SUNTRUST BANKS INC
Form DEF 14A
March 14, 2005

SCHEDULE 14A
(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934 (AMENDMENT NO.)

Filed by the Registrant [x]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

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

SUNTRUST BANKS, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

[x] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

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[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

(SUNTRUST LOGO)

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of
SunTrust Banks, Inc.

The Annual Meeting of Shareholders of SunTrust Banks, Inc. will be held in Suite 105 on the 1st floor of SunTrust Plaza Garden Offices, 303 Peachtree Center Avenue, Atlanta, Georgia, on Tuesday, April 19, 2005, at 9:30 a.m. local time, for the following purposes:

1. To elect 6 directors to serve until the Annual Meeting of Shareholders in 2008, 1 director to serve until the Annual Meeting of Shareholders in 2007 and 2 directors to serve until the Annual Meeting of Shareholders in 2006;

2. To ratify the appointment of PricewaterhouseCoopers LLP as independent auditors for 2005;

3. To approve the material terms of the performance goals for the SunTrust Banks, Inc. Management Incentive Plan;

4. To approve the material terms of the performance goals for the SunTrust Banks, Inc. Performance Unit Plan; and

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

Only shareholders of record at the close of business on February 25, 2005 will be entitled to notice of and to vote at the Annual Meeting or any adjournment thereof.

For your convenience, we are also offering an audio webcast of the meeting. If you choose to listen to the webcast, go to "Investor Relations" located under "About SunTrust" at www.suntrust.com shortly before the meeting time and follow the instructions provided. If you miss the meeting, you may listen to a replay of the webcast on our site beginning the afternoon of April 19.

Your attention is directed to the attached Proxy Statement for more complete information regarding the matters to be acted upon at the Annual Meeting.

By Order of the Board of Directors

Raymond D. Fortin
Corporate Secretary

March 8, 2005

IMPORTANT NOTICE

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE YOUR SHARES BY: (1) A TOLL-FREE TELEPHONE CALL, (2) THE INTERNET, OR (3) COMPLETING,

SIGNING, DATING AND RETURNING THE ENCLOSED PROXY AS SOON AS POSSIBLE IN THE POSTAGE PAID ENVELOPE PROVIDED.

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SUNTRUST BANKS, INC.
303 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30308

PROXY STATEMENT

The enclosed proxy is solicited on behalf of the Board of Directors of SunTrust Banks, Inc. in connection with the Annual Meeting of Shareholders of SunTrust to be held on Tuesday, April 19, 2005. This Proxy Statement and the enclosed proxy are being first mailed to SunTrust's shareholders on or about March 15, 2005.

Voting your shares. The enclosed proxy is for use if you are unable to attend the Annual Meeting in person or wish to have your shares voted by proxy even if you attend the Annual Meeting. You may revoke the proxy at any time before it is exercised by notice to the Corporate Secretary of SunTrust, by submitting a proxy having a later date, or by appearing at the Annual Meeting and voting in person. All shares represented by valid proxies received pursuant to this solicitation and not revoked before they are exercised will be voted in the manner specified therein. If no specification is made, the proxies for the proposals described below will be voted as recommended by the Board of Directors.

IMPORTANT: The Securities and Exchange Commission approved rules that prohibit brokers or other nominees that are New York Stock Exchange member organizations from voting in favor of proposals relating to compensation plans unless they receive specific instructions from the beneficial owner of the shares to vote in that manner. If your shares are being voted by a broker or other nominee who is a NYSE member organization, such shares will only be voted in favor of Items 3 and 4 of this Proxy Statement if you have provided specific voting instructions to your broker or other nominee to vote such shares in favor of those proposals. Because the required vote of shareholders to approve these proposals is based upon the total number of votes cast, the failure to submit a proxy or vote in person, the abstention from voting, or the failure to give a broker instructions for how to vote on approval of the material terms of the performance goals for the SunTrust Banks, Inc. Management Incentive Plan and the SunTrust Banks, Inc. Performance Unit Plan could, depending on the number of votes cast, have the same effect as a vote "AGAINST" these proposals.

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

Webcast of Annual Meeting. SunTrust is pleased to offer an audio webcast of the 2005 Annual Meeting. If you choose to listen to the webcast, go to "Investor Relations" located under "About SunTrust" at www.suntrust.com shortly before the meeting time and follow the instructions provided. If you miss the meeting, you may listen to a replay of the webcast on our site beginning the afternoon of April 19 and available until May 19, 2005.

Please note that you will not be able to vote your shares via the webcast. If you plan to listen to the webcast, please submit your vote using one of the methods described above prior to the meeting.

ELECTION OF DIRECTORS

DIRECTOR SELECTION PROCESS

SunTrust maintains a standing Governance and Nominating Committee, which we refer to in this section as the Committee, comprised solely of independent directors who are responsible for identifying individuals qualified to become Board members and recommending to the Board director nominees. The Committee periodically reviews the size and composition of the Board and determines whether it is necessary to add or replace directors. The Committee's charter is available on SunTrust's website at www.suntrust.com.

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

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

Pursuant to the terms of the merger agreement by and between SunTrust and National Commerce Financial Corporation, which we refer to as NCF, SunTrust agreed to appoint 4 members of NCF's Board of Directors to the SunTrust Board at the effective time of the merger, which was October 1, 2004. The nominees proposed by NCF were Thomas C. Farnsworth, Jr., Blake P. Garrett, Jr., Thomas M. Garrott, III and Phail Wynn, Jr. The Committee reviewed the qualifications and independence of these nominees, applying the criteria described above, and unanimously voted to nominate and recommend to the Board that the NCF nominees be elected to serve as SunTrust directors at the effective time of the merger.

On August 10, 2004, the Board adopted a resolution increasing the size of the Board to 18 members and elected the NCF nominees as directors effective October 1, 2004, to serve for a term expiring on the date of the 2005 Annual Meeting of Shareholders.

Douglas N. Daft retired as a director of SunTrust on November 8, 2004 after 4 years of service. Upon the recommendation of the Chairman of the Board, the Committee considered E. Neville Isdell as the nominee to fill the vacancy on the Board created by Mr. Daft's departure. After evaluating Mr. Isdell using the criteria described above, the Committee recommended to the Board that E. Neville Isdell be elected as a director until the 2005 Annual Meeting. Mr. Isdell was elected a director at the Board's December 9, 2004 meeting.

The Committee will consider candidates for director nominees put forward by shareholders. The proposal should state how the proposed candidate meets the criteria described above and the shareholder must comply with the other requirements set forth in the section entitled "Shareholder Nominations for Election to the

Board" under the heading "Additional Information". The Committee will consider candidates proposed by shareholders by evaluating such candidates in the same manner and using the criteria described above. The Committee will also adhere to all applicable laws and regulations.

NOMINEES FOR DIRECTORSHIP
(ITEM 1)

The Board of Directors, under the terms of SunTrust's bylaws, has determined that the number of directors constituting the Board shall be 18, with directors divided into 3 classes serving staggered 3-year terms. There are 9 directors who have been nominated to stand for reelection as directors at the Annual Meeting in 2005. Thomas C. Farnsworth, Jr., Patricia C. Frist, Blake P. Garrett, Jr., L. Phillip Humann, M. Douglas Ivester and Karen Hastie Williams have been nominated to stand for reelection as directors for a term expiring in 2008. Phail Wynn, Jr. has been nominated to stand for reelection as a director for a term expiring in 2007, and Thomas M. Garrott, III and E. Neville Isdell have been nominated to stand for reelection as directors for a term expiring in 2006. In addition to the nominees, there are 9 other directors continuing to serve on the Board, whose terms expire in 2006 and 2007. THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ALL NOMINEES.

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

The following table sets forth for each nominee and each director whose term continues after the meeting his or her age, a brief description of his or her principal occupation and business experience during the last 5 years, certain other directorships held and how long he or she has been a director of SunTrust. Except for Mr. Humann and Mr. Garrott, none of the nominees or directors is employed by SunTrust or any entity that is an affiliate of SunTrust.

NAME, PRINCIPAL OCCUPATION, CERTAIN OTHER DIRECTORSHIPS AND AGE	DIRECTOR SINCE
NOMINEES FOR TERM EXPIRING IN 2008	
THOMAS C. FARNSWORTH, JR. is Chairman of Farnsworth Investment Co. and affiliated companies (real estate development), and has held such positions since 1985. Mr. Farnsworth was a director of National Commerce Financial Corporation and became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004. Mr. Farnsworth is 67.	2004
PATRICIA C. FRIST is a partner in Frist Capital Partners, which invests in equities, real estate and venture capital. Mrs. Frist is also President of Frisco, Inc., an investment corporation, as well as President of the Patricia C. Frist and Thomas F. Frist, Jr. Foundation. Mrs. Frist is 65.	2000
BLAKE P. GARRETT, JR. is a partner in Garrett & Garrett Construction and related companies (commercial real estate development), and has held such positions since March 1966. Mr. Garrett was a director of National Commerce Financial Corporation and became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004. Mr. Garrett is 64.	2004
L. PHILLIP HUMANN is Chairman of the Board and Chief Executive Officer of SunTrust. Until December 2004, Mr. Humann also was President of SunTrust. He is a director of Coca-Cola Enterprises Inc., Equifax Inc. and Haverty Furniture Companies, Inc. Mr. Humann is 59.	1991
M. DOUGLAS IVESTER retired as Chairman of the Board and Chief Executive Officer of The Coca-Cola Company on February 17, 2000. He served as President and Chief Operating Officer of The Coca-Cola Company from July 1994 until elected Chairman of the Board and Chief Executive Officer in October 1997. He is also a director of Georgia-Pacific Corporation and S1 Corporation and is Chairman of the Board of the Woodruff Health Sciences Center, Inc. Mr. Ivester is 57.	1998

NAME, PRINCIPAL OCCUPATION, CERTAIN OTHER DIRECTORSHIPS AND AGE	DIRECTOR SINCE
KAREN HASTIE WILLIAMS is a recently retired partner in the Washington, D.C. law firm of Crowell & Moring LLP. She is also a director of Chubb Corporation, Continental Airlines, Inc., Gannett Company, Inc. and WGL Holdings, Inc. Ms. Williams is 60.	2002
NOMINEE FOR TERM EXPIRING IN 2007	

PHAIL WYNN, JR. is President of Durham Technical Community College. Dr. Wynn was a director of National Commerce Financial Corporation and became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004. Dr. Wynn is 57. 2004

NOMINEES FOR TERM EXPIRING IN 2006

THOMAS M. GARROTT, III served as Chairman of the Board of Directors of National Commerce Financial Corporation from May 1993 to January 2003. He also served as Chairman of the Board, President and Chief Executive Officer of National Commerce Financial Corporation from May 1993 to July 2000. Mr. Garrott became a director of SunTrust when National Commerce Financial Corporation merged with SunTrust in October 2004. Mr. Garrott is also a director of Anderson-Tully Company and serves on the Advisory Committee of The Pension Benefit Guaranty Corporation. Mr. Garrott is 67. 2004

E. NEVILLE ISDELL is Chairman of the Board of Directors and Chief Executive Officer of The Coca-Cola Company and has held these positions since June 1, 2004. Mr. Isdell served as Chairman of the Board and Chief Executive Officer of Coca-Cola Beverages Plc from July 1989 to September 2000. In 2000, he negotiated a merger with Hellenic Bottling Company to form Coca-Cola HBC, at the time the world's second-largest Coca-Cola bottler, and was its Vice Chairman and Chief Executive Officer from September 2000 to December 2001. After he left Coca-Cola HBC at the end of 2001, Mr. Isdell served as an international consultant to The Coca-Cola Company from January 2002 to May 2004. Mr. Isdell is 61. 2004

DIRECTORS WHOSE TERMS EXPIRE IN 2007

ROBERT M. BEALL, II is Chairman and Chief Executive Officer of Beall's, Inc., the parent company of Beall's Department Stores, Inc. and Beall's Outlet Stores, Inc., which operate retail stores located from Florida to California. He is also a director of FPL Group, Inc. Mr. Beall is 61. 2004

JEFFREY C. CROWE is Chairman of the Board of Landstar System, Inc. Landstar System, Inc. and its affiliates provide transportation services to customers throughout North America. Until July 2004, Mr. Crowe was also Chief Executive Officer of Landstar System, Inc. Mr. Crowe was also Chairman of the U.S. Chamber of Commerce from June 2003 until June 2004. From June 2002 to June 2003, he served as Vice Chairman of the U.S. Chamber of Commerce. From October 1993 to October 2003, he served as Chairman of the National Defense Transportation Association. He is also a director of Silgan Holdings, Inc. Mr. Crowe is 58. 2004

J. HICKS LANIER is Chairman and Chief Executive Officer of Oxford Industries, Inc., a business engaged in the design, manufacture, marketing and sale of consumer apparel products. Mr. Lanier is also a director of Crawford & Company, Genuine Parts Company and WestPoint Stevens, Inc. Mr. Lanier is 64. 2003

LARRY L. PRINCE is Chairman of the Board of Genuine Parts Company, a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts and office products. Mr. Prince is also a director of Crawford & Company, Equifax Inc. and John H. Harland Co. Mr. Prince is 66.	1996
FRANK S. ROYAL, M.D. is President and a member of Frank S. Royal, M.D., P.C. (family medicine). Dr. Royal is also a director of Chesapeake Corporation, Columbia/HCA Healthcare Corporation, CSX Corporation, Dominion Resources, Inc. and Smithfield Foods, Inc. Dr. Royal is 65.	1998

NAME, PRINCIPAL OCCUPATION, CERTAIN OTHER DIRECTORSHIPS AND AGE	DIRECTOR SINCE
DIRECTORS WHOSE TERMS EXPIRE IN 2006	
J. HYATT BROWN is Chairman of the Board and Chief Executive Officer of Brown & Brown, Inc., an insurance agency. He is also a director of BellSouth Corporation, FPL Group, Inc., International Speedway Corporation and Rock-Tenn Company. Mr. Brown is 67.	1984
ALSTON D. CORRELL is Chairman of the Board and Chief Executive Officer of Georgia-Pacific Corporation, a manufacturer and distributor of pulp, paper and building products. He is also a director of Mirant Corporation and Norfolk Southern Corp. Mr. Correll is 63.	1997
DAVID H. HUGHES is Chairman of the Board of Hughes Supply, Inc., a distributor of construction materials. Until May 2003, he also served as Chief Executive Officer of Hughes Supply, Inc. Mr. Hughes is also a director of Brown & Brown, Inc. and Darden Restaurants, Inc. Mr. Hughes is 61.	1984
G. GILMER MINOR, III is Chairman of the Board and Chief Executive Officer of Owens & Minor, Inc., a national distributor of hospital and medical supplies. Mr. Minor was named Chairman of Owens & Minor, Inc. in May 1994 and also serves as a director. Mr. Minor is 64.	1998

BOARD COMMITTEES

The Board has 5 committees: (1) the Executive Committee; (2) the Audit Committee; (3) the Governance and Nominating Committee; (4) the Compensation Committee; and (5) the Risk Committee. The committee membership, the functions of each committee and the number of meetings held during 2004 are described below.

NAME OF COMMITTEE AND MEMBERS	FUNCTIONS OF COMMITTEE	NUMBER OF MEETIN IN 2004
EXECUTIVE: L. Phillip Humann, Chairman J. Hyatt Brown Thomas M. Garrott, III E. Neville Isdell	- May exercise authority of full Board except that it may not: - approve or propose to shareholders any action that must lawfully be approved by shareholders; - fill vacancies on the Board or any committee; - amend the Articles of Incorporation; - adopt, amend or repeal the bylaws; or - approve a dissolution or merger of SunTrust or the sale of all or substantially all the assets of SunTrust.	4
AUDIT:* M. Douglas Ivester, Chairman Jeffrey C. Crowe J. Hicks Lanier Frank S. Royal, M.D. Karen Hastie Williams	- Appoints, compensates, retains, and directly oversees the work of SunTrust's independent auditor (subject to shareholder ratification if applicable). - Monitors the following: - the integrity of SunTrust's financial statements; - the independence and qualifications of its independent auditor; - SunTrust's system of internal controls; - the performance of SunTrust's internal audit process and independent auditor; and - SunTrust's compliance with laws, regulations and the codes of conduct. - Resolves any disagreements between management and the auditors regarding financial reporting. - Pre-approves all audit services and permitted non-audit services provided to SunTrust by its independent auditor. - Performs other related duties as defined in a written charter approved by the Board. - Has only members that meet the independence and experience requirements set forth in SunTrust's Corporate Governance Guidelines, as well as the requirements of the Securities Exchange Act of 1934 and applicable rules, the rules of the New York Stock Exchange, where SunTrust's common stock is listed, and other rules and regulations of the Securities and Exchange Commission. Mr. Ivester meets the definition of "audit committee financial expert" as defined by the Securities and Exchange Commission's rules and regulations.	19

* Robert M. Beall, II, Thomas C. Farnsworth, Jr., Patricia C. Frist and Blake P. Garrett, Jr., wh served on the Audit Committee in 2004, were appointed, together with Phail Wynn, Jr., as the members of the newly formed Risk Committee of the Board of Directors on February 8, 2005, and they no longer serve on the Audit Committee.

NAME OF COMMITTEE AND MEMBERS	FUNCTIONS OF COMMITTEE	NUMBER OF MEETIN IN 2004
GOVERNANCE AND NOMINATING: David H. Hughes, Chairman Alston D. Correll M. Douglas Ivester G. Gilmer Minor, III Karen Hastie Williams Phail Wynn, Jr.	- Responsible for making recommendations to the Board regarding the size and composition of the Board, reviewing qualifications of candidates to the Board and recommending nominees to the Board. - Has sole authority for retaining or terminating any search firm used to identify director candidates and determining such firm's fees. - Responsible for taking a leadership role in shaping the corporate governance of SunTrust. - Responsible for developing and recommending to the Board a set of corporate governance guidelines, and periodically reviewing and reassessing the adequacy of those principles and recommending any proposed changes to the Board for approval. - Responsible for leading the Board in its annual review of the Board's performance. - Responsible for addressing committee structure and operations, committee reporting to the Board, committee member qualifications and committee member appointment and removal. - Has only members that are independent under SunTrust's Corporate Governance Guidelines, as well as the rules of the New York Stock Exchange.	4
COMPENSATION: Larry L. Prince, Chairman Alston D. Correll David H. Hughes G. Gilmer Minor, III	- Responsible for approving the compensation arrangements for senior management. - Responsible for oversight and administration of certain executive and employee compensation and benefit plans, including the Stock Plans, Management Incentive Plan, Performance Unit Plan, 401(k) Excess Plan, Supplemental Executive Retirement Plan, ERISA Excess Retirement Plan and Change in Control Agreements. - Has only members that are independent under SunTrust's Corporate Governance Guidelines, as well as the rules of the New York Stock Exchange.	5

NAME OF COMMITTEE AND MEMBERS	FUNCTIONS OF COMMITTEE	NUMBER OF MEETIN IN 2004
RISK: Thomas C. Farnsworth, Jr. Chairman Robert M. Beall, II	- Responsible for assisting the Board in overseeing and reviewing information regarding SunTrust's enterprise risk management framework, including the significant policies, procedures and practices employed	*

Patricia C. Frist Blake P. Garrett, Jr. Phail Wynn, Jr.	to manage credit risk, market risk and operational risk. - Responsible for overseeing SunTrust's implementation plan to qualify for the advanced regulatory capital approaches expected to be effective in 2008, including approval of significant components of SunTrust's credit risk framework, operational risk framework, and disclosure policies as expected to be required by the Federal Reserve Board. - Responsible for reviewing and discussing with various members of senior management matters related to credit risk, market risk, operational risk, legal, regulatory and compliance risk and enterprise risk management.

* The Risk Committee was formed by the Board on February 8, 2005, and therefore had no meetings in 2004.

ATTENDANCE AND COMPENSATION

Attendance. Regular meetings of the Board are held quarterly. During 2004, the Board held 8 meetings. All SunTrust directors attended at least 75% of the Board meetings and meetings of committees on which they served. SunTrust expects, but does not require, directors to attend the Annual Meeting of Shareholders. Last year all but 1 director attended SunTrust's Annual Meeting of Shareholders. Mr. Daft did not attend because the annual meeting for The Coca-Cola Company was held on the same day in Delaware.

Compensation. Each director who is not also an employee of SunTrust or its subsidiaries received an annual retainer of $45,000 in 2004. The Chairs of the Governance and Nominating, Compensation, Risk and Audit Committees also each receive an additional retainer of $10,000. In addition, each director was paid a fee of $1,500 for each Board meeting and $1,500 for each committee meeting attended. Directors who were serving on the Board in February 2004 also received a grant of either 1,200 shares of restricted stock or 1,200 restricted stock units, at their election. Such restricted stock or restricted stock units vest after 1 year and each director has the option to defer receipt of the restricted stock or restricted stock units for various time periods after retirement from the Board. Directors serving as directors of SunTrust's subsidiaries only receive meeting attendance fees for service on those Boards. Directors may defer fees payable to them under SunTrust's Directors Deferred Compensation Plan. The return on deferred amounts is determined, at the election of the director, as if such funds had been invested in SunTrust common stock or at a floating interest rate equal to the prime interest rate in effect at SunTrust Bank computed on a quarterly basis.

James B. Williams, who retired as SunTrust's Chairman of the Board and Chief Executive Officer in March 1998, retired as a director of SunTrust and Chairman of the Executive Committee on April 20, 2004. In his capacity as a former Chief Executive Officer of SunTrust, Mr. Williams was provided certain perquisites in 2004, including an office, office equipment and supplies and general secretarial support; a company car; tax and estate planning services; home security monitoring; and use of SunTrust's airplane when representing SunTrust at national, corporate, community and civic events. Tax liability as a result of these services (other than the car) is fully grossed-up by SunTrust.

Additional Information Regarding Former Crestar Financial Corporation

Directors. Mr. Minor, Dr. Royal and Ms. Williams, all former Crestar directors, also participate in a Crestar directors' program

providing deferred benefits based on 1996 director awards plus their prior elective deferrals of Crestar retainers. These benefits are calculated in SunTrust common stock equivalents and paid, after their directorship ends, in whole shares of SunTrust common stock, with cash for any fractional share.

Additional Information Regarding Former National Commerce Financial Corporation Directors. Former non-employee directors of NCF could elect to defer their retainers as well as their meeting fees pursuant to the NCF Director's Fees Deferral Plan. Mr. Farnsworth, a director of SunTrust since the NCF merger in October 2004, participates in this plan, and his account balance is now measured in phantom shares of SunTrust common stock, to be distributed when he terminates service on the SunTrust Board. No new deferrals are made to this plan after September 30, 2004.

In addition, on October 1, 2004, the NCF merger date, SunTrust assumed an existing employment contract entered into between Thomas M. Garrott, III and NCF effective November 1, 2001. By amendment to this agreement on March 18, 2002, Mr. Garrott waived his right to receive any special compensation in the event of a change in control of NCF. On January 6, 2003, Mr. Garrott elected to be employed on part-time status through July 5, 2006, as provided by his employment agreement, and he resigned as Chairman of the NCF Board of Directors and ceased participating in the day-to-day management of NCF. During his part-time employment status, Mr. Garrott is required to remain available to consult with the company and its employees, is subject to certain restrictive covenants, including a non-competition restriction, and is entitled to the following remuneration: (1) an annual salary of approximately $477,000, adjusted annually for inflation, (2) continued participation in retirement, compensation (including stock incentive programs) and welfare plans (with medical and dental coverage for life for him and his spouse) at a level no less than his highest levels of participation or coverage during the last 12 months he was employed by NCF on a full-time basis, and (3) an office and support services. Mr. Garrott is also entitled to receive stock option grants to purchase 122,488 shares of SunTrust common stock in each of 2005 and 2006, at the then fair market value. Each grant is equivalent to the same level of Mr. Garrott's participation in the NCF stock option plans in 2002. Accordingly, Mr. Garrott received a stock option grant on February 8, 2005, for 122,488 shares of SunTrust stock at $73.14 per share. These options vest on February 8, 2008 and may be exercised using cash, SunTrust common stock or a combination of both. Mr. Garrott also participates in supplemental pension plans of NCF and SunTrust, which are described later in this Proxy Statement.

CORPORATE GOVERNANCE

The Board of Directors has determined that the majority of SunTrust's directors are independent. In determining director independence, the Board broadly considers all relevant facts and circumstances, including the rules of the New York Stock Exchange. The Board considers the issue not merely from the standpoint of a director, but also from that of persons or organizations with which the director has an affiliation. An independent director is free of any relationship with SunTrust or its management that may impair the director's ability to make independent judgments. Particular attention is paid to whether a director is independent from management and to any credit relationships that may exist with a director or a related interest. Generally, credit relationships with directors and their affiliates will not impair independence so long as the terms of the credit relationship are similar to other comparable borrowers. A director who is an executive officer of a company that makes payments to or receives payments from SunTrust for property or services in an amount which, in any fiscal year, is greater than 2% of such director's company's consolidated gross revenues will not be considered independent. The following directors have been deemed by the Board to be independent: Messrs. Beall, Correll, Crowe, Mrs. Frist, Messrs. Hughes, Isdell, Ivester, Lanier, Minor, Prince, Dr. Royal, Mrs. Williams and Dr. Wynn.

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

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

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

SHAREHOLDER COMMUNICATIONS WITH DIRECTORS

The Board of Directors has adopted a process to facilitate written communications by shareholders or other interested parties to the Board. Persons wishing to write to the Board of Directors of SunTrust or a specified director, including the Presiding Director, the non-management directors as a group, or a committee of the Board should send correspondence to the Corporate Secretary at SunTrust Banks, Inc., P.O. Box 4418, Mail Code 643, Atlanta, Georgia 30302.

All communications so received from shareholders or other interested parties will be forwarded to the members of the Board of Directors or to the applicable director or directors if so designated by such person. Anyone who wishes to communicate with a specific Board member, the non-management directors only, or a committee should send instructions asking that the material be forwarded to the applicable director, group of directors or to the appropriate committee chairman.

EXECUTIVE COMPENSATION

EXECUTIVE OFFICERS

Executive officers are elected annually by the Board following the Annual Meeting of Shareholders to serve until the meeting of the Board following the next Annual Meeting. The following table sets forth the name of each executive officer as of December 31, 2004 and the principal positions and offices he holds with SunTrust. Unless otherwise indicated, each of these officers has served as an executive officer of SunTrust or a principal subsidiary for at least 5 years.

NAME	INFORMATION ABOUT EXECUTIVE OFFICERS
L. Phillip Humann....................	Chairman of the Board and Chief Executive Officer of SunTrust.
James M. Wells III..................	President and Chief Operating Officer of SunTrust since December 9, 2004. From August 2000 until December 9, 2004, Mr. Wells was a Vice Chairman of SunTrust with responsibility for oversight of SunTrust's commercial, retail, mortgage and private client services lines of business, as well as senior executive responsibility for SunTrust's marketing and corporate strategy units. Since February 2003, Mr. Wells has had responsibility for SunTrust's technology and operations functions. At December 9, 2004, Mr. Wells added the Corporate and Investment Banking Group to his responsibilities. From January 2000 to August 2000, Mr. Wells served as Preside and Chief Executive Officer of SunTrust's Mid-Atlantic region. Mr. Wells is 58.

NAME	INFORMATION ABOUT EXECUTIVE OFFICERS
William R. Reed, Jr.................	A Vice Chairman of SunTrust since October 1, 2004, with responsibility for SunTrust's 4 geographic banking groups and the Corporate Sales Administration function. From Ma 2003 to October 2004, Mr. Reed was President and Chief Executive Officer of National Commerce Financial Corporation. From July 2000 until May 2003 he was Chief Operating Officer for National Commerce Financial Corporation. Prior to the July 2000 merger of National Commerce Bancorporation and CCB Financial Corporation, h was vice chairman and director of National Commerce Bancorporation and chairman and director of National Ban of Commerce. Mr. Reed is 58.
John W. Clay, Jr.....................	A Vice Chairman of SunTrust from August 2000 until Decembe 9, 2004 when he announced his intention to retire, with management oversight of banking functions, including corporate and investment banking. Until his retirement o December 31, 2005, Mr. Clay will be consulting with SunTrust on Tennessee business development and providing transition consulting on his previous duties. From 1997 until August 2000 he was an Executive Vice President of SunTrust. Mr. Clay is 63.
Theodore J. Hoepner.................	A Vice Chairman of SunTrust from August 2000 until Decembe 9, 2004 when he announced his intention to retire, with responsibility for SunTrust's asset quality, efficiency

	and quality initiatives, human resources and legal and regulatory affairs. Mr. Hoepner was also Chief Risk Officer from February 2003 until December 9, 2004 and ha responsibility for SunTrust's audit and internal control functions. Until his retirement on June 30, 2005, Mr. Hoepner will be consulting with SunTrust on Florida business development, government affairs, transition of the new Florida executive team and providing transition consulting on his previous duties. From August 2000 unti February 2003, Mr. Hoepner also had responsibility for SunTrust's technology and operations functions. From 199 until August 2000 he was an Executive Vice President of SunTrust, with responsibility for SunTrust's Florida banking operations, SunTrust Service Corporation, Human Resources and efficiency and quality initiatives. Mr. Hoepner is 63.
Mark A. Chancy......................	Senior Executive Vice President and Chief Financial Office of SunTrust since August 10, 2004. From July 2001 until August 10, 2004 he was Senior Vice President and Treasur of SunTrust. From 1997 to July 2001 he was Chief Financi Officer of The Robinson-Humphrey Company. Mr. Chancy is 40.
Robert H. Coords....................	Senior Executive Vice President and Chief Risk Officer of SunTrust since December 9, 2004. Prior to that, he was an Executive Vice President of SunTrust and Chief Efficienc and Quality Officer. Mr. Coords is 62.

NAME	INFORMATION ABOUT EXECUTIVE OFFICERS
David F. Dierker....................	Senior Executive Vice President and Chief Administrative Officer of SunTrust since December 9, 2004. From January 2000 to November 2004, Mr. Dierker served as Strategic Financial Officer of SunTrust. Mr. Dierker is 47.
Carl F. Mentzer.....................	Senior Executive Vice President and Chief Credit Officer o SunTrust since December 9, 2004. From January 2000 until December 2004, Mr. Mentzer was an Executive Vice Preside of SunTrust and Commercial Line of Business Head, and fr October 12, 2004 until December 9, 2004 he served as acting Chief Credit Officer. In May 1995, Mr. Mentzer wa elected Chairman of the Board and Chief Executive Office of SunTrust Bank, Tampa Bay and held that position until December 31, 1999. Mr. Mentzer is 59.

REPORT OF THE COMPENSATION COMMITTEE ON EXECUTIVE COMPENSATION

INTRODUCTION

Decisions regarding the compensation of SunTrust's executives are made by the Compensation Committee of the Board, which we refer to in this report as the Committee. Specifically, the Committee has strategic and administrative responsibility for a broad range of issues, including ensuring that key management are compensated effectively and in a manner consistent with the stated compensation strategy of SunTrust and the requirements of the appropriate regulatory bodies. The Committee also oversees the administration of executive compensation plans, including the design, performance measures, and award opportunities for the executive incentive programs, and certain employee benefits. Each member of the Committee is appointed by the Board and is an independent director.

With the belief that each executive officer's actions have the potential to impact the short-term and long-term profitability of SunTrust, the Committee places considerable importance on its oversight of the design and administration of the executive compensation program.

OBJECTIVES OF EXECUTIVE COMPENSATION

The objectives of SunTrust's executive compensation program are to: (1) increase shareholder value, (2) improve SunTrust's overall performance, (3) align incentives with the business unit directly impacted by the executive's leadership and performance, (4) enhance the individual executive's performance, and (5) attract and retain quality executive leadership.

The Committee strives to meet these objectives while maintaining market competitive pay levels, ensuring the efficient use of shares and predictable expense recognition. Additionally, in an effort to meet the objectives outlined above, it has retained a nationally known executive compensation and benefits consulting firm to advise it on a regular basis as it administers the executive compensation and benefits program.

COMPENSATION PHILOSOPHY

Overall, SunTrust's compensation philosophy is to ensure that each executive's pay is tied to financial, operational and individual performance. The compensation philosophy underlying the policies and programs adopted by the Committee can be summarized as follows:

Competitive Positioning

SunTrust uses a peer group of financial services companies for benchmarking executive compensation practices and levels. This peer group includes companies from the S&P Diversified Banks Index used in the

Stock Performance Graph. For purposes of 2004 compensation, the peer group consisted of the following companies:

- Bank of America Corporation
- Bank One Corporation
- BB&T Corporation
- Fifth Third Bancorp
- Fleet Boston Financial
- KeyCorp
- National City Corporation
- Northern Trust Company
- PNC Financial Services Group Incorporated
- SouthTrust Corporation
- US Bancorp
- Wachovia Corporation
- Wells Fargo & Company

Each component of executive compensation is targeted at a level relative to this peer group as follows:

- Total Direct Compensation: median of market practice, with significant upside potential, as warranted by performance.

- Base Salary: median of market practice, tied to incumbent-specific factors.

- Annual Bonuses and Long-Term Incentives: at expected levels of performance, targeted at market median practice, with upside opportunities for superior performance. If performance is below expectations, payments from both annual and long-term incentive programs may be significantly reduced or even eliminated.

- Benefits: market median as to both the value and components delivered, while perquisites are linked to important business needs.

Variable Pay and Shareholder Alignment

While SunTrust emphasizes market practices in the design and administration of the executive compensation program, there is a greater weight on variable pay and an emphasis on shareholder alignment. SunTrust's philosophy is that variable pay should constitute the majority of total direct compensation. Incentive performance measures should promote shareholder return and earnings growth, and the plan design should assure clear linkages between performance measures, participants' ability to influence such measures and award levels. Additionally, long-term incentive awards should reflect company and individual performance.

EXECUTIVE COMPENSATION PROGRAM OVERVIEW

The 3 primary components of the executive compensation program are:

- Base Salary

- Annual Cash Incentive

- Long-term Incentives: delivered through the Performance Unit Plan and stock awards.

BASE SALARY

Base salary is designed to provide competitive levels of compensation to executives based upon their experience, duties and scope of financial responsibility. Salaries for top executives are reviewed annually and, compared to the peer group, are generally targeted at median competitive levels.

ANNUAL CASH INCENTIVE

The 2004 bonuses for SunTrust executives and other participants were paid under the Management Incentive Plan (MIP) that is described below. The 2004 bonuses for the NCF legacy executives (including Mr. Reed) were entirely paid from the NCF Management Performance Incentive Plan. The NCF legacy executives and employees will be included in the 2005 SunTrust MIP.

Management Incentive Plan

The MIP focuses on the achievement of annual financial goals and pays out in cash. The MIP is designed to: (1) support SunTrust's strategic business objectives, (2) promote the attainment of profit and revenue goals, (3) reward achievement of business unit and individual performance objectives, and (4) encourage teamwork.

Who Is Eligible

Participation in the MIP is limited to a group of key employees, selected by the Committee, who have a material impact on SunTrust's performance. MIP participants include all of the executive officers named in this Proxy Statement (excluding Mr. Reed for 2004 because of his participation in a similar NCF plan). Awards earned under the MIP are contingent upon employment with SunTrust through the end of the fiscal year, except for payments made in the event of death, retirement or disability, or in the event of a change in control. MIP payouts are set forth in the Summary Compensation Table under the heading "Bonus".

How It Works

Except for the named executive officers, financial and non-financial performance measures are established for each participant, with an emphasis on business unit objectives where appropriate. For 2004, MIP performance measures for the named executive officers were based exclusively on consolidated net income. If approved by shareholders at the 2005 Annual Meeting, the business criteria upon which performance goals for 2005 and later years may be based will be expanded to include other options as selected by the Committee. Target, threshold and maximum performance benchmarks are developed for each performance measure, and each participant is assigned a target incentive award opportunity expressed as a percentage of the participant's base salary.

Achievement of the target performance benchmarks for each performance measure produces a target incentive award payment. Actual performance below the target performance benchmark produces an award less than the target award down to zero. Actual performance above the target performance benchmark produces an award greater than the target award. Maximum performance benchmarks, which would result in a payout of 150% of the target award, reflect very ambitious goals, which can only be attained when business results are exceptional, thus justifying the higher award payments.

LONG-TERM INCENTIVES

Long-term incentives are designed to focus attention on long-range objectives and future returns to shareholders, and are delivered through the Performance Unit Plan and stock option awards.

Performance Unit Plan

The purpose of the Performance Unit Plan, which we refer to as the PUP, is to: (1) promote the long-term interests of SunTrust and its shareholders, and (2) motivate, retain and reward those executives who contribute significantly to SunTrust's long-term strategy development and financial performance.

Who Is Eligible

Participation in this plan is limited to a select group of executive management, including the executive officers named in this Proxy Statement.

How It Works

Each participant is awarded a number of performance units, based upon his/her position level within SunTrust and individual performance, with each unit having an initial value of $30.00. The final value of each unit is determined at the conclusion of the 3 year performance cycle. Two measures of corporate performance are established at the beginning of each performance cycle, and each corresponds to minimum, target, and maximum unit values at given levels of performance. These performance measures for the 2004-2006 performance cycle are: (1) 3 year cumulative consolidated net income, and (2) 3 year cumulative earnings per share.

At the end of each performance cycle, the payout value is determined using the higher of actual net income or earnings per share relative to the minimum, target, and maximum performance objectives established for the 3 year performance cycle. Straight-line interpolation is used to calculate payout values between minimum, target, and maximum levels. This method was employed due to SunTrust's share purchase program and the desire not to penalize executives for this strategy.

Background on PUP Awards

Pending the completion of a comprehensive executive compensation and benefits review conducted in 2003, PUP awards were not granted in that year. Instead, restricted stock grants were made to approximately 170 participants. As the executive compensation study recommended the resumption of performance unit grants to PUP participants, no further restricted stock awards are planned. If either restricted stock awards or stock units are granted in future years, they will reduce the maximum PUP payout for the cycle beginning in the grant year. This and other changes in the material terms of the PUP performance goals are being presented to shareholders for approval at the Annual Meeting. PUP awards for the 2004-2006 performance cycle are shown in the "Long-Term Incentive Plan Awards in 2004" table. PUP payouts, if earned based on performance, are set forth in the Summary Compensation Table under the heading "LTIP Payouts". The restricted stock grants made in 2003 are set forth in the Summary Compensation Table under the heading "Restricted Stock Awards".

Stock Option Awards

In addition to the PUP, SunTrust makes annual stock option awards to senior executives. These awards have been a vital component of compensation for many years and are used to: (1) create a fundamental, long-term linkage between the interests of executives and shareholders, and (2) recruit and retain talent at many levels of the organization.

In the past 2 years, the Committee has examined various forms of equity incentives but considers the use of options as the best method of linking stock price performance to executive pay over the long-term, and the Committee expects that options will continue as a significant portion of each executive's total compensation.

Who Is Eligible

Options are used at many levels of the organization, and in 2004, all of the named executive officers received option awards.

How It Works

For executive officers, stock options represent at least half of the individual's long-term incentive compensation. Generally, options have a 10 year term and vest 3 years after the date of grant. SunTrust options have an exercise price equal to the fair market value of the underlying stock on the date of grant.

SunTrust has the following plans under which it grants or has granted stock options and other equity awards:

- 2004 Stock Plan

- 2000 Stock Plan

- 1995 Stock Plan

All of the plans are administered by the Committee, which has the authority to grant stock options to purchase SunTrust common stock, restricted shares of SunTrust common stock (which may be subject to both grant and forfeiture conditions), stock units and stock appreciation rights, which we refer to as SARs.

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The Committee has delegated to the Chief Executive Officer limited authority to grant options. The plans have been used to make stock-based incentives, especially stock options, important factors in attracting, retaining and rewarding employees and to closely align employees' interests with those of SunTrust's shareholders.

2004 Stock Plan

The 2004 Stock Plan was adopted by the Board in February 2004 and was approved by the shareholders at the 2004 Annual Meeting. The plan allows for the grant of stock options, restricted stock, stock units and SARs. There were 14,000,000 shares of SunTrust common stock reserved for use under the 2004 Stock Plan, of which 2,800,000 could, but need not, be granted as restricted stock. In addition, authorized but unissued shares available for issuance under the 2000 Stock Plan and any shares subject to grants that are later forfeited or expire under the 2000 Stock Plan are reserved for issuance under the 2004 Stock Plan.

2000 Stock Plan

The 2000 Stock Plan was adopted by the Board in February 2000 and approved by the shareholders at the 2000 Annual Meeting. The 2000 Stock Plan provided for grants of options, restricted shares and SARs. Since the 2004 Stock Plan was approved by shareholders, no further grants have been made or will be made under the 2000 Stock Plan, although awards from this plan remain outstanding.

1995 Stock Plan

The 1995 Executive Stock Plan, which we refer to as the 1995 Stock Plan, was designed to use stock based incentives to focus executives and other eligible participants on SunTrust's long-term performance and to attract and retain qualified employees. No further grants will be made under the 1995 Stock Plan, although awards from this plan remain outstanding.

Restricted Stock Awards

Most salaried employees of SunTrust are eligible for restricted stock awards under the 2004 Stock Plan. Restricted stock awards often vest based on the recipient's continued employment with SunTrust, but these awards may also carry additional vesting requirements, including performance conditions. These awards are granted on a case-by-case basis to address special retention or incentive issues. In 2004, no restricted stock awards were made by the Committee to the executive officers named in the Proxy Statement.

Executive Share Retention Guidelines

One of the Committee's priorities is to encourage executives to be significant shareholders -- the Committee believes that significant stock ownership by executives is a contributing factor to superior long-term corporate performance. Although SunTrust's executive officers already have a significant equity stake in SunTrust (as reflected in the beneficial ownership information contained in this Proxy Statement), the Committee has adopted a share retention policy for upper level management. The policy provides for the executive officers named in this Proxy Statement to retain all net shares acquired through SunTrust-sponsored incentive plans until retirement or termination, with a provision to allow diversification of portfolios for executives age 55 or older. Other executive officers have similar, but lower, share retention requirements.

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OTHER COMPENSATION PLANS

In addition to the executive compensation plans described above, executive officers are also eligible for:

401(k) Plan Matching Contributions

SunTrust matches a percentage of eligible employee contributions to its qualified 401(k) Plan. The matching contributions are currently made in SunTrust common stock. Up to 50% of such matching contributions made after 2004 will be eligible for diversification into other investments, and participants who are age 55 or older may diversify 100% of their matching contributions.

401(k) Excess Plan

SunTrust maintains an unfunded nonqualified 401(k) Excess Plan to provide benefits that would have otherwise been provided under the qualified 401(k) Plan to certain participants, except for the imposition of certain statutory limits on qualified plan benefits. Participants' interests in the 401(k) Excess Plan are accounted for in phantom units and consist of the participant's deferrals plus SunTrust's matching contributions. Participants' investment choices mirror most of the investment options allowed in the 401(k) Plan, except that participants may not direct any portion of their account to an investment vehicle tied to the value of SunTrust common stock or a bank collective fund. SunTrust's matching contributions are accounted for in SunTrust common stock equivalents. The amounts of SunTrust's matching contributions credited to the 401(k) Excess Plan and matching contributions under the 401(k) Plan on behalf of the executive officers named in the Proxy Statement are included in the amounts shown in the Summary Compensation Table under the heading "All Other Compensation".

SECTION 162(M)

Section 162(m) of the Internal Revenue Code of 1986, as amended, provides that compensation in excess of $1 million paid for any year to a corporation's chief executive officer and the 4 other highest paid executive officers at the end of such year, which executives we refer to as covered employees, will not be deductible for federal income tax purposes unless the following conditions are met: (1) the compensation qualifies as "performance-based compensation", and (2) shareholders must be advised of and must approve the material terms of the performance goals under which compensation is to be paid and, under certain conditions, must reapprove the material terms of the performance goals every 5 years.

On February 8, 2000, the Board of Directors approved certain amendments to the MIP and the PUP which were designed to ensure that, to the extent possible, awards payable under these plans would be fully deductible by SunTrust for purposes of Section 162(m). SunTrust's shareholders approved the material terms of the performance goals under which compensation is paid under the MIP and the PUP at the 2000 Annual Meeting. SunTrust's shareholders are being asked to do the same again at the 2005 Annual Meeting. The material terms of the performance goals of the MIP and the PUP are described in this Proxy Statement in Item 3, Proposal to Approve the Material Terms of the Performance Goals for SunTrust's MIP and Item 4, Proposal to Approve the Material Terms of the Performance Goals for SunTrust's PUP.

In 2004, change in control payments were made to certain then current officers of NCF, including Mr. Reed, in connection with NCF's merger with SunTrust. SunTrust was obligated to make these payments under the terms of the merger agreement and employment contracts the officers then had with NCF. The change in control payments to Mr. Reed, which are shown in the Summary Compensation Table under the heading "All Other Compensation", were not subject to excise taxes or the loss of deductibility of the payments by SunTrust under Sections 4999 and 280G of the Internal Revenue Code. Such payments, however, were not entirely deductible as performance based compensation under Section 162(m).

It has been and continues to be the Committee's intent that all incentive payments be deductible unless maintaining such deductibility would undermine SunTrust's ability to meet its primary compensation objectives (as discussed at the beginning of this Report of the Compensation Committee).

CHIEF EXECUTIVE OFFICER COMPENSATION

The executive compensation policy described above is applied in setting Mr. Humann's compensation. Mr. Humann participates in the same executive compensation plans available to other executive officers. After a period of 26 months with no adjustment to his base salary, Mr. Humann received a base salary merit adjustment of 3.7%, to $985,000, in March 2004. Mr. Humann's target bonus as a percentage of salary for 2004 remained at 100%.

Mr. Humann's cash compensation in 2004 was $2,335,313, which included a MIP award of $1,356,146 for 2004. This represented a MIP payout of above target payment and is the result of SunTrust exceeding the net income target that the Committee set prior to the start of 2004. The MIP award was adjusted to exclude any impact (either positive or negative) from the NCF transaction. Mr. Humann did not earn a PUP award payout for the 2002-2004 performance cycle as SunTrust failed to meet the cumulative earnings targets set by the Committee. The Committee believes Mr. Humann's 2004 MIP bonus is consistent with the corporate performance.

In 2004, Mr. Humann was granted a nonqualified stock option for 150,000 shares of SunTrust common stock. Mr. Humann also received a grant of 12,000 units under the PUP for the 2004-2006 performance cycle. Each PUP unit has a target value of $30.00, although the ultimate value of the award will depend upon the extent to which SunTrust meets cumulative net income or cumulative earnings per share performance objectives over the 2004-2006 performance cycle.

The adjustments to base salary reflect the Committee's confidence in Mr. Humann, his continued strong leadership, SunTrust's financial performance, and a desire to ensure that his conservative compensation package gets closer to the median of peer group practices.

Annually, non-employee members of the Board of Directors evaluate the Chief

Executive Officer's performance, which is a factor in determining the Chief Executive Officer's compensation.

SUMMARY

In summary, the Committee believes this mix of conservative market-based salaries, potentially significant variable cash incentives for both long-term and short-term performance and the potential for equity ownership in SunTrust represents a balance that will motivate the management team to produce strong returns. The Committee further believes this program strikes an appropriate balance between the interests and needs of SunTrust in operating its business and appropriate rewards based on shareholder value creation.

Submitted by the Compensation Committee of SunTrust's Board of Directors.

Larry L. Prince, Chairman
Alston D. Correll
David H. Hughes
G. Gilmer Minor, III

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SUMMARY OF CASH AND CERTAIN OTHER COMPENSATION

The following table shows, for the fiscal years ended December 31, 2002, 2003, and 2004, the cash compensation paid by SunTrust and its subsidiaries, as well as certain other compensation paid, accrued or granted for those years, to each of SunTrust's 5 most highly compensated executive officers and to the retired Vice Chairman and Chief Financial Officer, who would have been included as one of the 5 most highly compensated executive officers but for the fact that he was not serving as an executive officer of SunTrust on December 31, 2004.

SUMMARY COMPENSATION TABLE

		ANNUAL COMPENSATION			LONG TERM COMPENSA	
					AWARDS	
NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS	OTHER ANNUAL COMPEN- SATION(1)	RESTRICTED STOCK AWARDS(2)(3)	SECURITIES UNDER- LYING OPTIONS(4)
L. Phillip Humann......	2004	$979,167	$1,356,146	$71,179	$ --	150,000
Chairman of the Board and Chief	2003	950,000	950,000	54,731	359,876	150,000
Executive Officer	2002	950,000	--	--	--	--
James M. Wells III.....	2004	675,104	748,015	107,146	--	100,000
President and	2003	650,000	520,000	95,915	239,918	100,000
Chief Operating Officer	2002	650,000	--	147,237	--	--
William R. Reed, Jr.(6)...............	2004	554,613	558,556	--	278,721	100,000
Vice Chairman						

John W. Clay, Jr.(7)... Vice Chairman	2004	541,667	600,167	50,367	--	100,000
	2003	525,000	420,000	--	239,918	100,000
	2002	525,000	--	--	--	--
Theodore J. Hoepner(8)........... Vice Chairman	2004	541,667	600,167	9,098	--	100,000
	2003	525,000	420,000	--	239,918	100,000
	2002	525,000	--	--	--	--
John W. Spiegel(9)..... Retired Vice Chairman and Chief Financial Officer	2004	455,000	504,140	1,242	--	75,000
	2003	500,000	400,000	--	239,918	100,000
	2002	500,000	--	--	--	--

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(1) Includes the cost of providing various perquisites and personal benefits if the benefit amount exceeds the lesser of $50,000 or 10% of the executive's salary and bonus. The amount shown for Mr. Humann in 2004 includes $20,967 related to tax return preparation and financial planning services, the premium amount paid for supplemental disability equal to $6,942, club dues and fees of $20,777, tax liabilities associated with providing home security of $360, imputed income related to personal air travel of $4,597 and income tax gross up of $17,536 for all these amounts (excluding premiums on supplemental disability and club fees and dues). The amount shown for Mr. Wells in 2004 includes $65,414 related to a substitute payment for foregone premiums on a terminated split dollar life insurance policy, tax return preparation and financial planning services in the amount of $15,894, the premium amount paid for supplemental disability equal to $6,852, club dues and fees of $4,710, a car allowance of $2,167, imputed income for personal air travel of $810 and income tax gross up of $11,299 for all these amounts (excluding payments for insurance policy, premiums on supplemental disability, car allowance and club fees and dues). The amount shown for Mr. Clay includes $17,139 for tax preparation and financial planning services, the premium amount paid for supplemental disability equal to $7,378, club dues and fees of $11,396, tax liabilities associated with providing home security of $360, imputed income related to personal air travel

of $1,379 and income tax gross up of $12,715 on all these amounts (excluding premiums on supplemental disability and club dues and fees). The amount shown for Mr. Hoepner includes income tax gross up of $9,098. The amount shown for Mr. Spiegel includes income tax gross up of $1,242.

(2) Restricted stock grants were made in 2003 in lieu of performance units under the Performance Unit Plan.

(3) Performance-based restricted stock, which we refer to as performance stock, is held by certain of the executive officers listed above under the 1986 Executive Stock Plan and the 1995 Stock Plan. Three events must occur with respect to the performance stock before the executive takes full title to the performance stock. Shares generally are granted, awarded, become vested and finally are distributed. After performance stock is granted by the Compensation Committee, 20% increments are awarded if and when there are comparable 20% increases in the average price of SunTrust's common stock from the initial price at the time of grant. Most of the awarded shares vest and are distributed on the earliest of the following dates: (i) 15 years after the date shares are awarded to participants; (ii) at attaining age 64; (iii) in the event of the death or disability of a participant; or (iv) in the event of a change in control of SunTrust as defined in the 1986 Executive Stock Plan or the 1995 Stock Plan. Eighty percent of the

performance-based restricted stock granted in 1996 has been awarded, and the time period for awarding the remaining shares granted has expired. Approximately 40% of the granted shares became fully vested as of February 10, 2000 and are no longer subject to service and forfeiture conditions. The restricted stock awards indicated in the chart above, other than those granted to Mr. Reed by NCF, were granted pursuant to the 2000 Stock Plan and are not performance based. The individuals set forth in the table above, other than Mr. Reed, were awarded, subject to the terms and conditions of the 1986 Executive Stock Plan, the 1995 Stock Plan or the 2000 Stock Plan, the number of shares of restricted stock, including performance stock, with a value as of December 31, 2004, as follows: Messrs. Humann 326,630 shares, $24,131,424; Wells 4,420 shares, $326,550; Clay 82,420 shares, $6,089,190; Hoepner 146,420 shares, $10,817,510; and Spiegel 198,420 shares, $14,659,270. As described above, all such shares have been awarded and about 40% of the performance shares held by the individuals named in this footnote (excluding Messrs. Wells and Reed) have vested. Dividends were paid in 2004 on shares of awarded restricted stock as follows: Messrs. Humann $653,260; Wells $8,840; Clay $164,840; Hoepner $292,840; and Spiegel $396,840. With respect to restricted stock awards to Mr. Reed, see footnote 6 below.

(4) The options that typically would have been granted in November 2002 were postponed until February 2003 due to a change in the timing of the executive compensation process.

(5) The amounts shown in this column for 2004 reflect SunTrust contributions made on behalf of the following named executive officers under SunTrust's 401(k) Plan and accruals under the 401(k) Excess Plan:

NAME	COMPANY MATCHING (QUALIFIED PLAN)	COMPANY MATCHING (NONQUALIFIED PL
L. Philip Humann	$8,200	$30,967
James W. Wells III	$8,200	$18,804
John W. Clay, Jr.	$8,200	$13,467
Theodore J. Hoepner	$8,200	$13,467
John W. Spiegel	$8,200	$10,000

Also includes SunTrust premiums paid in 2004 for term life insurance for Mr. Humann in the amount of $9,831, for Mr. Clay in the amount of $7,358, for Mr. Hoepner in the amount of $7,358, and for Mr. Spiegel in the amount of $6,980. The amount shown for Mr. Wells in 2004 also includes above market interest earned on deferred compensation of $66,417. The amount shown for Mr. Wells in 2003 also includes above market interest earned on deferred compensation of $47,400. The amount shown for Mr. Wells in 2002 includes the actuarial equivalent of benefits from SunTrust premiums on a split-dollar life insurance policy and above market interest earned on deferred compensation of $36,617. The amount shown for Mr. Reed in 2004 includes the components set forth in footnote 6 below.

(6) Prior to the October 2004 merger of NCF with and into SunTrust, Mr. Reed served as the President and Chief Executive Officer of NCF. Since the merger, he has served as a Vice Chairman of SunTrust. The

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amounts reflected in this table consist of 2004 compensation to Mr. Reed from NCF and from SunTrust as follows: Salary -- $415,200 from NCF, $139,413 from SunTrust; Bonus -- $279,237 from NCF, $279,319 from SunTrust, in each case paid by SunTrust pursuant to NCF bonus plans; Other Annual

Compensation -- $0 from NCF, $0 from SunTrust; Restricted Stock Awards -- $278,721 from NCF (8,100 shares of NCF restricted stock converted into 4,012 shares of SunTrust restricted stock in the NCF merger), with dividends of $5,245 on these restricted shares from NCF; $0 from SunTrust; Securities Underlying Options -- does not include 100,800 options issued by NCF (which converted into 49,926 options for SunTrust common stock), does include 100,000 options for SunTrust common stock issued by SunTrust; LTIP Payouts -- $0 from NCF, $0 from SunTrust; All Other Compensation -- premiums paid on term life insurance of $5,612 from NCF, $1,871 from SunTrust, company match contributed to NCF qualified 401(k) plan of $6,500 from NCF and $0 from SunTrust, company match contributions to nonqualified 401(k) plans of $5,956 from NCF and $544 from SunTrust, and change in control payment of $4,002,759 from SunTrust pursuant to the merger agreement with NCF and a change in control agreement between NCF and Mr. Reed.

(7) Mr. Clay is a Vice Chairman of SunTrust Bank Holding Company. Since retiring from his position as Vice Chairman of SunTrust as of December 9, 2004, he has served as an employee consultant of SunTrust.

(8) Mr. Hoepner is a Vice Chairman of SunTrust Bank Holding Company. Since retiring from his position as Vice Chairman of SunTrust as of December 9, 2004, he has served as an employee consultant of SunTrust.

(9) Mr. Spiegel is a Vice Chairman of SunTrust Bank Holding Company. Since retiring from his position as Vice Chairman and Chief Financial Officer of SunTrust on August 10, 2004, he has served as an employee consultant of SunTrust.

STOCK OPTIONS

The following table contains information concerning the grant of stock options to SunTrust's named executive officers as of the end of the last fiscal year. SunTrust did not award any stock appreciation rights during the last fiscal year.

OPTION GRANTS DURING 2004

	INDIVIDUAL GRANTS				
NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE PRICE PER SHARE(1)	EXPIRATION DATE	GRA PR VA
L. Phillip Humann	150,000	3.73%	$73.19	2/10/14	$1,
James M. Wells III	100,000	2.49%	73.19	2/10/14	
William R. Reed, Jr.(3)	100,000	2.49%	71.24	10/1/14	
John W. Clay, Jr.	100,000	2.49%	73.19	2/10/14	
Theodore J. Hoepner	100,000	2.49%	73.19	2/10/14	
John W. Spiegel	75,000	1.87%	73.19	2/10/14	

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(1) Under the 2000 Stock Plan and the 2004 Stock Plan, the exercise price must not be less than 100% of the fair market value of SunTrust common stock on the date the option is granted. These options vest on 2/10/07 for Messrs. Humann, Wells, Hoepner, Clay and Spiegel, and on 10/1/07 for Mr. Reed. Options may be exercised using cash, SunTrust common stock or a combination of both.

(2) These values were established using the Black-Scholes stock option valuation

model. For all grants other than those to Mr. Reed, the Black-Scholes value, an estimate based on assumptions about future stock price volatility and dividend yield, was 11.49% of the stock price on the date of grant. The estimated volatility of 12.99% was based on historical data from the prior 5 years. The estimated value also reflects a risk-free rate of return of 3.082%, a dividend yield of 2.53% and a 10-year option term. Use of this model should not be construed as an endorsement of its accuracy at valuing options. All stock option valuation

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models, including the Black-Scholes model, require a prediction about the future movement of the stock price. The real value of the options in this table depends upon the actual changes in the market price of SunTrust common stock during the applicable period. The Black-Scholes assumptions for Mr. Reed's option grants are set out in footnote 3 below.

(3) Does not include options for 100,800 shares of NCF common stock granted to Mr. Reed in 2004 by NCF prior to the NCF merger. The NCF options converted into options for 49,926 shares of SunTrust common stock at an exercise price of $56.17 at the effective time of the NCF merger. The Black-Scholes value for the option grant of 100,000 shares of SunTrust common stock to Mr. Reed in 2004, an estimate based on assumptions about future stock price volatility and dividend yield, was 11.63% of the stock price on the date of grant. The estimated volatility of 12.69% was based on historical data from the prior 5 years. The estimated value also reflects a risk-free rate of return of 3.382%, a dividend yield of 2.74% and a 10-year option term.

The following table sets forth information with respect to the named executives concerning the exercise of options during 2004 and unexercised options held as of December 31, 2004.

AGGREGATED OPTION EXERCISES IN 2004 AND DECEMBER 31, 2004 OPTION VALUES

			NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT DECEMBER 31, 2004		VALUE OF UNEX IN-THE-MONEY O DECEMBER 31	
NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UN
L. Phillip Humann.....	3,300	$ 143,946	375,000	300,000	$4,871,063	$
James M. Wells III....	33,854	2,704,125	360,560	216,000	6,179,822	
William R. Reed, Jr.	--(1)	--	215,311(2)	100,000	6,254,586	
John W. Clay, Jr.	--	--	179,500	200,000	2,713,648	
Theodore J. Hoepner...	6,600	278,718	168,300	200,000	2,224,992	
John W. Spiegel.......	6,600	269,082	128,200	175,000	2,191,428	

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(1) Does not include NCF option exercises by Mr. Reed prior to the time of the NCF merger. Mr. Reed exercised options for 20,000 shares of NCF common stock in May 2004.

(2) The NCF options held by Mr. Reed at the time of the NCF merger were converted into options to purchase 215,311 shares of SunTrust common stock.

EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2004 with respect to the shares of SunTrust common stock that may be issued under SunTrust's existing equity compensation plans.

PLAN CATEGORY	(A) NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	(B) WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	(C) NUMBER OF SE REMAINING AVA FUTURE ISSUA EQUITY COMPENS (EXCLUDING S REFLECTED IN C
Equity Compensation Plans Approved by Shareholders(1)..............	16,484,571	$56.91	14,519,102(2)
Equity Compensation Plans Not Approved by Shareholders........	0	0	
TOTAL(4)................	16,484,571	$56.91	14,519,

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(1) Consists of the 1986 Executive Stock Plan, the 1995 Stock Plan, the 2000 Stock Plan and the 2004 Stock Plan, as well as other plans assumed by SunTrust in connection with certain corporate mergers (other than the NCF merger).

(2) Includes shares available for future issuance under the 2004 Stock Plan. As of December 31, 2004, an aggregate of 14,519,102 shares of SunTrust common stock was available for issuance under the 2004 Stock Plan, of which up to 2,554,601 may, but need not, be granted as restricted stock. In addition, any shares of stock subject to an option which remain unissued after the cancellation, expiration or exchange of such option and any restricted shares which are forfeited shall again become available for use under the 2004 Stock Plan. There will be no further issuances under the 1986 Executive Stock Plan, the 1995 Stock Plan or the 2000 Stock Plan.

(3) There were additional grants of stock options under the 2004 Stock Plan in February 2005.

(4) Does not include options to purchase an aggregate of 4,840,287 shares, at a weighted average price of $49.02, granted under plans assumed in connection with the NCF merger. No additional options will be granted under these plans.

LONG-TERM INCENTIVE PLAN

The following table provides information concerning SunTrust's Performance Unit Plan, which we refer to as the PUP. The PUP provides for the award of performance units, each with a target grant value, to key employees of SunTrust and its subsidiaries by the Compensation Committee. The grant value and number of units awarded to a participant for each performance measurement cycle is determined by the Compensation Committee as of the grant date. The final value of the units granted under each award may range from zero to 200% of the grant value and is determined by the Compensation Committee at the end of each performance measurement cycle based on the achievement of financial goals. For 2004 and prior years, the goals were based on consolidated net income goals or earnings per share as established by the Compensation Committee for that cycle. Payment of an award earned under the PUP is contingent upon continuous employment with SunTrust until the end of the award cycle, except for payments made in the event of retirement, death, disability or a change in control.

LONG-TERM INCENTIVE PLAN AWARDS IN 2004

NAME	NUMBER OF UNITS	PERFORMANCE PERIOD UNTIL MATURATION OR PAYOUT	ESTIMATED FUTURE PAYOUTS UND NON-STOCK PRICE-BASED PLAN THRESHOLD	TARGET	MAXIM
L. Phillip Humann.................	12,000	1/1/04-12/31/04	$180,000	$360,000	$720,
James M. Wells III................	8,000	1/1/04-12/31/04	120,000	240,000	480,
William R. Reed, Jr.	5,400	10/1/04-12/31/04	81,000	162,000	324,
John W. Clay, Jr.	8,000	1/1/04-12/31/04	120,000	240,000	480,
Theodore J. Hoepner...............	8,000	1/1/04-12/31/04	120,000	240,000	480,
John W. Spiegel...................	8,000	1/1/04-12/31/04	120,000	240,000	480,

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RETIREMENT PLANS

SunTrust maintains several types of retirement plans that provide pension benefits. The amounts shown in the following 2 tables are aggregated pension benefits available to the named executive officers.

PENSION PLAN TABLE -- TIER 1 SERP PARTICIPANTS

REMUNERATION	YEARS OF SERVICE 15	20	25	30 OR MORE
$ 900,000..................................	$ 540,000	$ 540,000	$ 540,000	$ 540,000
1,000,000..................................	600,000	600,000	600,000	600,000
1,100,000..................................	660,000	660,000	660,000	660,000
1,200,000..................................	720,000	720,000	720,000	720,000
1,600,000..................................	960,000	960,000	960,000	960,000
1,800,000..................................	1,080,000	1,080,000	1,080,000	1,080,000
2,000,000..................................	1,200,000	1,200,000	1,200,000	1,200,000
2,200,000..................................	1,320,000	1,320,000	1,320,000	1,320,000
2,400,000..................................	1,440,000	1,440,000	1,440,000	1,440,000
2,600,000..................................	1,560,000	1,560,000	1,560,000	1,560,000

PENSION PLAN TABLE -- TIER 2 SERP PARTICIPANTS

REMUNERATION	YEARS OF SERVICE 10	15	20	25 OR MORE

$ 500,000	$100,000	$150,000	$200,000	$250,000
600,000	120,000	180,000	240,000	300,000
700,000	140,000	210,000	280,000	350,000
800,000	160,000	240,000	320,000	400,000
900,000	180,000	270,000	360,000	450,000
1,000,000	200,000	300,000	400,000	500,000
1,100,000	220,000	330,000	440,000	550,000
1,200,000	240,000	360,000	480,000	600,000
1,400,000	280,000	420,000	560,000	700,000

SunTrust has 2 qualified pension plans. The SunTrust Retirement Plan is a broad-based noncontributory pension plan for the benefit of eligible employees of SunTrust and its subsidiaries who have completed a year of service. As a result of the NCF merger, SunTrust also maintains the NCF Retirement Plan, a noncontributory pension equity plan providing benefits for former NCF employees with service frozen as of December 31, 2004.

SunTrust also has several nonqualified pension plans. The ERISA Excess Retirement Plan provides benefits to certain executives that cannot be paid to them under tax-qualified pension plans as a result of federal restrictions. SunTrust's Supplemental Executive Retirement Plan ("SERP") provides supplemental retirement benefits to certain key employees of SunTrust and its subsidiaries as designated by the Compensation Committee.

SunTrust's SERP has 2 levels or tiers of benefits. All the named executive officers except for Mr. Reed are eligible for the Tier 1 SERP benefit. Mr. Reed is eligible for the Tier 2 SERP benefit. The Compensation Committee does not intend to add any additional participants at the Tier 1 level. The maximum annual SERP benefit is 60% of average covered compensation for a Tier 1 participant and 50% of average covered compensation for a Tier 2 participant. Covered compensation for a Tier 1 participant means base salary plus

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awards earned under the Management Incentive Plan and the Performance Unit Plan (with the February 2003 restricted stock award substituted for the 2003-2005 PUP award), and for a Tier 2 participant means base salary plus awards earned under the Management Incentive Plan. Average covered compensation is calculated as the average of the 3 highest years of covered compensation out of the last 10 full years. The SERP benefit is reduced by annual benefits payable at retirement under SunTrust's tax-qualified pension plans, the ERISA Excess Retirement Plan, Social Security benefits at age 65, and other pension plans assumed by SunTrust in connection with mergers. Retirement benefits are paid in the form of a lump sum that is actuarially equivalent to a life annuity. If the participant dies while actively employed, the death benefits are paid in a lump sum that is actuarially equivalent to a 50% joint and survivor annuity. Certain Tier 1 SERP participants are grandfathered at the 100% joint and survivor level. Retirement benefits under the SERP vested for all Tier 1 participants on February 10, 2000 and for Tier 2 participants on attainment of age 60. Mr. Wells may receive the benefits earned under the terms of the Crestar SERP or the SunTrust SERP. It is projected that the SunTrust SERP will provide a larger benefit to Mr. Wells at normal retirement age.

Mr. Reed became a Tier 2 participant in the SunTrust SERP on January 1, 2005. His pension benefit is calculated somewhat differently because of his participation in NCF pension plans. Mr. Reed has an NCF SERP benefit that was frozen as of December 31, 2004 and guaranteed as a minimum pension benefit. Mr. Reed received a payout of his NCF SERP benefit in 2000 and, therefore, his service prior to 2000 is disregarded in calculating the amount payable from either the SunTrust SERP or the frozen NCF SERP. It is estimated that Mr. Reed's

SERP benefit at normal retirement age will be greater under the SunTrust SERP than under the frozen NCF SERP.

The compensation earned in 2004 for the individuals named in the Summary Compensation Table included for the computation of benefits payable under the SERP and credited years of service are as follows: Messrs. Humann, $2,335,313 and 35 years of service; Wells, $1,423,119 and 36 years of service; Reed, $1,113,169 and 4.4 years of service; Clay, $1,141,834 and 37 years of service; Hoepner, $1,141,834 and 36 years of service; and Spiegel, $959,140 and 39 years of service.

The SERP provides that in the event of a change in control of SunTrust (as defined in the SERP), if participants are involuntarily terminated or they terminate for good reason within 3 years (2 years for a Tier 2 participant), benefits will be calculated using the highest SERP compensation for any full calendar year during the immediately preceding 10 consecutive calendar years. Also, credited service for a Tier 1 participant will be increased by the lesser of 36 full months or the number of months between the normal retirement date and the date of termination or for any participant, any greater number of years granted under any other agreement with SunTrust. Benefits for a Tier 2 participant are reduced if payment is made before the participant has reached age 60. Termination for good reason means a termination made primarily because of a failure to elect or reelect a participant to a position held with SunTrust prior to the change in control or a substantial change or reduction in responsibilities or compensation.

CHANGE IN CONTROL AGREEMENTS

SunTrust has entered into change in control agreements with each of the executive officers named in the Summary Compensation Table and certain other officers. During a period of up to 3 years following a change in control of SunTrust, if the executive officer's employment is terminated by SunTrust without cause, or by the executive officer for good reason within a certain period of time following a change in control, the executive officer will receive severance benefits. These benefits will include: (i) a lump sum payment of up to 3 years (2 years for certain other officers) of the executive officer's base salary and bonus; (ii) a portion of the full bonus which would have been payable to the executive if such executive had remained employed through the end of such year; (iii) up to 3 years (2 years for certain other officers) of additional benefits under certain SunTrust benefit plans, such as health and life; and (iv) a payment to reimburse the executive officer for any excise taxes on severance benefits that are considered excess parachute payments under the Internal Revenue Code of 1986, as amended. Each agreement requires the executive officer not to use or disclose any of SunTrust's confidential business information and, with respect to certain officers, not to compete with SunTrust. The change in control agreements confer no benefits upon termination of the officer's employment prior to a change in control.

At the time of the NCF merger, Mr. Reed became entitled to certain payments, benefits and rights under an existing employment/change in control agreement with NCF. In accordance with the terms of the NCF merger agreement, Mr. Reed was deemed to have been terminated without cause at the time of the merger. As a result, SunTrust paid Mr. Reed an aggregate lump sum cash payment of $4,002,759 in satisfaction of certain severance obligations under the NCF contract, which is reflected in the Summary Compensation Table under the heading "All Other Compensation".

RATIFICATION OF INDEPENDENT AUDITORS
(ITEM 2)

The Audit Committee has appointed PricewaterhouseCoopers LLP as SunTrust's independent auditors for 2005, subject to ratification by a majority of the shares represented at the Annual Meeting. PricewaterhouseCoopers also served as SunTrust's independent auditors for 2004. SunTrust's auditors are appointed annually by the Audit Committee. The decision of the Audit Committee is based on a review of the qualifications, independence, past performance and quality controls of the auditor. The decision also takes into account the proposed audit scope, staffing and approach, including coordination of the external auditor's efforts with SunTrust's internal audit, as well as the estimated audit fees for the coming year. PricewaterhouseCoopers is considered by management to be well qualified.

In view of the difficulty and expense involved in changing auditors on short notice, should the shareholders not ratify the selection of PricewaterhouseCoopers, it is contemplated that the appointment of PricewaterhouseCoopers for the fiscal year ending December 31, 2005 will be permitted to stand unless the Board of Directors finds other compelling reasons for making a change. Disapproval by the shareholders will be considered a recommendation that the Board select other auditors for the following year.

Representatives of PricewaterhouseCoopers will be present at the Annual Meeting of Shareholders and will be given the opportunity to make a statement, if they desire, and to respond to questions.

AUDIT COMMITTEE REPORT

The Audit Committee has reviewed and discussed the audited financial statements for the year ended December 31, 2004 with management and the independent auditors for 2004, PricewaterhouseCoopers LLP. Management represented to the Audit Committee that SunTrust's consolidated financial statements were prepared in accordance with generally accepted accounting principles (GAAP), and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The discussions with PricewaterhouseCoopers also included the matters required by Statement on Auditing Standards No. 61, as amended by Statement on Auditing Standards No. 90 (Communications with Audit Committees).

The Audit Committee has received the written disclosures and the letter regarding its independence as required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees). The Audit Committee discussed this information with PricewaterhouseCoopers.

Based on the discussions with management and PricewaterhouseCoopers, the Audit Committee's review of the representations of management and the report of PricewaterhouseCoopers, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in SunTrust's Annual Report on Form 10-K to be filed with the Securities and Exchange Commission for the year ended December 31, 2004.

Submitted by the Audit Committee of SunTrust's Board of Directors.

M. Douglas Ivester, Chairman	Thomas C. Farnsworth, Jr.	J. Hicks Lanier
Robert M. Beall, II	Patricia C. Frist	Frank S. Royal, M.D.
Jeffrey C. Crowe	Blake P. Garrett, Jr.	Karen Hastie Williams

AUDIT FEES AND RELATED MATTERS

AUDIT AND NON-AUDIT FEES

The following table presents fees for professional audit services rendered by PricewaterhouseCoopers for the audit of SunTrust's annual financial statements for the years ended December 31, 2004 and December 31, 2003, and fees billed for other services rendered by PricewaterhouseCoopers during those periods.

	YEAR ENDED DECEMBER 31	
	2003	2004
	(IN MILLIONS)	
Audit Fees(1)	$1.99	$6.16
Audit Related Fees(2)	1.58	2.20
Tax Fees(3)	.18	.21
All Other Fees	.06	--
Total	$3.81	$8.57

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(1) Audit Fees consist