

BB&T Corporation
Request for Additional Information
July 2, 2019

In connection with the application submitted by BB&T Corporation (“BB&T”), Winston-Salem, North Carolina, to merge with SunTrust Banks, Inc. (“SunTrust”) and thereby indirectly acquire SunTrust Bank, both of Atlanta, Georgia, pursuant to section 3 of the Bank Holding Company Act of 1956, the information below is requested. Supporting documentation, as appropriate, should be provided.

1. The additional information response letter dated June 3, 2019 (“June 3 Letter”) stated: “BB&T and SunTrust anticipate that decisions with respect to branch consolidations and closing will not be made until after consummation of the Proposed Transaction.” The Board has received a number of comments from members of the public who have expressed concerns regarding potential branch closures in connection with the proposed merger and how any branch closures could adversely affect residents of low- and moderate-income (“LMI”), rural, and minority communities. In light of the significant overlap of BB&T’s and SunTrust’s branch networks, further information is necessary for staff to evaluate how the proposed merger could impact access to branches in these communities. Provide a list of branches in LMI census tracts, distressed or underserved nonmetropolitan middle-income census tracts, and majority-minority census tracts that BB&T and SunTrust anticipate would be closed, consolidated, or relocated in connection with the proposed merger. For each branch anticipated to be closed, consolidated, or relocated, provide the branch name, street address, city, state, and zip code, along with the relevant classification of the census tract in which it is located (e.g., low-, moderate-, middle- or upper-income; distressed or underserved nonmetropolitan middle-income; majority-minority). In addition, for each of those branches, provide the branch name, street address, city, state, zip code, and income classification of the census tract for the closest surviving (receiving) branch, as well as the distance from the closed, consolidated, or relocated branch. For branches that are anticipated to be closed in such communities, describe any efforts that the bank plans to undertake in order to mitigate the impact of the closing on the relevant community.
2. Provide an updated workplan for integration planning activities, as well as an overall summary of the status of integration planning. The workplan should identify workstreams, participants, inputs, milestones, and decision points. Where appropriate, highlight the involvement of risk and compliance professionals in the integration planning process.
3. In the June 3 Letter, BB&T indicated that a high-level blueprint of the compliance risk management structure and organization for the combined company would be available after the named Chief Compliance Officer for the combined company had an opportunity

to conduct more detailed planning. Provide this blueprint or indicate the date by which it will be made available to the Board.

4. Discuss the consumer compliance background, experience, and qualifications of the officers who will be in charge of consumer compliance and enterprise risk management, respectively, for the combined organization. In addition, discuss the CRA background, experience, and qualifications of the officer who will be in charge of CRA for the combined organization.
5. In the June 3 Letter, BB&T announced that it would provide more information about the CRA compliance framework and CRA senior leadership after the named Director of CRA and Community Development at the combined company had the opportunity to conduct more detailed planning. Provide this framework or indicate the date by which it will be made available to the Board.
6. The Board has received comments objecting to the proposed merger of BB&T with SunTrust. To the extent not discussed in the Responses to Public Comments dated April 23, 2019, and May 21, 2019, please provide information that is responsive to the following allegations:
 - a. A commenter alleges that BB&T made a disproportionately low number of home purchase loans to African American and Hispanic borrowers in the Houston Metropolitan Statistical Area (“MSA”), the New York City MSA, and the Charleston, West Virginia, MSA, as reflected in data reported under the Home Mortgage Disclosure Act of 1975 for 2017.
 - b. Commenters allege that the proposal would create a larger bank focused on issues that are national in scope. Because of this, commenters allege that the resulting institution would be less responsive to the needs of the local communities in which the banks currently operate, including for example in Luzerne County, Pennsylvania.
 - c. Commenters allege that both SunTrust and BB&T have not done enough to meet the credit and banking needs of the unbanked and underbanked, particularly in the South.
 - d. Commenters allege that the merger would create a new, large, financial institution that would lack the kind of robust risk management practices and policies that its competitors have adopted, putting millions of Americans at risk.
 - e. Commenters allege that BB&T has not successfully integrated past acquisitions, including the acquisitions of Susquehanna Bank and National Penn Bank. In

particular, commenters allege that BB&T does not take steps to integrate new employees with the firm's policies and procedures.

- f. A commenter generally asserts that BB&T has denied African American individuals and African American-owned businesses equal access to capital and credit by heavily concentrating its outreach and banking activities in predominantly white neighborhoods, and to white individuals and white-owned businesses in Houston and Dallas. In particular, the commenter alleges that BB&T:
 - i. Originates the vast majority of its loans in white neighborhoods;
 - ii. Does not provide home improvement loans to African Americans;
 - iii. Does not provide commercial and construction loans to African Americans;
 - iv. Does not provide bridge loans to African Americans;
 - v. Does not provide working capital loans to African Americans;
 - vi. Does not make credit overrides and exemptions to credit underwriting policies and factoring available to African Americans or to African American-owned small businesses; and
 - vii. Engages in redlining and reverse redlining in Houston and Dallas.
7. Provide a discussion of the efforts the combined company would make to meet the banking needs of its senior citizen customers, including any efforts to address potential reduction or disruption of services and/or the potential for confusion as a result of the proposed merger.

* * *

Please address your response to Adam Drimer, Federal Reserve Bank of Richmond. Please submit your responses within 10 business days to Kathy Eike at the Federal Reserve Bank of Richmond. Any information for which you desire confidential treatment should be so labeled and separately bound in accordance with section 261.15 of the Board's Rules Regarding Availability of Information.

If you have any questions regarding this letter, please contact Patrick Grant (202-452-5214) or Arthur White (202-728-5852) of the Board's Division of Supervision and Regulation; Daniel Hickman (202-973-7432), Kelley O'Mara (202-973-7497), or Brian Phillips (202-452-3321) of the Board's Legal Division; Charles Fleet (202-452-2776) or Lisa Joire (202-785-6036) of the Board's Division of Consumer and Community Affairs; or Madeline McCullers (202-475-7658), Cecilia Caglio (202-452-3084), or Ken Onishi (202-872-4943) of the Board's Division of Research and Statistics.