CPP ANNUAL USE OF CAPITAL SURVEY - 2011

NAME OF INSTITUTION
(Include Holding Company Where Applicable)

SunTrust Banks, Inc.

Point of Contact:	Paul Burdiss	RSSD: (For Bank Holding Companies)	1131787
UST Sequence Number:	5	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	4,850,000,000	FDIC Certificate Number: (For Depository Institutions)	867
CPP/CDCI Funds Repaid to Date:	4,850,000,000	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	November 14, 2008	City:	Atlanta
Date Repaid[1]:	3/30/2011	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) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI 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/CDCI investment was deployed or how many CPP/CDCI 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/CDCI 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/CDCI funds were outstanding).

X **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.

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X **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 $83 billion in new and renewed loans to its clients in 2011. Extensions of credit to consumers (e.g., mortgages, home equity, student lending, and credit card) accounted for approximately $33 billion.

☐ **Increase securities purchased (ABS, MBS, etc.).**

☐ **Make other investments.**

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☐ **Increase reserves for non-performing assets.**

☐ **Reduce borrowings.**

☐ **Increase charge-offs.**

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☐ **Purchase another financial institution or purchase assets from another financial institution.**

☐ **Held as non-leveraged increase to total capital.**

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What actions were you able to avoid because of the capital infusion of CPP/CDCI 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. As the economy stabilized in 2010 and 2011, SunTrust maintained a strong liquidity position throughout. Reflecting weak demand from qualified borrowers -- and consistent with the industry's experience overall -- SunTrust's total loan portfolio declined marginally throughout 2010. However, loan demand increased notably in 2011, and SunTrust continued to extend credit to qualified borrowers. In particular, SunTrust originated or renewed nearly $25 billion in consumer mortgage loans (including second mortgage/home equity lines), along with nearly $8 billion in other consumer loans. Furthermore, SunTrust originated or renewed over $45 billion in commercial and industrial loans in 2011. From a capital perspective, SunTrust's capital ratios remained well above the regulatory minimums throughout 2010 and into 2011, with a notable increase in its Tier 1 Common Risk-based Capital ratio in Q1 2011. As a result of its $1.0 billion common equity issuance associated with the redemption of its CPP funds in Q1 2011, SunTrust's Tier 1 Common Risk-based Capital ratio increased to 9.05% in Q1 2011, a 97 basis point increase from its Q4 2010 ratio of 8.08%. The CPP funds provided SunTrust a substantial regulatory capital buffer throughout SunTrust's participation in the CPP program, and mitigated other steps that the Company may have otherwise deemed necessary to manage its capital position. SunTrust is not materially impacted by upcoming Basel III adjustments to risk-weighted assets, and already complies with the 2019 Basel III minimum capital ratios.

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What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI 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 increased capital ratios resulting from the CPP funds allowed the Company to perform certain actions to an extent that would have been difficult without the use of the funds. Several of these are highlighted below.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 weak in early 2011 throughout the industry, SunTrust still originated and renewed over $83 billion in loans during 2011. Lending to consumers accounted for $33 billion of these originations. 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. In addition, SunTrust continued its mortgage relief efforts, working with clients who were experiencing difficulties. The Company expanded its special counseling and management staff and has continued to focus on its foreclosure mitigation efforts. Throughout 2011, SunTrust provided relief to approximately 24,400 homeowners at risk of foreclosure, and extended assistance to 6,600 borrowers who preferred liquidation options such as short-sale and deed-in-lieu.

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