

SUNTRUST BANKS INC
 Form 424B2
 September 06, 2007
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FILED PURSUANT TO

RULE 424(B)(2)

REGISTRATION NO: 333-137101

CALCULATION OF REGISTRATION FEE

	Amount	Proposed Maximum	Proposed Maximum	Amount of
	to be	Offering Price	Aggregate	Registration
	Registered	Per Unit	Offering Price	Fee(1)
6.000% Senior Notes due 2017	\$500,000,000	99.992%	\$499,960,000	\$15,349

(1) Calculated in accordance with Rule 457(r) of the Securities Act.

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Prospectus Supplement to Prospectus dated October 18, 2006.

SunTrust Banks, Inc.
6.000% Senior Notes due 2017

SunTrust Banks, Inc. will pay interest on the notes on March 11 and September 11 of each year, beginning March 11, 2008. The notes will mature on September 11, 2017.

The notes will be senior unsecured indebtedness of SunTrust Banks, Inc. and rank equally with SunTrust Banks, Inc.'s other senior unsecured indebtedness and will be effectively subordinated to SunTrust Banks, Inc.'s secured indebtedness and indebtedness of its subsidiaries. The notes will be issued only in fully registered book-entry form without coupons and in denominations of \$5,000 and integral multiples of \$1,000 in excess thereof. The notes will not be subject to redemption at our option or repayment at the option of the holder at any time prior to maturity and will not be entitled to any sinking fund.

The notes will not be listed on any securities exchange. Currently there is no public market for the notes.

The notes will not be deposits or other obligations of a depository institution and will not be insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement. Any representation to the contrary is a criminal offense.

Investing in the notes involves risk. See Risk Factors beginning on page 6 of our Annual Report on Form 10-K for the year ended December 31, 2006, on page 82 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 and on page 89 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, and Special Note Regarding Forward-Looking Statements beginning on page iii of this prospectus supplement.

	Per Note	Total
Initial public offering price	99.992%	\$ 499,960,000
Underwriting discount	0.450%	\$ 2,250,000
Proceeds, before expenses, to SunTrust Banks, Inc.	99.542%	\$ 497,710,000

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on September 10, 2007. Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by The Depository Trust Company and its direct and indirect participants, including Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank S.A./N.V.

Joint Bookrunners

SunTrust Robinson Humphrey

Merrill Lynch & Co.

Co-Managers

Bank of America Securities LLC

Goldman, Sachs & Co.

Lehman Brothers

Morgan Stanley

Sandler O'Neill + Partners, L.P.

UBS Investment Bank

Prospectus Supplement dated September 5, 2007

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part is the prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the heading *Where You Can Find More Information*.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to *SunTrust*, *we*, *us*, *our* or similar references mean SunTrust Banks, Inc. and its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement. This prospectus supplement may be used only for the purpose for which it has been prepared. No one is authorized to give information other than that contained in this prospectus supplement and in the documents referred to in this prospectus supplement. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement or any document incorporated by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or *SEC*. You may read and copy any document that we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, our SEC filings are available to the public from the SEC's web site at <http://www.sec.gov>. Our SEC filings are also available at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call 212-656-5060.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the *Exchange Act*, until we or any of the underwriters sell all of the securities:

Annual Report on Form 10-K for the year ended December 31, 2006;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007; and

Current Reports on Form 8-K dated September 26, 2006 (Form 8-K/A filed on March 7, 2007), January 19, 2007 (Form 8-K/A filed on March 1, 2007), February 12, 2007 (Form 8-K/A), February 13, 2007, March 28, 2007, April 17, 2007 (Item 5.03 and the related Exhibits 3.1 and 3.2 included in Item 9.01 only), May 15, 2007 (except Item 7.01 and the related Exhibit 99.1 included in Item 9.01), May 21, 2007, May 31, 2007 (filed on June 1, 2007), May 31, 2007 (filed on June 7, 2007), August 16, 2007 (excluding Item 7.01) and August 20, 2007.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

SunTrust Banks, Inc.

303 Peachtree Street, NE

Atlanta, GA 30308

Telephone: 404-588-7711

Attn: Corporate Secretary

We have also filed a registration statement (No. 333-137101) with the SEC relating to the securities offered by this prospectus supplement and the accompanying prospectus. This prospectus supplement is part of the registration statement. You may obtain from the SEC a copy of the registration statement and exhibits that we filed with the SEC when we registered the notes. The registration statement may contain additional information that may be important to you.

Unless otherwise indicated, currency amounts in this prospectus supplement are stated in U.S. dollars.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information included or incorporated by reference in this prospectus supplement may contain forward-looking statements, including statements about credit quality and the future prospects of SunTrust. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. These statements often include the words *believes*, *expects*, *anticipates*, *estimates*, *intends*, *plans*, *targets*, *potentially*, *probably*, *projects*, *outlook* or expressions or future conditional verbs such as *may*, *will*, *should*, *would*, and *could*.

Such statements are based upon the current beliefs and expectations of SunTrust's management and on information currently available to management. The forward looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements speak as of the date hereof, and SunTrust does not assume any obligation to update the statements included or incorporated by reference herein or to update the reasons why actual results could differ from those contained in such statements in light of new information or future events.

Forward looking statements involve significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ materially from those described in the forward-looking statements can be found in SunTrust's 2006 Annual Report on Form 10-K, in SunTrust's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007, and in the Current Reports filed on Form 8-K with the SEC and available at the SEC's internet site (<http://www.sec.gov>). Those factors include:

changes in general business or economic conditions, including customers' ability to repay debt obligations, could have a material adverse effect on our financial condition and results of operations;

changes in market interest rates or capital markets could adversely affect our revenues and expenses, the value of assets and obligations, costs of capital, or liquidity;

the fiscal and monetary policies of the federal government and its agencies could have a material adverse effect on our earnings;

significant changes in markets for residential or commercial real estate could harm our revenues and profitability;

customers could pursue alternatives to bank deposits, causing us to lose a relatively inexpensive source of funding;

customers may decide not to use banks to complete their financial transactions, which could affect net income;

we have businesses other than banking, which subjects us to a variety of risks;

hurricanes and other natural disasters may adversely affect loan portfolios and operations and increase the cost of doing business;

negative public opinion could damage our reputation and adversely impact our business and revenues;

we rely on other companies for key components of our business infrastructure;

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we rely on our systems, employees and certain counterparties, and certain failures could materially adversely affect our operations;

we depend on the accuracy and completeness of information about clients and counterparties;

regulation by federal and state agencies could adversely affect our business, revenues, and profit margins;

competition in the financial services industry is intense and could result in losing business or reducing profit margins;

future legislation could harm our competitive position;

maintaining or increasing market share depends on market acceptance and regulatory approval of new products and services;

our ability to receive dividends from our subsidiaries accounts for most of our revenues and could affect our liquidity and ability to pay dividends;

significant legal actions could subject us to substantial uninsured liabilities;

we have in the past and may in the future pursue acquisitions, which could affect costs and from which we may not be able to realize anticipated benefits;

we depend on the expertise of key personnel without whom our operations may suffer;

we may be unable to hire or retain additional qualified personnel and recruiting and compensation costs may increase as a result of turnover, both of which may increase costs and reduce profitability and may adversely impact our ability to implement our business strategy;

our accounting policies and methods are key to how we report financial condition and results of operations, and may require management to make estimates about matters that are uncertain;

changes in our accounting policies or in accounting standards could materially affect how we report our financial results and condition;

our stock price can be volatile;

our disclosure controls and procedures may fail to prevent or detect all errors or acts of fraud;

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our financial instruments carried at fair value expose us to certain market risks;

weakness in residential property values and mortgage loan markets could adversely affect us; and

we may be required to repurchase mortgage loans or indemnify mortgage loan purchasers as a result of breaches of representations and warranties, borrower fraud, or certain borrower defaults, which could harm our liquidity, results of operations and financial condition.

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SUMMARY INFORMATION

This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus supplement. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in the notes. You should read this entire prospectus supplement and accompanying prospectus and the documents incorporated by reference, which are described under **Where You Can Find More Information**.

SunTrust Banks, Inc.

SunTrust Banks, Inc., a Georgia corporation, is one of the nation's largest financial services holding companies. Our principal executive offices are located at 303 Peachtree Street, NE, Atlanta, Georgia 30308. Our telephone number is 404-588-7711.

The Offering

Issuer	SunTrust Banks, Inc.
Securities Offered	6.000% Senior Notes due 2017
Maturity Date	September 11, 2017
Interest Payments	The notes will bear interest from September 10, 2007 or from the most recent interest payment date on which we paid or provided for interest on the notes, at the rate of 6.000% per annum. We will pay interest semiannually in arrears on March 11 and September 11 of each year beginning on March 11, 2008. Interest will be calculated based on a 360-day year composed of twelve 30-day months.
Redemption/Repayment	The notes will not be subject to redemption at our option or repayment at the option of the holder at any time prior to maturity.
Ranking	The notes will be senior unsecured indebtedness of SunTrust Banks, Inc. and rank equally with our other senior unsecured indebtedness and will be effectively subordinated to our secured indebtedness and indebtedness of our subsidiaries. At June 30, 2007, our subsidiaries' direct borrowings and deposit liabilities totaled approximately \$155.3 billion.
Ratings	The notes are expected to be rated A+ by Standard & Poor's Ratings, Aa3 by Moody's Investors Service and A+ by Fitch Ratings. The ratings of the notes should be evaluated independently from similar ratings of other securities. A rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

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Use of Proceeds	We expect to receive net proceeds from this offering of approximately \$497,292,500, after expenses and underwriting commissions. We intend to use the net proceeds for general corporate purposes, which may include repayment of \$350 million of our currently outstanding debt securities upon maturity in October 2007. For further information, see "Use of Proceeds" in this prospectus supplement.
Form and denomination	<p>The notes will be issued in book-entry form through the facilities of The Depository Trust Company, which we refer to along with its successors in this capacity as "DTC", in minimum denominations of \$5,000 and integral multiples of \$1,000 in excess thereof.</p> <p>The notes will be accepted for clearance by DTC. Beneficial interests in the global securities will be shown on, and transfers thereof will be effected only through, the book-entry records maintained by DTC and its direct and indirect participants, including Euroclear Bank, S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme, Luxembourg ("Clearstream"). Owners of beneficial interests in the notes will receive all payments relating to their notes in U.S. dollars.</p>
Listing	The notes will not be listed on any securities exchange.
Trustee	U.S. Bank National Association.
Governing law	The notes and the indenture governing the notes are governed by the laws of the State of New York.

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The following is selected unaudited consolidated condensed financial information for SunTrust for the six-month periods ended June 30, 2007 and 2006 and the years ended December 31, 2006, 2005 and 2004. The summary below should be read in conjunction with our consolidated financial statements, and the related notes thereto, and the other detailed information contained in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 and our 2006 Annual Report on Form 10-K.

(Dollars in millions, except per share and other data)	Six Months Ended		Twelve Months Ended		
	2007	2006	2006	2005	2004
Summary of Operations					
Interest, fees, and dividend income	\$5,071.9	\$4,701.8	\$9,792.0	\$7,731.3	\$5,218.4
Interest expense	2,712.1	2,354.0	5,131.6	3,152.3	1,533.2
Net interest income	2,359.8	2,347.8	4,660.4	4,579.0	3,685.2
Provision for loan losses	161.1	85.2	262.5	176.9	135.6
Net interest income after provision for loan losses	2,198.7	2,262.6	4,397.9	4,402.1	3,549.6
Noninterest income	2,033.5	1,726.9	3,468.4	3,155.0	2,604.4
Noninterest expense	2,487.2	2,440.6	4,879.9	4,690.7	3,897.0
Income before provision for income taxes	1,745.0	1,548.9	2,986.4	2,866.4	2,257.0
Provision for income taxes	542.3	473.4	869.0	879.2	684.1
Net income	1,202.7	1,075.5	2,117.4	1,987.2	1,572.9
Preferred stock dividends	14.9	-	7.7	-	-
Net income available to common shareholders	\$1,187.8	\$1,075.5	\$2,109.7	\$1,987.2	\$1,572.9
Net income available to common shareholders excluding gain on sale of shares of The Coca-Cola Company ¹	\$1,042.3	\$1,075.5	\$2,109.7	\$1,987.2	\$1,572.9
Net interest income-FTE	2,408.2	2,389.4	4,748.4	4,654.5	3,743.6
Total revenue-FTE	4,441.8	4,116.3	8,216.8	7,809.5	6,348.0
Total revenue-FTE excluding gain on sale of shares of The Coca-Cola Company ¹	4,206.9	4,116.3	8,216.8	7,809.5	6,348.0
Net Income Per Average Common Share					
Diluted	\$3.33	\$2.96	\$5.82	\$5.47	\$5.19
Diluted, excluding gain on sale of shares of The Coca-Cola Company ¹	2.92	2.96	5.82	5.47	5.19
Basic	3.37	2.98	5.87	5.53	5.25
Dividends paid per average common share	1.46	1.22	2.44	2.20	2.00
Market price:					
High	\$94.18	\$78.33	\$85.64	\$75.77	\$76.65
Low	78.16	69.68	69.68	65.32	61.27
Close	85.74	76.26	84.45	72.76	73.88
Selected Average Balances					
Total assets	\$180,747.2	\$179,189.8	\$180,315.1	\$168,088.8	\$133,754.3
Earning assets ²	158,528.7	157,324.5	158,428.7	146,639.8	117,968.8
Loans	119,830.5	118,214.1	119,645.2	108,742.0	86,214.5
Total deposits	123,200.9	122,167.7	123,665.5	110,406.5	87,132.9
Total shareholders' equity	17,824.8	17,178.8	17,546.7	16,526.3	11,469.5
As of June 30/December 31					
Total assets	\$180,314.4	\$181,143.4	\$182,161.6	\$179,712.8	\$158,869.8
Earning assets ²	157,094.9	158,845.2	159,063.8	156,640.9	137,813.4
Loans	118,787.7	120,243.1	121,454.3	114,554.9	101,426.2
Allowance for loan and lease losses	1,050.4	1,061.9	1,044.5	1,028.1	1,050.0
Total deposits	122,890.7	124,852.4	124,021.6	122,053.2	103,361.3

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Long-term debt	20,604.9	18,222.2	18,992.9	20,779.2	22,127.2
Total shareholders' equity	17,368.9	17,423.9	17,813.6	16,887.4	15,986.9

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Table of Contents**Financial Ratios and Other Data**

Return on average total assets	1.34%	1.21%	1.17%	1.18%	1.18%
Return on average total assets less net unrealized securities gains ³	1.16	1.19	1.17	1.17	1.19
Return on average common shareholders' equity	13.83	12.63	12.13	12.02	13.71
Return on average realized common shareholders' equity ²	12.63	12.98	12.72	12.70	15.65
Net interest margin ²	3.06	3.06	3.00	3.17	3.17
Efficiency ratio	56.00	59.29	59.39	60.06	61.39
Allowance to period-end loans	0.88	0.88	0.86	0.90	1.04
Nonperforming assets to total loans plus OREO and other repossessed assets	0.73	0.31	0.49	0.29	0.40
Common dividend payout ratio	43.7	41.2	41.7	40.0	38.4
Full-service banking offices	1,685	1,695	1,701	1,657	1,676
ATMs	2,533	2,564	2,569	2,782	2,804
Full-time equivalent employees	33,241	34,155	33,599	33,406	33,156
Average common shares - diluted (thousands)	356,608	363,917	362,802	363,454	303,309
Average common shares - basic (thousands)	352,713	360,604	359,413	359,066	299,375

Regulatory Capital Ratios

Total average shareholders' equity to total average assets	9.86%	9.59%	9.73%	9.83%	8.58%
Tier 1 capital ratio	7.49	7.31	7.72	7.01	7.16
Total risk-based capital ratio	10.67	10.70	11.11	10.57	10.36
Tier 1 leverage ratio	7.11	6.82	7.23	6.65	6.64

Reconciliation of Non-GAAP Measures

Return on average total assets	1.34%	1.21%	1.17%	1.18%	1.18%
Impact of excluding net realized and unrealized securities (gains)/losses and The Coca-Cola Company dividend	(0.18)	(0.02)	-	(0.01)	0.01

Return on average total assets less net realized and unrealized securities gains/losses and The Coca-Cola Company dividend	1.16%	1.19%	1.17%	1.17%	1.19%
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Return on average common shareholders' equity	13.83%	12.63%	12.13%	12.02%	13.71%
Impact of excluding net realized and unrealized securities (gains)/losses and The Coca-Cola Company dividend	(1.20)	0.35	0.59	0.68	1.94

Return on average realized common shareholders' equity	12.63%	12.98%	12.72%	12.70%	15.65%
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Net income available to common shareholders	\$1,187.8
After-tax gain on sale of shares of The Coca-Cola Company	(145.6)

Net income available to common shareholders excluding gain on sale of shares of The Coca-Cola Company	\$1,042.2
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Total revenue-FTE	\$4,441.8
Pre-tax gain on sale of shares of The Coca-Cola Company	(234.9)

Total revenue-FTE excluding gain on sale of shares of The Coca-Cola Company	\$4,206.9
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Diluted earnings per average common share	\$3.33
After-tax gain on sale of shares of The Coca-Cola Company	(0.41)

Diluted earnings per average common share excluding gain on sale of shares of The Coca-Cola Company	\$2.92
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	Six Months Ended		Twelve Months Ended				
	June 30	June 30	December 31	December 31	December 31	December 31	
	2007	2006	2006	2005	2004	2003	2002
Ratio of Earnings to Fixed Charges⁴							
Including interest on deposits	1.64	1.65	1.58	1.89	2.43	2.28	1.94

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Excluding interest on deposits	3.04	2.86	2.73	3.09	3.78	3.66	3.24
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¹ SunTrust presents selected financial data on a basis that excludes the gain on the sale of shares of The Coca-Cola Company. The Company believes the exclusion of these items is more indicative of the Company's performance because they exclude a large securities gain that is not a customer relationship or customer driven transaction.

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² During the second quarter of 2006, we segregated certain noninterest earning trading assets that had previously been included with interest earning trading assets. This resulted in a revision of the net interest margin calculation. All prior periods presented were restated to reflect this refinement. Management believes this refined method to be a more reflective measure of net interest margin due to the interest earning nature of these assets.

³ SunTrust presents a return on average assets less net unrealized gains on securities. The foregoing numbers reflect primarily adjustments to remove the effects of the Company's securities portfolio which includes the ownership by the Company of 43.7 million shares of The Coca-Cola Company as of June 30, 2007. The Company uses this information internally to gauge its actual performance in the industry. The Company believes that the return on average assets less the net unrealized securities gains is more indicative of the Company's return on assets because it more accurately reflects the return on the assets that are related to the Company's core businesses which are primarily customer relationship and customer transaction driven. The return on average assets less net unrealized gains on securities is computed by dividing annualized net income, excluding securities gains/losses and The Coca-Cola Company dividend, by average assets less net unrealized securities gains.

⁴ For more information on how those ratios are calculated, see [Ratio of Earnings to Fixed Charges](#) on page S-8.

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THE COMPANY

SunTrust Banks, Inc., with year-end 2006 assets of \$182.2 billion, is one of the nation's largest financial services holding companies.

Through our flagship subsidiary, SunTrust Bank, we provide deposit, credit, and trust and investment services. Additional subsidiaries provide mortgage banking, insurance, asset management, equipment leasing, brokerage and capital market services. SunTrust's client base encompasses a broad range of individuals and families, high-net-worth clients, businesses, and institutions.

SunTrust enjoys strong market positions in some of the highest-growth markets in the United States and also serves clients in selected markets nationally. Our priorities include consistency in financial performance, quality in customer service, and a strong commitment to all segments of the communities we serve.

As of June 30, 2007, SunTrust had 1,685 retail and specialized service branches and 2,533 ATMs, which are located primarily in Florida, Georgia, Maryland, North Carolina, South Carolina, Tennessee, Virginia, and the District of Columbia. In addition, SunTrust provides clients with a selection of technology-based banking channels including Internet, PC and Telephone Banking. Our internet address is www.suntrust.com.

As of June 30, 2007, SunTrust had total assets under advisement of \$249.9 billion. This includes \$207.4 billion in trust assets as well as \$42.5 billion in retail brokerage assets. SunTrust's mortgage servicing portfolio grew to \$105.1 billion as of June 30, 2007.

RISK FACTORS

Investing in the notes involves risk. See "Risk Factors" beginning on page 6 of our Annual Report on Form 10-K for the year ended December 31, 2006, on page 82 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 and on page 89 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, and "Special Note Regarding Forward-Looking Statements" beginning on page iii of this prospectus supplement.

USE OF PROCEEDS

We expect to receive net proceeds from this offering of approximately \$497,292,500, after expenses and underwriting commissions. We intend to use the net proceeds for general corporate purposes, including the repayment of our \$250 million 3.625% Senior Notes due 2007 and our \$100 million Floating Rate Senior Notes due 2007 upon the maturity date of each such series of notes. The maturity date for each series of notes is October 15, 2007. The interest rate for our \$100 million Floating Rate Senior Notes due 2007 as of July 15, 2007 was 5.44%. Pending such use of the net proceeds, we may invest the proceeds in highly liquid short-term securities.

REGULATORY CONSIDERATIONS

As a financial holding company and a bank holding company under the Bank Holding Company Act, SunTrust is subject to regulation, supervision and examination by the Board of Governors of the Federal Reserve System, or the *Federal Reserve*. For a discussion of the material elements of the regulatory framework applicable to financial holding companies, bank holding companies and their subsidiaries and specific information relevant to SunTrust, please refer to SunTrust's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and the subsequent reports we file with the SEC, which are incorporated by reference in this prospectus supplement. This regulatory framework is intended primarily for the protection of depositors and the federal deposit insurance funds and not for

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the protection of security holders. As a result of this regulatory framework, SunTrust's earnings are affected by actions of the Federal Reserve, the Federal Deposit Insurance Corporation, which insures the deposits of our banking subsidiaries within certain limits, and the SEC, which regulates the activities of certain subsidiaries engaged in the securities business.

SunTrust's earnings are also affected by general economic conditions, our management policies and legislative action.

In addition, there are numerous governmental requirements and regulations that affect our business activities. A change in applicable statutes, regulations or regulatory policy may have a material effect on SunTrust's business.

Depository institutions, like SunTrust's bank subsidiaries, are also affected by various federal laws, including those relating to consumer protection and similar matters. SunTrust also has other financial services subsidiaries regulated, supervised and examined by the Federal Reserve, as well as other relevant state and federal regulatory agencies and self-regulatory organizations. SunTrust's non-bank subsidiaries may be subject to other laws and regulations of the federal government or the various states in which they are authorized to do business.

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The following table shows the ratio of earnings to fixed charges of our company, which includes our subsidiaries, on a consolidated basis. The ratio of earnings to fixed charges has been computed by dividing:

net income plus all applicable income taxes plus fixed charges, by

fixed charges.

Fixed charges represent interest expense, either including or excluding interest on deposits as set forth below, and the portion of net rental expense deemed to be equivalent to interest on long-term debt. Interest expense, other than on deposits, includes interest on long-term debt, federal funds purchased and securities sold under agreements to repurchase, mortgages, commercial paper and other funds borrowed.

	Six Months Ended June 30			Twelve Months Ended December 31			
	2007	2006	2006	2005	2004	2003	2002
Including interest on deposits	1.64	1.65	1.58	1.89	2.43	2.28	1.94
Excluding interest on deposits	3.04	2.86	2.73	3.09	3.78	3.66	3.24

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DESCRIPTION OF THE NOTES

The following is a brief description of the terms of the notes, which does not purport to be complete in all respects. This description is subject to and qualified in its entirety by reference to the Indenture (as defined below).

General

The notes will be issued in an initial aggregate principal amount of \$500 million and will mature on September 11, 2017. The notes will not be subject to redemption at our option or repayment at the option of the holder at any time prior to maturity and will not be entitled to any sinking fund. The notes will be issued only in fully registered book-entry form without coupons and in denominations of \$5,000 and integral multiples of \$1,000 in excess thereof. We do not intend to apply for the listing of the notes on any securities exchange. The notes will be issued pursuant to an indenture to be entered into by us and U.S. Bank National Association, as trustee (the *Indenture*). As discussed below, payment of the principal of, and interest on, the notes represented by a global note registered in the name of or held by DTC, or its nominee will be made in immediately available funds to DTC or its nominee, as the case may be, as the registered owner and holder of such global note.

We may, without the consent of the holders of the notes, issue additional notes of the same series as the notes offered by this prospectus supplement, provided that such additional notes would be treated as part of the same issue as the original notes for U.S. federal income tax purposes. Any additional notes will have the same ranking, interest rate, maturity date and other terms as the series of notes offered hereby. Any additional notes of the series issued by us, together with the notes offered by this prospectus supplement, will constitute the same series of debt securities under the Indenture.

Interest

The notes will bear interest at a rate of 6.000% per annum from September 10, 2007 or from the most recent interest payment date to which interest has been paid or provided for, payable semiannually on March 11 and September 11 of each year, beginning March 11, 2008. Interest payable on any interest payment date will be payable to the persons in whose names the notes are registered at the close of business on the fifteenth calendar day next preceding the interest payment date. Interest on the notes will be calculated based on a 360-day year consisting of twelve 30-day months.

If any interest payment date, other than the maturity date, falls on a day that is not a business day, the interest payment date will be the next day that is a business day, except that if the next such business day is in a different month, then the payment date will be the immediately preceding day that is a business day. If the maturity date of the notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day, and no interest on the notes or such payment will accrue for the period from and after the maturity date.

A *business day* means any day other than a Saturday, Sunday, or any other day on which banking institutions and trust companies in New York, New York or Atlanta, Georgia, are permitted or required by any applicable law to close.

Ranking

The notes will be senior unsecured indebtedness of SunTrust Banks, Inc. and rank equally with our other senior unsecured indebtedness and will be effectively subordinate to our secured indebtedness. Because we are a holding company, our right to participate in any distribution of the assets of our banking or nonbanking subsidiaries, upon a subsidiary's dissolution, winding-up, liquidation or reorganization or otherwise, and thus the ability of a holder of notes to benefit indirectly

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from such distribution, is subject to the prior claims of creditors of any such subsidiary, except to the extent that we may be a creditor of that subsidiary and our claims are recognized. There are legal limitations on the extent to which some of our subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, us or some of our other subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay amounts due under our contracts or otherwise to make any funds available to us. Accordingly, the notes effectively will be subordinated to all existing and future liabilities of our subsidiaries. At June 30, 2007, our subsidiaries' direct borrowings and deposit liabilities totaled approximately \$155.3 billion.

Redemption or Repayment

The notes will not be subject to redemption at our option or repayment at the option of the holder at any time prior to maturity and will not be entitled to any sinking fund.

Events of Default, Waiver and Notice

An event of default, when used in the Indenture, means any of the following:

non-payment of interest on the notes for 30 days after such payment becomes due;

non-payment of the principal on the notes when due;

our failure for 90 days after notice in performing any other covenant or warranty in the Indenture;

bankruptcy of SunTrust; or

receivership of SunTrust Bank.

If an event of default under the Indenture occurs and continues, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding notes may declare the entire principal and all accrued but unpaid interest of all notes to be due and payable immediately. If such a declaration occurs, the holders of a majority of the aggregate principal amount of the outstanding notes can, subject to certain conditions, rescind the declaration.

The holders of a majority in aggregate principal amount of the outstanding notes may waive any past default, except:

a default in payment of principal or interest; or

a default under any provision of the Indenture that itself cannot be modified or amended without the consent of the holder of each outstanding note.

The holders of a majority in principal amount of the notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee.

We are required to file an officers' certificate with the trustee each year that states, to the knowledge of the certifying officers, whether or not any defaults exist under the terms of the Indenture.

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Limitations on Mergers and Sales of Assets

The Indenture generally permits a consolidation or merger between us and another entity. It also permits the sale or transfer by us of all or substantially all of our property and assets. These transactions are permitted if:

the resulting or acquiring entity, if other than us, is organized and existing under the laws of a domestic jurisdiction and assumes all of our responsibilities and liabilities under the Indenture, including the payment of all amounts due on the notes and performance of the covenants in the Indenture;

immediately after the transaction, and giving effect to the transaction, no event of default under the Indenture exists; and

certain other conditions as prescribed in the Indenture are met.

If we consolidate or merge with or into any other entity or sell or lease all or substantially all of our assets according to the terms and conditions of the Indenture, the resulting or acquiring entity will be substituted for us in such Indenture with the same effect as if it had been an original party to the Indenture. As a result, such successor entity may exercise our rights and powers under the Indenture, in our name and, except in the case of a lease of all or substantially all of our properties and assets, we will be released from all of our liabilities and obligations under the Indenture and under the notes.

Restriction on Disposition of Voting Stock of Certain Subsidiaries

Under the Indenture, we have agreed not to sell, assign, pledge, transfer or otherwise dispose of any shares of capital stock of any principal subsidiary bank or any securities convertible into or rights to subscribe to such capital stock unless after giving effect to such transaction we would own, directly or indirectly, at least 80% of the outstanding shares of capital stock of each class of capital stock of such principal subsidiary bank. We additionally agreed not to pay any dividend or distribution in capital stock of any principal subsidiary bank unless such principal subsidiary bank unconditionally guarantees payment of principal and interest on the notes.

The Indenture defines a principal subsidiary bank as any subsidiary bank, the consolidated assets of which constitute 50% or more of our consolidated assets. As of the date of this prospectus supplement, SunTrust Bank was the only subsidiary bank that is a principal subsidiary bank under the Indenture.

Notwithstanding the foregoing, this covenant does not prohibit:

any dispositions made by us or any subsidiary (a) acting in a fiduciary capacity for any person other than us or any subsidiary or (b) to us or any of our wholly-owned subsidiaries; or

the merger or consolidation of a principal subsidiary bank with and into another principal subsidiary bank.

This covenant also does not prohibit sales, assignments, pledges, transfers or other dispositions of voting stock of a principal subsidiary bank where:

the sale, assignment, pledge, transfer or other disposition is made, in the minimum amount required by law, to any person for the purpose of the qualification of such person to serve as a director;

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the sale, assignment, pledge, transfer or other disposition is made in compliance with an order of a court or regulatory authority of competent jurisdiction or as a condition imposed by any such court or regulatory authority to the acquisition by us, directly or indirectly, of any other corporation or entity;

the sale, assignment, pledge, transfer or other disposition of voting stock or any other securities convertible into or rights to subscribe to voting stock of a principal subsidiary bank as long as (a) such transaction is made for fair market value as determined by our board of directors or the board of directors of the subsidiary disposing of such voting stock or securities and (b) after giving effect to such transaction and to any potential dilution, we and our directly or indirectly wholly-owned subsidiaries will own, directly or indirectly, at least 80% of the voting stock of such principal subsidiary bank;

any principal subsidiary bank sells additional shares of its voting stock to shareholders at any price, so long as immediately after such sale we will own, directly or indirectly, at least as great a percentage of the voting stock of such principal subsidiary bank as we owned prior to the sale of such additional shares; or

a pledge is made or a lien is created to secure loans or other extensions of credit by a principal subsidiary bank subject to Section 23A of the Federal Reserve Act.

Defeasance and Covenant Defeasance

The Indenture provides that we may deposit in trust with the trustee cash and/or government securities in an amount sufficient, without reinvestment, to pay all sums due on the notes. If we make this deposit, then, at our option, we:

will be deemed to have satisfied and paid all of our obligations in respect of the notes; or

will not need to comply with certain restrictive covenants contained in the Indenture and the occurrence of a covenant default will no longer be an event of default with respect to the notes, which we refer to as covenant defeasance. Such a trust may only be established if, among other things:

no event of default exists or occurs as a result of such deposit; and

we deliver an opinion of counsel to the effect that the holders will not recognize income, gain or loss for federal income tax purposes as a result of such deposit.

If we exercise our covenant defeasance option with respect to the notes and the maturity of the notes is accelerated upon an event of default, the amount of cash and government securities on deposit with the trustee may not be sufficient to pay amounts due on the notes at the time of the acceleration. However, we will remain liable with respect to such payments.

Modification of the Indenture

Under the Indenture, certain of our rights and obligations and certain of the rights of holders of the notes may be modified or amended with the consent of the holders of at least a majority of the aggregate principal amount of the outstanding notes. However, the following modifications and amendments will not be effective against any holder without its consent:

a change in the stated maturity date of any payment of principal or interest, including any additional interest;

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a reduction in or change in the manner of calculating payments due on the notes;

a change in the place of payment or currency in which any payment on the notes is payable;

a limitation of a holder's right to sue us for the enforcement of payments due on the notes;

a reduction in the percentage of outstanding notes required to consent to a modification or amendment of the Indenture or required to consent to a waiver of compliance with certain provisions of the Indenture or certain defaults under the Indenture;

a reduction in the requirements contained in the Indenture for quorum or voting; and

a modification of any of the foregoing requirements contained in the Indenture.

Under the Indenture, the holders of at least a majority of the aggregate principal amount of the outstanding notes may waive compliance by us with any covenant or condition contained in the Indenture.

We and the trustee may execute, without the consent of any holder of notes, any supplemental indenture for the purposes of:

evidencing the succession of another corporation to us, and the assumption by such successor of our covenants contained in the Indenture and the notes;

adding covenants by us for the benefit of the holders of the notes, transferring any property to or with the trustee or surrendering any of our rights or powers under the Indenture;

adding any additional events of default for the notes;

changing or eliminating any restrictions on the payment of principal or premium, if any, on notes in registered form, provided that any such action shall not adversely affect the interests of the holders of the notes of any series in any material respect;

evidencing and providing for the acceptance of appointment under the Indenture by a successor trustee with respect to the notes;

curing any ambiguity, correcting or supplementing any provision in the Indenture that may be defective or inconsistent with any other provision therein or making any other provisions with respect to matters or questions arising under the Indenture that shall not be inconsistent with any provision therein, provided that such other provisions shall not adversely affect the interests of the holders of the notes in any material respect;

adding to, changing or eliminating any provision of the Indenture as shall be necessary or desirable in accordance with any amendments to the Trust Indenture Act;

supplementing any provision of the Indenture as shall be necessary to permit or facilitate the defeasance and discharge of the notes in accordance with the Indenture, provided that such action shall not adversely affect the interests of any of the holders of the notes in any material respect; or

conforming the terms of the Indenture and the notes to the description of the notes in this prospectus supplement, in the manner provided in the Indenture.

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Governing Law

The Indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

The Trustee

U.S. Bank National Association will act as trustee for the notes. The trustee will have all of the duties and responsibilities specified under the Trust Indenture Act. Other than its duties in a case of default, the trustee is under no obligation to exercise any of the powers under the Indenture at the request, order or direction of any holders of notes unless offered reasonable indemnification.

Miscellaneous

We or our affiliates may from time to time purchase any of the notes that are then outstanding by tender, in the open market or by private agreement.

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Book-Entry, Delivery and Form of Notes

The notes will be issued in book-entry form through The Depository Trust Company, which we refer to along with its successors in this capacity as *DTC*. *DTC* will act as securities depository for the notes. The notes will be issued only as fully registered securities registered in the name of Cede & Co. (*DTC*'s partnership nominee) or such other name as may be requested by an authorized representative of *DTC*. The notes will be accepted for clearance by *DTC*. Beneficial interests in the global securities will be shown on, and transfers thereof will be effected only through, the book-entry records maintained by *DTC* and its direct and indirect participants, including Euroclear and Clearstream. Owners of beneficial interests in the notes will receive all payments relating to their notes in U.S. dollars. One or more fully registered global security certificates, representing the aggregate principal amount of notes issued, will be issued and will be deposited with *DTC* and will bear a legend regarding the restrictions on exchanges and registration of transfer referred to below.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. These laws may impair the ability to transfer beneficial interests in the notes, so long as the notes are represented by global security certificates.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. *DTC* holds securities that its direct participants deposit with *DTC*. *DTC* also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. *DTC* is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation, which, in turn, is owned by a number of direct participants of *DTC* and members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the *DTC* system is also available to others, referred to as indirect participants, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a direct or indirect custodial relationship with a direct participant. The rules applicable to *DTC* and its participants are on file with the SEC.

Purchases of notes under the *DTC* system must be made by or through direct participants, which will receive a credit for the notes on *DTC*'s records. The ownership interest of each beneficial owner of notes will be recorded on the direct or indirect participants' records. Beneficial owners will not receive written confirmation from *DTC* of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participant through which the beneficial owner entered into the transaction. Under a book-entry format, holders may experience some delay in their receipt of payments, as such payments will be forwarded by the trustee to Cede & Co., as nominee for *DTC*. *DTC* will forward the payments to its participants, who will then forward them to indirect participants or holders. Beneficial owners of notes other than *DTC* or its nominees will not be recognized by the registrar and transfer agent as registered holders of the notes entitled to the rights of holders thereof. Beneficial owners that are not participants will be permitted to exercise their rights only indirectly through and according to the procedures of participants and, if applicable, indirect participants.

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To facilitate subsequent transfers, all notes deposited by direct participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be

requested by an authorized representative of DTC. The deposit of notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes; DTC's records reflect only the identity of the direct participants to whose accounts the notes are credited, which may or may not be the beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to notes unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy to the issuer as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts notes are credited on the record date (identified in a listing attached to the omnibus proxy).

DTC may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to the issuer or its agent. Under these circumstances, in the event that a successor securities depository is not obtained, certificates for the notes are required to be printed and delivered. We may decide to discontinue the use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the notes will be printed and delivered to DTC. If an event of default with respect to the notes has occurred and is continuing, a holder may request that certificates for the notes be registered in such holder's names.

As long as DTC or its nominee is the registered owner of the global security certificates, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the global security certificates and all notes represented by these certificates for all purposes under the instruments governing the rights and obligations of holders of notes. Except in the limited circumstances referred to above, owners of beneficial interests in global security certificates:

will not be entitled to have such global security certificates or the notes represented by these certificates registered in their names;

will not receive or be entitled to receive physical delivery of securities certificates in exchange for beneficial interests in global security certificates; and

will not be considered to be owners or holders of the global security certificates or the notes represented by these certificates for any purpose under the instruments governing the rights and obligations of holders of notes.

Payments with respect to notes represented by the global security certificates and all transfers and deliveries of notes will be made to DTC or its nominee, as the case may be, as the registered holder of the notes. DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer or its agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of that participant and not of DTC, the trustee, the issuer or any of their agents,

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subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the issuer or its agent, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of direct and indirect participants.

Ownership of beneficial interests in the global security certificates will be limited to participants or persons that may hold beneficial interests through institutions that have accounts with DTC or its nominee. Ownership of beneficial interests in global security certificates will be shown only on, and the transfer of those ownership interests will be effected only through, records maintained by DTC or its nominee, with respect to participants' interests, or any participant, with respect to interests of persons held by the participant on their behalf. Payments, transfers, deliveries, exchanges, and other matters relating to beneficial interests in global security certificates may be subject to various policies and procedures adopted by DTC from time to time. Neither we nor any agent for us will have any responsibility or liability for any aspect of DTC's or any direct or indirect participant's records relating to, or for payments made on account of, beneficial interests in global security certificates, or for maintaining, supervising or reviewing any of DTC's records or any direct or indirect participant's records relating to these beneficial ownership interests.

Although DTC has agreed to the foregoing procedures in order to facilitate transfer of interests in the global security certificates among participants, DTC is under no obligation to perform or continue to perform these procedures, and these procedures may be discontinued at any time. We will not have any responsibility for the performance by DTC or its direct or indirect participants under the rules and procedures governing DTC.

Because DTC can act only on behalf of direct participants, who in turn act only on behalf of direct or indirect participants, and certain banks, trust companies and other persons approved by it, the ability of a beneficial owner of notes to pledge the notes to persons or entities that do not participate in the DTC system may be limited due to the unavailability of physical certificates for the notes.

DTC has advised us that it will take any action permitted to be taken by a registered holder of any securities under the Indenture only at the direction of one or more participants to whose accounts with DTC the notes are credited.

The information in this section concerning DTC and its book-entry system has been obtained from sources that we believe to be accurate, but we assume no responsibility for the accuracy thereof.

Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries, which in turn will hold interests in customers' securities accounts in the depositaries' names on the books of DTC. At the present time, Citibank, N.A. acts as U.S. depositary for Clearstream and JPMorgan Chase Bank, N.A. acts as U.S. depositary for Euroclear (the *U.S. Depositaries*). Beneficial interests in the global securities of a series will be held in denominations of \$5,000 and integral multiples of \$1,000 in excess thereof.

Clearstream holds securities for its participating organizations (*Clearstream Participants*) and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries.

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Clearstream is registered as a bank in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier and the Banque Centrale du Luxembourg, which supervise and oversee the activities of Luxembourg banks. Clearstream Participants are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations, and may include the underwriters or their affiliates. Indirect access to Clearstream is available to other institutions that clear through or maintain a custodial relationship with a Clearstream Participant. Clearstream has established an electronic bridge with Euroclear as the operator of the Euroclear System (the *Euroclear Operator*) in Brussels to facilitate settlement of trades between Clearstream and the Euroclear Operator.

Distributions with respect to the notes of a series held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream.

Euroclear holds securities and book-entry interests in securities for participating organizations (*Euroclear Participants*) and facilitates the clearance and settlement of securities transactions between Euroclear Participants, and between Euroclear Participants and participants of certain other securities intermediaries through electronic book-entry changes in accounts of such participants or other securities intermediaries. Euroclear provides Euroclear Participants, among other things, with safekeeping, administration, clearance and settlement, securities lending and borrowing, and related services. Euroclear Participants are investment banks, securities brokers and dealers, banks, central banks, supranationals, custodians, investment managers, corporations, trust companies and certain other organizations, and may include the underwriters or their affiliates. Non-participants in Euroclear may hold and transfer beneficial interests in a global security through accounts with a Euroclear Participant or any other securities intermediary that holds a book-entry interest in a global security through one or more securities intermediaries standing between such other securities intermediary and Euroclear.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the *Terms and Conditions*). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to notes of a series held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

Transfers between Euroclear Participants and Clearstream Participants will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between DTC's participating organizations (*DTC Participants*), on the one hand, and Euroclear Participants or Clearstream Participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its U.S. Depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (European time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement

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requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by delivering or receiving interests in the global security in DTC, and making or receiving payment in accordance with normal procedures for same-day fund settlement applicable to DTC. Euroclear Participants and Clearstream Participants may not deliver instructions directly to their respective U.S. Depositories.

Due to time zone differences, the securities accounts of a Euroclear Participant or Clearstream Participant purchasing an interest in a global security from a DTC Participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear Participant or Clearstream Participant, during the securities settlement processing day (which must be a business day for Euroclear or Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear or Clearstream as a result of sales of interests in a global security related to a series of notes by or through a Euroclear Participant or Clearstream Participant to a DTC Participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

The information in this section concerning Euroclear and Clearstream and their book-entry systems has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy of that information.

None of us, any of the underwriters or the trustee will have any responsibility for the performance by Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of securities among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and they may discontinue the procedures at any time.

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CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following summary describes certain U.S. federal income tax consequences to you of the purchase, beneficial ownership and disposition of notes as of the date hereof. This summary deals only with holders that purchase notes in the initial offering at their issue price (i.e., the first price at which a substantial amount of notes is sold to investors) and that hold such notes as capital assets for tax purposes. This summary does not apply to you if you are a member of a class of holders subject to special rules, such as:

a dealer in securities or currencies;

a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;

a bank;

an insurance company;

a tax-exempt organization;

a person that owns notes that are a hedge or that are hedged against interest rate risks;

a person that owns notes as part of a straddle or conversion transaction for tax purposes;

a person subject to alternative minimum tax;

a U.S. holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar; or

a U.S. expatriate, controlled foreign corporation, or passive foreign investment company.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the Code), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, or subject to differing interpretations, so as to result in U.S. federal income tax consequences different from those summarized below.

If an entity classified as a partnership for U.S. federal income tax purposes holds our notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding notes, you should consult your tax advisor.

If you are considering the purchase of notes, you should consult your own tax advisor concerning the particular U.S. federal income and estate tax consequences to you of the purchase, beneficial ownership and disposition of notes, as well as the consequences to you arising under the laws of any other taxing jurisdiction, including any state, local or non-U.S. tax consequences.

For purposes of this summary, a *U.S. holder* means a beneficial owner of a note that is any of the following for U.S. federal income tax purposes: