest (including original issue discount, if any) on a CD, so long as such payments are not effectively connected with the conduct by the non-U.S. Holder of a trade or business in the United States.

Subject to the discussion of backup withholding below, any gain realized by a non-U.S. Holder on the sale, exchange or redemption of a CD generally will not be subject to United States federal income tax, unless (1) such gain is effectively connected with the conduct by such non-U.S. Holder of a trade or business in the United States or (2) the non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are satisfied.

If income or gain on a CD is effectively connected with a non-U.S. Holder’s conduct of a trade or business in the United States, the non-U.S. Holder generally will be subject to regular United States federal income tax (and, if paid to a corporate non-U.S. Holder, may also be subject to a 30% branch profits tax, or lower rate provided by a tax treaty) on a net basis on interest and on any gain realized on the sale, exchange or redemption of the CD in the same manner as if it were a U.S. Holder. Such a non-U.S. Holder will be required to provide the applicable withholding agent with a properly executed IRS Form W-8ECI (or successor form) in order to claim an exemption from withholding tax.

Under current law, a CD will not be includible in the estate of a non-U.S. Holder unless, at the time of such individual’s death, payments in respect of such CD would have been effectively connected with the conduct by such individual of a trade or business in the United States.

Non-U.S. Holders should consult their tax advisors about any applicable tax treaties, which may provide for an exemption from or lower rate of withholding tax, exemption from or reduction of branch profits tax, or other rules different from those described above.

Backup withholding

Backup withholding at the applicable statutory rate of United States federal income tax may apply to payments made in respect of the CDs to registered owners who are not “exempt recipients” and who fail to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the required manner. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Payments made in respect of a CD to a U.S. Holder must be reported to the IRS, unless the U.S. Holder is an exempt recipient or establishes an exemption. Non-U.S. Holders who are not exempt recipients generally may establish an exemption from information reporting to the IRS and backup withholding by providing to us (either directly or though a financial institution holding the CD as a nominee for the non-U.S. Holder) with a statement that (a) is signed by the beneficial owner of the CD under penalties of perjury, (b) certifies that such owner is a non-U.S. Holder and (c) provides the name and address of the beneficial owner. The statement may generally be made on IRS Form W-8 (or other applicable form) or a substantially similar form, and the beneficial owner must inform us (directly or indirectly) of any change in the information on the statement within 30 days of that change by filing a new IRS Form W-8 (or other applicable form).

In addition, upon the sale of a CD to (or through) a broker, the broker must withhold at the applicable statutory rate on the entire purchase price, unless either (a) the broker determines that the seller is a corporation or other exempt recipient or (b) the seller provides, in the required manner, certain identifying information (e.g., an IRS Form W-9) and, in the case of a non-U.S. Holder, certifies that such seller is a non-U.S. Holder (and certain other conditions are met). Such a
sale must also be reported by the broker to the IRS, unless either (a) the broker determines that the seller is an exempt recipient or (b) the seller certifies its non-U.S. status (and certain other conditions are met). Certification of the registered owner’s non-U.S. status would be made normally on an IRS Form W-8 (or other applicable form) under penalties of perjury, although in certain cases it may be possible to submit other documentary evidence.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner’s United States federal income tax provided the required information is furnished to the IRS.

**ERISA CONSIDERATIONS**

Each administrator or other fiduciary of an ERISA Plan, should consider the fiduciary standards of ERISA in the context of the ERISA Plan’s particular circumstances before authorizing an investment in the CDs. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans, as well as individual retirement accounts and Keogh plans subject to Section 4975 of the Code from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code (each such person being a “party in interest”) with respect to the plan or account (such transactions being “prohibited transactions”). A violation of these rules regarding prohibited transactions may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons engaging in a prohibited transaction, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) (“non-ERISA arrangements”) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws (“similar laws”).

The acquisition of a CD by an ERISA Plan with respect to which SunTrust Bank or certain of its affiliates is or becomes a party in interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless the CD is acquired pursuant to and in accordance with an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or “PTCEs”, that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of a CD. These exemptions are:

1. PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;
2. PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;
3. PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;
4. PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and
5. PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

A CD may not be purchased or held by (1) any ERISA Plan, (2) any entity whose underlying assets include “plan assets” by reason of any plan’s investment in the entity (a “plan asset entity”) or (3) any person investing “plan assets” of any ERISA Plan, unless in each case the purchaser or holder of the CD is eligible for the exemptive relief available under one or more of the PTCEs listed above or another applicable similar exemption. Any purchaser or holder of a CD or any interest in a CD will be deemed to have represented by its purchase and holding of the CD that it either (1) is not an ERISA Plan or a plan asset entity and is not purchasing the CD on behalf of or with “plan assets” of any ERISA Plan or plan asset entity or (2) with respect to the purchase or holding of the CD, is eligible for the exemptive relief available under any of the PTCEs listed above or another applicable exemption. In addition, any purchaser or holder of a CD or any interest in a CD which is a non-ERISA arrangement will be deemed to have represented by its purchase and holding of the CD that its purchase and holding will not violate the provisions of any similar law.
Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing a CD on behalf of or with “plan assets” of any ERISA Plan, plan asset entity or non-ERISA arrangement consult with their legal advisors regarding the availability of exemptive relief under any of the PTCEs listed above or any other applicable exemption, or the potential consequences of any purchase or holding under similar laws, as applicable.