

1 Public Meeting Regarding Proposed Merger of BB&T Corporation and
2 SunTrust Banks, Inc.

3 Charlotte Branch of the Federal Reserve Bank of Richmond

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5 530 East Trade Street

6 Charlotte, NC

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10 Thursday, April 25, 2019, 8:30 a.m. - 5:00 p.m.

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1 P R O C E E D I N G S

2 MS. SUZANNE KILLIAN: Good morning. I am
3 pleased to welcome you to this important meeting on the
4 application by BB&T Corporation to acquire SunTrust Banks, Inc.
5 and SunTrust Bank. I am Suzanne Killian and I'm a Senior
6 Associate Director of the Federal Reserve Board's Division of
7 Consumer and Community Affairs in Washington, D.C. I will serve
8 as one of the two presiding officers for this public meeting.
9 My colleague, Jonathan Miller, of the Federal Deposit Insurance
10 Corporation will serve as the other presiding officer and I will
11 turn to Jonathan in just a minute.

12 First, I'd like to introduce our other panelists. For the
13 Federal Reserve, to my left we have Adam Drimer, Assistant Vice
14 President, Federal Reserve Bank of Richmond. For the FDIC, we
15 have Jim Watkins, Senior Deputy Director, Supervisory
16 Examinations Division of Risk Management Supervision, and we are
17 also joined today by Ray Grace, the Commissioner of the North
18 Carolina Commission of Banks and Kevin Hagler, the Commissioner
19 of the Department of Banking and Finance for Georgia.

20 When our agencies consider the applications related to
21 this proposed merger, we look at a number of factors under the
22 Bank Holding Company Act which governs the application filed

1 with the Federal Reserve, and the Bank Merger Act, which governs
2 the merger application being processed by the FDIC. These
3 factors include the convenience and needs of the communities
4 affected by the proposal. In doing so, we particularly look at
5 the record of performance of the parties under the Community
6 Reinvestment Act. The CRA requires the Federal Reserve and the
7 FDIC to take into account an institution's record of helping to
8 meet the credit needs of its entire community. The financial
9 condition and future prospects of the combined organization are
10 also considered. The managerial resources of the combined
11 organization, including the competence, experience and integrity
12 of the officers, directors and principal shareholders of the
13 applicant, and their record of compliance with laws and
14 regulations, the competitive impact of the proposal, the
15 financial stability impact of the proposal and the effectiveness
16 of the institutions involved in the transaction in combatting
17 money laundering activities.

18 The purpose of today's public meeting is to receive
19 information regarding these factors as well as any other factual
20 issues related to the BB&T-SunTrust applications. We are here
21 today to listen to you. We are very pleased that members of the
22 public have been willing to come and present their views at this

1 public meeting and we look forward to your testimony today. With
2 that, let me turn it over to Jonathan for his opening remarks.

3 MR. JONATHAN MILLER: Thank you, Suzanne. As Suzanne
4 mentioned, my name is Jonathan Miller. I'm a Deputy Director
5 for Policy and Research in the Division of Depositor and
6 Consumer Protection at the FDIC. I'll serve as the co-presiding
7 officer for this meeting this morning. I'm just going to talk a
8 little bit about the meeting procedures. The meeting today is
9 an informal public meeting. This is a forum for members of the
10 public to provide comments on the pending applications. Members
11 of the agency panel up here may ask clarifying questions of
12 those who are presenting, but we are here primarily to listen to
13 you. I'll underscore what Suzanne said in that regard. We want
14 to hear from you and listen to your comments. The panel will
15 generally not be answering questions on the proposal and it does
16 not exercise any final decision making authority related to the
17 applications being discussed today. This is not a formal
18 administrative hearing, it is not governed by the Administrative
19 Procedure Act, The Federal Rules of Evidence, the Federal Rules
20 of Civil Procedure, the Board's Rules of Practice for Hearings,
21 or the FDIC's Rules of Practice and Procedure.

22 Because we have so many presenters, we will endeavor to

1 stick closely to the schedule so that every who has asked to
2 offer comments will be able to do so. We are going to ask the
3 presenters today to be respectful of the other presenters' time,
4 please be mindful of the needs of others and help us stay on
5 schedule. Each panel will consist of five to six presenters and
6 each presenter will have five minutes to give their
7 presentation. The panels of speakers will be expected to keep
8 within their allotted times. When it is your turn to speak,
9 please state your name and, if applicable, what organization you
10 are representing. We're going to be strict on the time limit
11 because there are so many people who want to present today and
12 we want to make sure that everybody has their opportunity.
13 During your testimony you'll notice a clock directly in front of
14 the dais, that will show how much time you have left to provide
15 for your comments. Please conclude your remarks before the time
16 elapses. The timekeeper will also give you a signal when you
17 have one minute left to speak and another signal when your time
18 has expired.

19 In addition, we're mindful that there may be some
20 individuals here today who were unable to sign up to testify in
21 advance of today's meeting. To the extent possible, we want to
22 give them a chance to speak as well. At the end of the meeting

1 today we'll make a microphone available to anybody who would
2 like to make a five-minute presentation, time permitting. This
3 open session is scheduled to begin at 3:20 p.m.

4 One more comment about the presentations: Presenters may
5 submit a written supplement to their oral remarks for inclusion
6 in the public record. We remind you that the public comment
7 period ends at the close of business on May 3rd. You may submit
8 your written supplement at the participant registration desk or
9 you can send it by following the instructions included in the
10 material that you received in the registration this morning.

11 It's important that we get this material for the record.

12 Finally, a copy of the official transcript of the meeting will
13 be made available on the Board's and the FDIC's public websites
14 within a few weeks of today's meetings. We look forward to
15 hearing your remarks and comments about the applications today.

16 With that, let us begin by recognizing our first panel,
17 which includes representatives from BB&T and SunTrust. Thank
18 you.

19 MR. KELLY KING: Thank you and good morning, I'm Kelly
20 King, Chairman and Chief Executive Officer of BB&T and I'm
21 joined today by some of the key leaders of the proposed
22 company's management team and we thank you very much for the

1 opportunity to tell our story. The combination of BB&T and
2 SunTrust is a true merger of equals, bringing together two
3 strong mission and purpose-driven companies who have proudly
4 served our clients and communities for a combined 275 years.
5 Both institutions are strong. We believe that together we can
6 create a tremendous value for everyone involved, our clients,
7 our associates, communities and shareholders. Today we want to
8 particularly focus on why this merger will be good for our
9 clients and communities. The idea for this merger actually
10 began a few months ago with a conversation between Bill and
11 myself about how quickly our world is changing. In today's
12 world, we all expect things to work simply and quickly and we
13 want it all to happen immediately, right in the palm of our
14 hand. Our clients' definition of quality has clearly changed
15 and there's a tremendous opportunity to combine our distinctive
16 personal touch and the right dynamic technology to create
17 relationships of trust with our clients. This merger of equals
18 provides us with the additional scale we need to make
19 technological investments to provide the digital services our
20 clients expect. We have plans to invest an incremental 100
21 million dollars annually into innovation and technology to
22 create a digital client experience that is second to none. This

1 will enable the combined company to compete with the largest
2 banks, thereby creating a more competitive and systemically
3 stabilizing landscape. Our additional investments will also
4 ensure we remain best in class in cyber-security and other risk
5 management systems, which is very, very important, enabling us
6 to continue to offer a safe and secure digital platform for our
7 clients. Following the merger, the combined company will
8 continue to serve main street America lending to local
9 businesses, families and students. We empower our bankers to
10 listen and truly understand the needs of their clients and their
11 communities and then be responsive to those needs. Along with
12 the expanded digital offerings I just mentioned, our clients
13 will also have access to more branches, 24-hour service through
14 our online banking, mobile banking and various applications,
15 phone assistance and expanded network of ATMs. Clients will
16 also benefit from the best of both companies when it comes to
17 service and products, for example, BB&T now has the opportunity
18 to combine our unique community banking model with the strength
19 of SunTrust's corporate banking and investment model. This
20 allows us to serve everyone from a mom and pop business to the
21 largest corporate client. For the client we can feel as small
22 and as personal as you need us to be, but we can also serve

1 virtually any financial need that you need help with. The scale
2 of this merger will also allow us to serve the communities in
3 which we live and work in more ways than ever before. For more
4 than 147 years our communities have been very good to us. We
5 believe giving back to them is an honor and a privilege. As a
6 bank, we are merely a reflection of the financial strength and
7 vibrancy of the communities so it just makes good business sense
8 to engage in our communities through lending and banking
9 services, financial support to, and leadership roles in
10 charitable organizations, and empowering our associates to
11 volunteer for worthy causes.

12 One of the most meaningful aspects of this proposed merger
13 of equals is the potential impact on community reinvestment
14 which we believe will be even further enhanced through this
15 merger. Sharon Jeffries-Jones, to my right, BB&T's Director of
16 Corporate Social Responsibility and Community Reinvestment
17 Activities will speak in a few moments about our outstanding
18 Community Reinvestment Act rating from the FDIC and our current
19 engagement in many community groups, some of which are
20 represented here today, but before she shares, I'd like to share
21 just a few comments about some of the positive differences we're
22 making in our communities, specifically related to childhood

1 literacy, leadership development and diversity and inclusion.

2 First, we know something must be done to help our kids
3 learn to read. While many of us take literacy for granted, we
4 know that third graders who are not proficient at reading are
5 four times more likely to drop out of high school. We also know
6 the industrial jobs of yesterday and the agricultural jobs are
7 fading away and more skills are needed in our workforce than
8 ever before. Because literacy is critical to our future success
9 we have recently committed six million dollars over a three-year
10 project partnering with EVERFI, a leading education technology
11 company. Now, the goal is ambitious, but it is to create a
12 digital game to help children in grades K through 2 to build
13 critical literacy skills and we believe it has tremendous
14 progress.

15 Regarding leadership, the BB&T Leadership Institute offers
16 world-class, proven development programs to raise a leader's
17 self awareness and help them develop conscious leadership
18 practices. Ninety-seven percent of the participants in these
19 programs from our flagship Leadership Program rank it as one of
20 the most powerful and impactful experiences of their
21 professional development. I can also speak to this very
22 personally. It transformed my ability to lead and there's not a

1 chance I would be here today without that program. Since 2014,
2 we have offered this high quality program at no cost to school
3 principals. Our future is sitting in today's classrooms and few
4 leaders in our community have a larger impact on our collective
5 future as school principals. We currently partner with
6 state-level organizations in school districts in four states
7 with plans to expand to all states within our core banking
8 footprint.

9 There is also much work to be done when it comes to
10 inequities that still exist in our communities. Bill and I, and
11 our teams, are both assuring you that our combined company will
12 continue our commitment to serve all of our communities fairly
13 and equally when providing loans, investments and services.
14 Everyone deserves to be treated with dignity and respect. Year
15 after year, BB&T has been highly rated by the Human Rights
16 Campaign on the Corporate Quality Index. In 2017 and 2018, BB&T
17 was recognized as one of the best places to work for LGBT
18 equality. BB&T's diverse supplier spending was \$173,000,000 in
19 2018, a 40% increase from the previous year, and we operate more
20 than 600 multicultural banking centers throughout our community
21 banking footprint, all with teams that reflect the diversity of
22 their neighborhoods. Diversity and inclusion isn't just the

1 right thing to do, it is a strategic business imperative and it
2 creates more productive associates, a better understanding of
3 the diverse clients we serve and ultimately better business
4 results. We will continue to focus and foster a diverse and
5 inclusive culture and workforce and create opportunities at
6 organizations that we support. We are very proud of our
7 diversity progress but we look forward to doing even better.

8 So, why are we so passionate about serving our clients and
9 communities? Really, it's quite simple. It comes back to our
10 culture. We believe it is the single most important factor
11 causing our long-term success. It is also the most important
12 foundation aspect of this merger of equals. Our two companies
13 are inspired, guided and driven by our mission and our purpose.
14 By lighting the way of financial well-being, SunTrust's purpose,
15 we also achieve BB&T's long-standing mission of making the world
16 a better place to live. Our values such as honesty, teamwork,
17 independent thinking and self-esteem help us create a workplace
18 where our associates can learn and grow and be fulfilled in
19 their work. We have always understood that our associates are
20 BB&T's most valuable asset.

21 What really gets us out of bed in the morning is thinking
22 about ways to serve our clients and make a real difference in

1 their lives, their families and their businesses. Both
2 companies have a rich heritage of financially supporting local
3 events, community groups, nonprofit organizations and rolling up
4 our sleeves and getting involved in the communities to
5 volunteer. That will not change. The proposal in front of you
6 is not just about BB&T and SunTrust and what we've done
7 individually, it's about what the new, combined company will be
8 and the value it will bring to our clients and communities. The
9 ability to invest for the future is the primary factor driving
10 this merger of equals. It's about creating the kinds of
11 products and services and experiences that not only meet the
12 needs of our clients, but exceed their expectations, and it's
13 about increasing our scale and capabilities so we can serve our
14 communities in an even deeper and better and more effective way.

15 To speak in more detail about these commitments, I'm
16 pleased to turn it over now to Sharon Jeffries-Jones.

17 MS. SHARON JEFFRIES-JONES: Thank you, Kelly. Good morning
18 and I appreciate the opportunity to speak with you today about
19 the merits of this proposal. My responsibility with BB&T
20 includes ensuring we are at the forefront of meeting the needs
21 of our communities, not just in terms of the financial services
22 we provide our clients, but also the investments we make in our

1 associates and our communities. As Kelly said, our mission is
2 to make the world a better place and this has become a driving
3 factor behind the bank's long history of community reinvestment.

4 These principles have resulted in a number of investments and
5 initiatives that serve to support our community partners.

6 Today, I want to share with you a small selection of the
7 initiatives and programs we believe have made a tremendous
8 impact in our communities. BB&T has provided more than 27
9 billion dollars in affordable mortgage loans this decade. The
10 bank also invested 2.7 billion dollars during this time to
11 support the development of affordable housing. The investments
12 in single and multi-family housing allowed working class
13 individuals and families to have access to safe and secure
14 housing which is critical for their success. BB&T also
15 understands small businesses are key economic drivers that
16 promote neighborhood revitalization in communities across our
17 country. In 2018, small businesses accounted for more than 4% of
18 the nation's private workforce and BB&T made 103,000 loans to
19 true small businesses, putting more than 2.6 billion dollars
20 into our local communities. In addition, BB&T recognizes
21 education is key to upward financial mobility. We partner with
22 community organizations to share our Bank on Your Success

1 program which provides free financial knowledge to participants
2 about basic banking, home ownership and budgeting. We recently
3 developed a new module, Growing Your Business, to help business
4 owners navigate the banking system and to improve their
5 financial well being. BB&T also utilizes other financial
6 education programs such as the FDIC Money Smart and the ABA Safe
7 Banking for Seniors, to engage the community and share
8 knowledge.

9 I also want to highlight that our commitment to our
10 communities extends well beyond client services. While we
11 donated more than 34 million dollars in 2018 to support
12 philanthropic organizations, we also emphasized the importance
13 of our associates volunteering in their communities. Each year,
14 BB&T's 37,000 associates participate in our Lighthouse Project.
15 They determine their community's greatest needs and choose a
16 nonprofit partner. The corporation provides the funding and
17 time away from work for our associates to support these projects
18 in a hands-on fashion. In the Lighthouse Project's ten years,
19 our associates have contributed more than 640,000 hours of
20 community service and touched the lives of more than 16.5
21 million people. The last example I would like to share is our
22 2019 plan to open seven branches in low and moderate-income

1 neighborhoods. This will provide greater access to financial
2 services in underserved communities across our footprint. We
3 are proud of the impact we have made within our communities and
4 we believe that impact is why BB&T earned a CRA rating of
5 Outstanding from the FDIC. Our initiatives and investments
6 truly reflect the values of our company and the importance we
7 place in strengthening our communities. What we really want to
8 emphasize today is the scale and strength of the new company
9 isn't just about serving our clients in a more dynamic way, it
10 provides us greater opportunity to further develop and expand
11 community programs well beyond our current capabilities. We
12 held community listening sessions in Winston, Salem, Atlanta,
13 Baltimore, Philadelphia, Richmond and Fort Lauderdale. These
14 sessions have been in partnership with the National Community
15 Reinvestment Coalition. We heard communities' concerns and
16 recommendations related to the merger and this information will
17 be used to formulate a combined company's community benefit
18 plan. We consistently heard four key things: The importance of
19 affordable housing for families, financial sustainability for
20 individuals and businesses, philanthropic support for
21 communities, and diversity and inclusion at every level in our
22 footprint. Both BB&T and SunTrust bring significant programs

1 and partnerships to the new company. Each is doing impactful
2 work in their respective markets, but combined we will be in an
3 even stronger position to actively make the communities we serve
4 better places to live. Thank you so much for your time today.

5 Now I would like to turn it over to SunTrust Chairman and CEO,
6 Bill Rogers.

7 MR. WILLIAM ROGERS JR: Sharon thank you, and Sharon and
8 Kelly thank you both for your great leadership. Good morning,
9 I'm Bill Rogers and it is my privilege to serve as Chairman and
10 Chief Executive Officer of SunTrust Banks. I'd like to begin by
11 thanking the members of the Federal Reserve and the FDIC for
12 convening this meeting. I'm grateful for the opportunity to
13 hear from interested members of the public.

14 Let me share my perspective on how a SunTrust and BB&T
15 merger will be positive for our clients and the communities that
16 we serve. I've been with SunTrust for 38 years. My personal
17 commitment runs deep. I've been fortunate to lead the company
18 for the past seven years as we strengthen both our purpose and
19 our performance, which I believe are inextricably linked. Since
20 it's founding in 1891, SunTrust has been a purpose-driving
21 company. As Kelly mentioned, today we express our purpose as
22 lighting the way to financial well-being. This commitment

1 extends beyond any regulatory requirements. Fulfilling our
2 purpose is central to everything we do and it is rooted in our
3 culture. Our employees, whom we call teammates, have told us in
4 engagement surveys that we really do live this purpose in all of
5 our daily work activities. We're eager to join forces with BB&T
6 and create a new company principally because it's a likeminded
7 institution with a compatible culture and strives to make the
8 world a better place to live. BB&T and SunTrust are strong and
9 successful companies on their own, yet Kelly and I believe that
10 great companies don't stand still. Continuing to deliver on our
11 purpose and performance commitments requires us to evolve and to
12 invest and to keep pace with the changing dynamics of our
13 industry and our clients. This merger of equals enables us to
14 do that faster and more effectively together. It gives us the
15 scale to better compete and the capacity to do even more for all
16 the constituents that count on us. For our teammates, we'll
17 deliver a collective set of training, leadership and development
18 programs to attract and retain the industry's top talent. We'll
19 invest in technology to help teammates and associates do their
20 jobs more effectively and we'll embrace a one-team approach
21 bringing the best expertise and solutions to the table.

22 At SunTrust we're already investing significantly in

1 teammate financial well-being, putting our purpose into action
2 with a financial wellness program that gives graduates a
3 thousand dollar contribution toward their emergency savings. We
4 also offer a paid day off each year to focus on your own
5 personal finances and an additional day off to volunteer and
6 give back to the community. Last year, our teammates logged
7 more than 200,000 volunteer hours with 5300 organizations. They
8 include Junior Achievement, the Boys and Girls Clubs, United
9 Way, Habitat for Humanity and many, many others. I'm confident
10 that the combined company will enhance the teammate experience
11 and thereby result in even more outstanding client and community
12 service.

13 For our clients, the BB&T and SunTrust combination will
14 lead to enhanced data security, a full complement of financial
15 services, offerings and transformative technology. I'm excited
16 about our planned innovation and technology center to design and
17 implement new ideas that delight consumers and businesses.
18 We've always made the client experience a top priority. This
19 will enable us to deliver the best service and customer care
20 experience possible. We recognize that as we combine our two
21 companies with overlapping markets we'll need to consolidate
22 some branches. We'll be thoughtful in performing an extensive

1 market, branch, and client analysis before making any decisions,
2 including prioritizing our service to low and moderate income
3 clients and communities. We'll think carefully about the
4 potential capacity of nearby branches and preserve the branches
5 that are most modern and accessible for clients and communities.

6 When we do make decisions, we'll reach out to clients to
7 minimize any potential for disruption.

8 Let me comment specifically on small business clients.
9 SunTrust has a strong track record of investing in small
10 businesses, helping them create jobs and benefit their local
11 economies. This year we were awarded one Excellence award and
12 two Best Brand awards for small business banking by Greenwich
13 Associates. Across SunTrust's markets last year we provided
14 more than 1.4 billion dollars in loans to more than 42,000 small
15 businesses. Together with BB&T's strong programs, our team will
16 be able to deliver even more advice and support so small
17 businesses can invest and grow.

18 For the banking industry, some have suggested that this
19 transaction will create an institution that's too big. Let me
20 assure you in the case of this merger bigger does not mean
21 riskier. Each company has a conservative risk profile now and
22 will maintain such as a combined entity with strong risk

1 management, liquidity and strong capital management. The
2 combined BB&T SunTrust entity will actually increase competition
3 by creating a stronger regional bank that reduces the
4 concentration of systemic risk at the top of the market, and the
5 combined company will have an even more balanced profile due to
6 greater diversification across clients, businesses and
7 geographies.

8 There are a number of very important considerations
9 regarding bank regulatory compliance and performance that are
10 subject to your review and the bank merger process. That
11 includes promoting diversity and inclusion, promoting
12 competition and adhering to anti-crime and terror laws as well
13 as fair lending and compliance regulations. While these issues
14 are discussed in detail in the merger application we filed in
15 March, we want to note how seriously we take these matters and
16 express our commitment to continue to work with regulators,
17 community members, our clients and our teammates and associates
18 to deliver excellence in each of these categories. Part of the
19 merger will be fully dedicated to meeting all of our
20 responsibilities and we remain so if the merger is approved.

21 For our communities, I think one of our founders said it
22 best, and we still believe this: When you build your community,

1 you build your bank. We actively support community development
2 investment and civic initiatives large and small, urban and
3 rural. In 2018 we made more than 4 billion dollars in community
4 development loans including \$650,000,000 in loans to hospitals,
5 educational institutions, and nonprofits. Together we believe
6 we can drive our community lending and investments to new
7 heights. It's important to us that the new size of this company
8 reflect the sophistication and deep commitment to the
9 communities that we're privileged to serve. Following the
10 public comment period, we'll evaluate all the feedback we've
11 received and then finalize a community benefits plan that will
12 increase investment across all our markets.

13 Also, we'll continue to ensure that the new institution
14 reflects the extraordinary diversity of our clients and markets.

15 I have personally invested my energy in promoting broader
16 opportunities and awareness for our teammates as a signatory to
17 the WPC CEO Action For Diversity and Inclusion. SunTrust
18 sponsored a day of understanding last year where thousands of
19 teammates came together to have the kind of conversations that
20 break down walls of unconscious bias and promote a workplace
21 where everyone feels welcome to contribute. My colleague,
22 Lynette Bell, SunTrust Enterprise Community Reinvestment Officer

1 will now speak in more detail about our community reinvestment
2 activities and focus on leading the movement for financial
3 well-being in an all-inclusive workplace. Lynette celebrated
4 yesterday 35 years with our company and I am so honored to be on
5 this panel with Lynette.

6 MS. LYNETTE BELL: Good morning, thank you Bill, so much.
7 I'm pleased to share additional information today about
8 SunTrust's longstanding commitment to our communities. Since
9 our most recent CRA Performance Evaluation, SunTrust has
10 significantly improved several areas over the past three years.
11 We've created lifelong homeowners by providing 74,000 mortgage
12 loans to low and moderate income borrowers totaling 10 billion
13 dollars. Our community development lending has nearly doubled,
14 totaling 9.5 billion dollars in the past three years supporting
15 over 750 projects. For example, we deployed \$600,000,000 in
16 financing for affordable housing last year, creating more than
17 6600 multi-family, affordable units. SunTrust community
18 development investments exceeded 1.5 billion dollars, covering
19 another 570 projects, utilizing federal tax credit programs to
20 revitalize distressed neighborhoods. We maintain a geographic
21 presence of branches and other retail services to mirror the
22 distribution of low to moderate-income households. Last year,

1 SunTrust opened ten branches in low to moderate-income areas and
2 majority-minority census tracks and will open three more this
3 year.

4 I'm proud, as a SunTrust banker, that since 2008 the
5 SunTrust Foundation has donated more than 160 million dollars to
6 help people take steps toward financial stability, gain
7 workforce training and recover from natural disasters. Last
8 year, we granted 19.5 million dollars to nonprofit partners
9 driving real change to improve lives. In addition, SunTrust is
10 one of the few banks in the country to receive a direct
11 allocation of New Market Tax Credits authority from the U.S.
12 Department of Treasury. This allows us to drive economic
13 development and help the neighborhoods and cities and
14 communities around the country.

15 At SunTrust we believe achieving meaningful impact
16 requires personal involvement as well. This is evident in the
17 level of volunteers and by our teammates who have served 1.4
18 million hours, taught hundreds of financial education classes to
19 children and adults, and performed a variety of services to
20 benefit others. A signature volunteer program is our
21 partnership with Junior Achievement where we supported finance
22 parks in eight cities. Here, we teach children life skills such

1 as how to live on a budget and plan for the future. We were
2 awarded the U.S. President's Volunteer Award for our work with
3 Junior Achievement over three times.

4 Finally, I'd like to expand on Bill's comments about
5 diversity and inclusion. We know it takes a range of people
6 with different perspectives to foster creativity and a more
7 competitive company. We strive to attract and retain the most
8 talented people. Of the total SunTrust workforce today, 61% are
9 women, and 44% are minorities. SunTrust was named one of the
10 best of the best financial and banking companies from the
11 Hispanic Network Magazine in 2018. We offer an atmosphere of
12 respect that capitalizes on our differences. We have eight
13 diversity teammate networks building appreciation for multiple
14 ethnicities, LGBT, veterans, disabilities and more, all
15 promoting leadership and community engagement. We provide
16 proactive opportunities for diverse suppliers. Our supplier
17 program was named Corporation of the Year in 2018 by the Georgia
18 Minorities Supplier Developmental Council and we were named the
19 Best of the Best Corporations for Inclusion by the National Gay
20 and Lesbian Chamber of Commerce. Over the last two years our
21 total spent with diverse suppliers averaged more than 200
22 million dollars a year. These values are rooted in our culture

1 and the new company will enable us to continue programs on a
2 scale beyond our current capabilities. Both SunTrust and BB&T
3 believe a strong community is vital and on behalf of all of us
4 today, thank you so much for your time. We look forward to
5 hearing your thoughts and questions and listening to the public
6 comments.

7 MS. SUZANNE KILLIAN: Are there any questions for this
8 panel? Okay, thank you so much for coming, we appreciate that.
9 At this time, we'll ask the members of Panel #1 to take the
10 stage please. Good morning, thank you for coming. Jennifer,
11 are we starting off with you? All right, thank you. Please
12 note the time on the clock in front of you, thanks.

13 MS. JENNIFER GIOVANNITTI: I want to thank the regulators
14 for hosting this meeting and for the bank leadership here today
15 after listening to our concerns. My name is Jen Giovannitti and
16 I am the President of the Benedum Foundation. We are a private
17 foundation and the largest philanthropic investor in the state
18 of West Virginia. We've been around for 75 years and we've been
19 investing in communities throughout the state for a very long
20 time. I'm representing a group of 13 different organizations
21 that have come together today that are expressing concerns about
22 this merger. We represent the two major universities in the

1 state, a handful of CDFIs and loan funds, as well as an SBIC and
2 others that are investing in health, housing and education.

3 So, first, the operating history of SunTrust and BB&T are
4 very different in the state of West Virginia. SunTrust came to
5 West Virginia in 2004, opened a handful of branches around
6 Charleston, but has since closed all those branches and left the
7 state entirely, not serving our rural state of West Virginia.

8 BB&T, on the other hand, has had a very positive history for us.

9 BB&T came in 1999 and bought a small bank in a very small town
10 and over the next 18 years grew their business tremendously in
11 the state of West Virginia. BB&T started out with just over 1%
12 of the market share and in those 18 years has become the largest
13 market share holder in the state of West Virginia for all
14 FDIC-insured institutions. This is important to us but in the
15 last several years BB&T has been closing branches and it went
16 from a high of 78 and is ending now with roughly 63 at the time
17 of this application. The bank merger and the branch closure
18 piece is important to us because this affects rural areas very
19 differently, and as a leading, prominent institution for
20 economic research, the Federal Reserve is very aware of this,
21 both Chairman Powell and Vice-Chairman Quarles, have given
22 important speeches in the last year referencing rural issues and

1 the issue of bank branch closures. And in this, Chairman Powell
2 said in a listening session around the country with rural
3 leaders that have been looking at bank branch closures in their
4 community, they found those that are most impacted are small
5 businesses, the elderly, people with limited access to
6 transportation, and they also recognize that it's more than just
7 the loss of financial access, it is also advice, civic
8 leadership and institutions that bring customers into downtown
9 businesses. This is why we're concerned because West Virginia
10 cannot afford to have their businesses disadvantaged any further
11 by the loss of branch closures.

12 This has been documented by other research as well through
13 the Appalachian Regional Commission which serves 13 states as a
14 federal agency. The Appalachian Regional Commission
15 commissioned a study in 2013 that showed small business lending
16 in Appalachia was about 18% lower than lending nationally. They
17 also found that bank branches are important because a higher
18 number of branches correlates statistically with more loans to
19 small businesses.

20 So, this point about the closures and the small business
21 access to credit and capital is important and it's why the group
22 that I'm representing has actually developed our own network of

1 CDFIs, loan funds and others that can support the gaps that are
2 left in access to credit and capital for the consumers, but more
3 importantly, for small businesses which are essential. We have
4 a culture of small and family-owned businesses in West Virginia
5 and this is going to be essential to our local economies.

6 Lastly, this issue of community reinvestment. So, for
7 those of you that know anything about rural you know that CRA is
8 not working and is not equitable in rural regions. We give a
9 lot of credit to the regulators who have been having deep
10 discussions in the past several years on modernizing CRA because
11 rural areas are being left behind for the things that I just
12 mentioned. Leaders like Governor Lael Brainard and others from
13 your agencies, OCC and the FDIC as well, have been looking at
14 this but it's not moving fast enough to bring us to where we
15 need to be for rural.

16 So, in closing, the operation of these two banks looks
17 very different in West Virginia. My group does not have the
18 confidence that SunTrust has any interest in West Virginia and
19 BB&T, while having a very successful rate, has been closing
20 branches. The two optimistic parts for us include the
21 discussions around modernization and if there can be true
22 leadership around this issue to equalize the effect in rural.

1 The other optimistic aspect for us is the Kelly King factor.
2 Mr. King does come from rural, he knows rural, and he has proven
3 that he can build a business that is successful and important
4 and engaged in a state like West Virginia, so as a private
5 foundation I want to challenge all of you to do what I'm doing,
6 invest the type of money that is necessary and build the
7 partnerships to better understand the organizations in West
8 Virginia. We grant 15 to 20 million a year and we've been doing
9 it for 75 years. We need the kind of leadership to work with
10 these groups to solve issues facing rural. Thank you.

11 MS. SUZANNE KILLIAN: Thank you, Jen. Mr. Fudim.

12 MR. BERNARD FUDIM: Good morning, ladies and gentleman. I
13 am an 88-year-old senior citizen who has come at my own expense
14 to testify here because of the perceived danger of the closing
15 of SunTrust. This testimony resulted from discussions with many
16 seniors, especially my talks with Dr. Norm Makana who
17 participates in studies of senior health care and is an
18 associate professor at the Academy of Health Sciences associated
19 with the University of Central Florida. Surveys indicate 70% of
20 bank deposit balances are held by customers over the age of 50,
21 seniors. These valued costumers have become prime targets for
22 fraudsters. Banks are finding themselves on the front lines of

1 protecting their older customers. When a name format is
2 changed, as a result of a merger or closure, it also opens up
3 more possibility for robbery by cyber fraud. This BB&T merger
4 and closure is not designed to stimulate the economy. SunTrust
5 bank personnel will likely not be available to customers after
6 such closures and mergers occur. I've seen it already in our
7 local bank. I would have to go travel many more miles to deal
8 with -- to get the services of a bank. Seniors constitute a
9 depositor base in SunTrust banks. Seniors are more easily
10 confused by changes in a bank name and changes in bank
11 locations, even the location of handicapped parking. A software
12 programmer told me there's always increased risk to cyber
13 security whenever computer formats are modified. Finally, is a
14 statement by the ABA, American Bankers Association: "Mergers
15 must consider their effect upon social infrastructure. Banks
16 across the country are on alert and adopting new strategies to
17 help older customers protect their life savings and smoothly
18 transition to retirement. The ABA must also be on guard against
19 the confusion initiated by mergers. With a generation far more
20 likely to visit a bank's physical location, customer relations
21 can make all the difference in helping seniors protect their
22 savings."

1 I am a ten-year member of the UCF Life Studies Lecture
2 Program. I have recently made inquiries of many seniors and
3 they were all opposed to the BB&T merger and closure of SunTrust
4 banks, except for one senior who thought it was a waste of my
5 personal time because she had received an official letter from
6 BB&T indicating the merger was already a fete accompli.
7 SunTrust already possess a social infrastructure. Social
8 infrastructures are recognized by economists, sociologists and
9 psychologists as affecting the way people interact. This holds
10 true for banking. Before bank mergers are approved, the reserve
11 banking system should consider its effect upon the established
12 social infrastructure. Seniors are far more likely to consider
13 a bank's physical location. I, myself, feel less secure using a
14 cell phone for the movement of money and instead opt for the
15 familiar location of SunTrust banking locations. Any closure or
16 physical relocation that might result from a merger makes a
17 difference to me and to other seniors. My SunTrust bank serves
18 our local community and the community is making strides with new
19 shopping plazas and the construction of new apartment buildings
20 designed for people who want to rent instead of buying a house.
21 Increased economic uncertainty will inescapably result from the
22 proposed merger of BB&T with SunTrust Bank. The emotional

1 component can damage the depositor base. I witnessed confusion
2 after Scottrade merged with Ameritrade. It swamped their
3 ability to adequately deal with the resulting chaos. Users
4 started to receive computer warning notices after attempting to
5 log in. The proposed SunTrust BB&T merger and closure is not
6 proposed to enhance any aspect of socially responsible banking,
7 but the social nature of employment is the reason for providing
8 Federal Reserve control of banking. The Federal Reserve must
9 consider these things, not just that. That concludes the nature
10 of why I'm opposed to such a merger. It can present a stumbling
11 block which can affect the economy.

12 MS. SUZANNE KILLIAN: Thank you. Tammy?

13 MS. TAMMY MANN: Thank you for the opportunity to be here
14 today and share comments on this important decision. I am
15 Tammy Mann, Present and CEO of the Campagna Center and I am
16 speaking on behalf of that community-based organization that's
17 been around for 74 years and much of our success as an
18 organization has been due to investments made by strong
19 corporate citizens like SunTrust. Their role in our success
20 story dates back some forty years. I think it's also important
21 to note that the Campagna Center is situated in Alexandria, a
22 community that is located in the Washington metropolitan area

1 where, on average, most households have to work 2.5 jobs to
2 access a decent place to live. The mission of the Campagna
3 Center is simple: To provide access to education, social
4 development programs, Cradle to Career, so that children, teens
5 and adults have an opportunity to realize their full potential,
6 thereby making our community and our country strong and vibrant.

7 In Alexandria, 60% of our children attending public schools
8 qualify for free and reduced priced lunch, a proxy for children
9 living in poverty. There is a great need for the work that we
10 are doing in our community, and we know that it's making a
11 difference. Last year we served 2241 children, teens and adults
12 who benefitted from the services that we offered and it's had an
13 impact. Among our early childhood program we are serving 500
14 children who are living between 100 and 200% of poverty, 95% of
15 those children are being served by our organization, four out of
16 five of those children met developmental milestones.

17 Eighty-eight percent of the high school students who are
18 accessing tutoring and mentoring support through Building Better
19 Futures, improved or maintained their grades. One-hundred
20 percent of the seniors in the program graduated, and 94% were
21 accepted into college. Among adult students accessing English
22 language instruction, 88% qualified to advance to the next level

1 of instruction. We are offering ten levels with 91% of the
2 students also reporting more comfort engaging in job-related and
3 health services in our community. Alexandria as a city has
4 twice the rate of foreign-born residents across the state. The
5 SunTrust Foundation has played a pivotal role in developing and
6 expanding our Building Better Futures program which provides
7 tutoring, mentoring and enrichment support to high school
8 students at T.C. Williams. Thanks to support from the
9 Foundation we were recently able to create an externship
10 component to the program where students have an opportunity to
11 be exposed to career paths as they consider their plans post
12 high school by partnering with a number of local businesses,
13 financial institutions, local grocers, and other small
14 businesses in our community.

15 I'd like to just note that last week we learned that one
16 of the students we've been working with for the past four years
17 won a \$100,000 scholarship to help finance her college
18 education. She was overcome with emotion and noted that had it
19 not been for the support she received from the staff to really
20 navigate the college application process, (she is a
21 first-generation college student) it would not be possible for
22 her to be pursuing her dream of earning a degree. She is

1 planning to attend George Mason University where she will be
2 majoring in Engineering in the fall.

3 Our organization is passionate about its role in helping
4 to build the pipeline of tomorrow's workforce. The investments
5 made in Building Better Futures is a perfect example of what it
6 means to live out the spirit of the Community Reinvestment Act,
7 something I know SunTrust has done to invest in our communities.

8 The impact of our partnership certainly goes beyond financial
9 investments. Several years ago, when the organization found
10 itself in need of accessing space, SunTrust made space available
11 at no cost to ensure that we were able to continue to provide
12 services in our community. Currently, the chairperson of our
13 board, Laura Lawler, is a senior executive at SunTrust, Senior
14 Vice President. In the greater Washington area we've had a
15 number of executives serve in board and other volunteer
16 capacities. This support is critical to the philanthropic
17 community. In addition to support from the bank, Muriel Garr,
18 Senior Vice President, who also has charge of greater Washington
19 has helped to ensure that we've been able to connect with other
20 grantees of the Foundation to share resources to strengthen our
21 work and our ability to have impact.

22 I'm sure that the Federal Reserve Bank and the FDIC

1 understand the role that corporate entities play in the
2 nonprofit sector. Corporate partnerships enable organizations
3 like ours to bridge gaps in our communities that make it
4 possible for all children to have a fair shake at succeeding.
5 News of this merger comes at a significant time in our history
6 as we prepare to address future needs through our relocation and
7 capital campaign effort. Whether that work involves reaching
8 500 preschool children at a cost of \$18,000 per year, or serving
9 school-aged children, more than 1000 of them, at a cost of \$5000
10 a year, 300 adults seeking to provide English access to get
11 better jobs and support our community, the Campagna Center is in
12 a position to make a difference. We need our corporate partners
13 to remain with us. SunTrust has been engaged and committed and
14 I am concerned that future support might be in jeopardy at a
15 time when we need it most. I hope that this combined entity
16 under consideration will continue its commitment to our
17 community and our work as we focus on our future. I thank you
18 for the opportunity to speak and hope you will carefully
19 consider community impact as you deliberate the merits of this
20 merger.

21 MS. LESLEY WEAVER: Good morning, I'm Lesley Weaver of
22 Bleichmar, Fonti and Auld. I'm counsel to the National Black

1 Farmers Association and I practice anti-trust law among other
2 pursuits. We very much appreciate the work of your venerable
3 institutions and I appreciate the opportunity to be heard. The
4 NBFA is a nonprofit organization representing more than 100,000
5 African-American farmers and their families in the United
6 States. The NBFA provides education, services and advocacy
7 efforts concerning civil rights, land retention, access to
8 public and private loans, education and agricultural training.
9 You may have heard of the NBFA because they litigated a
10 landmark, 10-year lawsuit against the USDA for discriminating
11 against African-American farmers in loan terms. They obtained
12 over more than one billion dollars in recovery for Black farmers
13 and then had to fight for another ten years to get that money
14 available to the farmers through a claims process they could
15 understand. SunTrust was a beneficiary of that process because
16 they applied for, and were awarded, to operate the qualified
17 settlement fund in that case. Access to financial resources on
18 equal terms is a matter of critical importance to the NBFA. The
19 NBFA is deeply concerned that the consolidation of these two
20 financial institutions, however, is a troubling trend that makes
21 capital, financial and loan services less accessible to the
22 communities that the NBFA serves. This proposed merger will

1 increase concentration in specific markets where they live in
2 the southeastern U.S., especially in communities in Virginia,
3 Georgia and Florida where over 220,000 farmers reside.

4 We ask that the Federal Reserve and FDIC disprove this
5 merger, and if you are inclined to approve it, we ask for a seat
6 at the table to discuss specific therapeutics guaranteeing
7 lending to Black farmers and others similarly disenfranchised,
8 financial literacy training for them, keeping enough local
9 branches open so that people can come talk to people to
10 understand how to apply for a loan, not to be gouged on interest
11 rates and dividends, and more compliance personnel rather than
12 less, which is part of the proposal, to ensure that the CRA's
13 requirements are met and we ask that, if approved, the combined
14 bank honor SunTrust's earlier promises to the NBFA to create a
15 credit union for farmers and fund it with at least two million
16 dollars in non-member deposits.

17 I will note that we reached out to both BB&T and SunTrust.
18 They declined even to respond. In contrast, the day after we
19 sent our letter, the Department of Justice reached out to us and
20 we have engaged in in-depth discussions with them with
21 economists discussing the economic impact with some of their
22 most respected economists. Why would we expect that post-merger

1 BB&T and SunTrust will be more responsive when they will not
2 respond now in their hour of need? As you know from our written
3 submissions, we have conducted an in-depth HHI analysis, and
4 submitted these to the DOJ and to your institutions for
5 consideration. The widespread increase in HHI across markets
6 expressed why this data had practical effects. Empirical
7 evidence shows a direct correlation between increases in HHI and
8 increases in interest rates and bank deposits, in short,
9 increased market concentration leads to worse economic terms for
10 bank customers. In the significant metropolitan statistical
11 areas, the merged firm will have over 20% market share and, more
12 importantly for these tribunals, in rural and economically
13 disadvantaged areas such as West Virginia and the other states
14 that I have identified, the merger will have disproportionate
15 effects such as shuttered branch offices and reduction in staff
16 over CRA compliance. Both the NBFA and members are, or have
17 been, customers of SunTrust or BB&T. As of 2017, there were
18 45,000 Black farmers located throughout the United States, with
19 most residing in the southeastern United States and having an
20 average of 61.3 years of age. There are thousands of NBFA
21 farmers and Black farmers who are residing in the states most
22 heavily impacted by this proposed merger. But the concerns of

41

1 Black farmers aren't in isolation. Independent small farmers in
2 general have problems accessing credit and certainly face
3 similar market pressures with regard to increased farming costs
4 and a decreasing ability to fund their livelihoods.

5 We heard today that one reason for this merger is
6 innovation, but the benefits of technology are dubious to most
7 of these consumers. Rather the efficiencies accrue to the
8 banks. Farmers in the southeastern United States have limited
9 access to the internet. A map from the 2017 census, which we
10 submitted in our written materials, shows that farmers in the
11 southeastern United States have a lower rate of internet
12 connectivity than elsewhere in the United States. Most
13 importantly, Black farmers and all farmers need these loans to
14 maintain their livelihoods. Between the squeeze of
15 monopolization of the seed market and the Bayer-Monsanto merger,
16 which forces farmers to pay for one years' seed up front rather
17 than siloing seed that naturally germinated for one to five
18 years, it's simply impossible to operate without credit. The
19 increasing consolidation across all of the accessibility to
20 credit is not just wiping out the middle class, it's wiping out
21 the ability of hard-working Americans to contribute to society.
22 I thank you so much for the opportunity to be heard on this. I

1 would just note that the average Black farmer is age 61 with an
2 average income of \$50,000. This merger would propose that the
3 CEO of this combined bank, who also will be 61 years old, will
4 be making significantly more than that, especially if you look
5 that in 2018 he made 1.1 million dollars. These asymmetries may
6 benefit certain individuals, but they simply are not good for
7 the economy.

8 MR. JESSE VAN TOL: Good morning, I'm Jesse Van Tol, I'm
9 the CEO of the National Community Reinvestment Coalition and
10 NCRC is a collation of 600 community based organizations who
11 champion fairness in banking, housing and in business. Thank
12 you for the opportunity to testify here today. This hearing is
13 an important hearing and your job is an important job. I will
14 detail our position on this merger at the end of the testimony,
15 but let me start by saying that, in general, we believe that
16 mergers of this size require a demonstration of a significant
17 public benefit. We believe that should such a benefit be
18 detailed then the merger can go through. The law requires you
19 to examine significant concentration and growth through the lens
20 of how the public benefits. We believe that historically bank
21 regulators have not done a good job of so doing. The problem
22 with the way bank regulators approach anti-trust analysis is

1 that it is a tipping point analysis. There's a threshold, a
2 point at which a bank is considered anti-competitive. The
3 problem with so called trust busting is that practically
4 speaking once a bank reaches that size many people consider it
5 impractical, disruptive and perhaps politically unfeasible to do
6 so. We believe this type of analysis should be considered along
7 the way as banks grow with a larger obligation the bigger they
8 get. In the case of very large financial institutions and the
9 public benefit they create, we believe that a combination of 1
10 plus 1 needs to equal more than 2. In too many cases,
11 communities have experienced that 1 plus 1 equals less than 2.

12 Traditional anti-trust analysis has other limits including
13 it has been too focused on price and not focused on other
14 factors such as whether their size allows them to be well
15 managed, maximized benefit for customers and create a public
16 benefit more generally.

17 Let me read from your former colleague, Federal Reserve
18 Board Governor, Daniel Tarullo. He said: "The regulatory
19 structure should discourage systemically consequential growth or
20 mergers unless the benefits to society are clearly significant.
21 There is little evidence that the size, complexity and reach of
22 some of today's SIFIs are necessary in order to realize

1 achievable economies of scale and scope." That said, the
2 standard for merger review is a balancing standard. Does the
3 benefit created outweigh any potentially negative impacts of
4 growth and concentration? NCRC has suggested that merger
5 approvals need to include forward looking statements detailing
6 how the public communities will benefit. We have developed one
7 such form for so doing known as the Community Benefits
8 Agreement. I am pleased to say that we have had very productive
9 conversations with BB&T and SunTrust about a community benefits
10 agreement. Together, we have convened meetings in six cities
11 with nearly 200 community-based organizations. We have
12 discussed community needs and ways in which the combined
13 institution could better serve them. We expect to reach a
14 Community Benefits Agreement with the bank in the near future
15 detailing lending, investments and services for low and moderate
16 income people, communities and communities of color. When the
17 bank articulates such a forward-looking commitment detailing how
18 the public benefits, we would be in the position of saying that
19 the merger could and should go through. It is your job,
20 additionally, as regulators to ensure that the examination of
21 the bank's forward-looking statement creates a clearly
22 significant public benefit. Thank you again for the opportunity

1 to testify and I'm happy to answer any questions.

2 MS. SUZANNE KILLIAN: Thank you. Any questions for this
3 panel? [No response.] Will Panel #2 please come up? Mr.
4 Crawford, are we starting with you?

5 MR. BRIAN CRAWFORD: Thank you. This is a change of a
6 panel. My name is Brian Crawford and I'm a partner at Sanford
7 Holshouser Law Firm, that is the legacy of the two governors of
8 North Carolina. Our firm represents many North Carolina
9 community development groups as well as groups interested in
10 developing affordable housing. Since 1997, I've had a
11 relationship with BB&T, both through my work with the North
12 Carolina Community Development Initiative as well as a partner
13 in the law firm. BB&T has had a history of supporting community
14 groups through both their investments, their choice to donate
15 property to some of these community groups, the choice to
16 support some of the community groups in their developing
17 projects. BB&T has invested and put their money at risk with
18 some of these community projects by mortgage backed securities,
19 helping some of the community development groups do the projects
20 that are necessary in the community. Throughout North Carolina
21 BB&T has been the hometown bank, truly, to a lot of community
22 groups and supporting them through technical assistance and also

1 further investments. BB&T has always not been the biggest bank
2 at the table but they've always put much more money at risk than
3 some of the other banks in the state. So, I'm proud to see that
4 BB&T is interested in this merger. I hope, however, that BB&T
5 in their merger with SunTrust will continue -- SunTrust continue
6 the substantial amount of development that they're doing in the
7 communities. For instance, I know for a fact that every year
8 through their CRA department there are up to 500 to 600 units in
9 their footprint that they're developing, investing in affordable
10 housing, and this is just through one program, the AHP program
11 of the Federal Home Loan Bank. They also put up to 50 million
12 dollars a year in their community-development investment funds
13 for tax credits, so there's a substantial amount of work that
14 they do to make sure that affordable housing exists throughout
15 the BB&T footprint. As you know, with the federal government
16 stepping back on a lot of affordable housing, it's important for
17 banks to continue with this investment.

18 Our concern, and the concern I wanted to bring from the
19 members of the community, is whether or not the commitment of
20 both banks together will increase that work or retrench. We
21 hope that the leadership of the bank continues, not only since
22 they've become, I believe, the sixth largest bank in the

1 country, to expand the work that they're doing for affordable
2 housing. We believe that private capital is important for the
3 investment in the community and BB&T has been an important part
4 of that private capital. We want to make sure that that
5 investment doesn't stop because of the merger. I am not as
6 familiar with the work of SunTrust in North Carolina. I have
7 been with many, as a general counsel, for many nonprofit groups,
8 and that's one of the names that pops up. That doesn't mean
9 that it's not happening, we just don't see the strong enough
10 investment that BB&T has done, so we hope that leadership in
11 this transition will make sure that both banks step up to
12 continue the work in these communities. A lot of urban
13 communities are suffering with affordable housing. We want to
14 make sure that affordable housing is a priority and that
15 capital, market capital, private capital, become an important
16 part of that. It's good for the banks, it's good for the
17 community. We're ready to support BB&T in this merger but we
18 want to make sure that affordable housing and their continued
19 investment still maintains with both entities. Thank you for
20 the opportunity to speak with you.

21 MR. BERNIE MAZYCK: Good morning. I want to thank you for
22 the opportunity to give testimony for the proposed merger

1 between BB&T and SunTrust. My name is Bernie Mazyck and I am
2 the President and CEO of the South Carolina Association for
3 Community Economic Development. Over the past 25 years, our
4 organization and our network of 155 members, partners and
5 stakeholders, have worked to improve the quality of life of low
6 income families and communities throughout South Carolina by
7 advancing the community economic development industry. Today,
8 this sector has had an economic impact of over 250 million
9 dollars in low income communities throughout our state. Almost
10 from its inception of our organization, BB&T plays a key role in
11 supporting our organization and our network of local community
12 economic development organizations, both financially as well as
13 leadership support. As we all work to develop affordable
14 housing, create small and micro-businesses, and provide
15 financial education, the bank has played a key role in creating
16 bank products that are accessible to low income families.
17 Additionally upon entering the South Carolina market, SunTrust
18 also became a reliable partner in growing the community economic
19 development sector in our state. Both banks have a strong
20 presence in South Carolina and through their services on boards
21 and committees of community economic development organizations
22 as well as the establishment of advisory groups, both BB&T and

1 SunTrust have taken seriously the input they received to improve
2 the lending products, investments and services of LMI
3 communities.

4 Engagement with customers and stakeholders at the market
5 level has been a unique quality of both banks and their
6 commitment to community lending. BB&T's senior leadership,
7 including Chairman and CEO, Kelly King, demonstrated that
8 commitment by conducting annual senior leadership tours in South
9 Carolina. This event has given the bank the opportunity for
10 senior management to engage locally with customers and staff
11 associates. For the community economic development sector in
12 South Carolina, BB&T and SunTrust have been a strong partner.
13 Over this time, BB&T and SunTrust assisted in the development of
14 the CD sector through financial support, technical assistance
15 and leadership. BB&T and SunTrust endeavor to respond to unique
16 community development needs with the appropriate bank accounts,
17 loan products and services. One example of BB&T's
18 responsiveness was in the development of a product that assists
19 new savers seeking to purchase their first home or start a
20 business through a matched savings program called the Individual
21 Development Account. An example of SunTrust's responsiveness to
22 the market needs is the participation in new market and low

1 income housing tax credits to support commercial and residential
2 development in LMI communities. Both banks have used federal
3 and state programs to increase capital flow into communities
4 that are often overlooked by other capital sources. We would
5 like to see the bank resulting from this proposed merger not
6 only to continue with this community banking business model, but
7 by becoming the sixth largest bank in the country, we'd like to
8 see an increase in its community engagement and community
9 investment that will be transformative of this region and all
10 communities in their footprint. This will require increased
11 levels of support to include community development capital,
12 philanthropic support and responsiveness to include market
13 needs. For example, in South Carolina 43% of the credit users
14 have prime credit, meaning that over 50% of credit users in
15 South Carolina access alternative sources of capital that are
16 often predatory, to include payday lenders. This is an
17 opportunity to provide or support small dollar loan products
18 that will be helpful to LMI communities. Additionally, South
19 Carolina and markets throughout the bank's footprint experience
20 economic disparity both racially as well as disparities between
21 urban and rural markets. The bank resulting from this merger
22 should look specifically at these disparities, especially to

1 ensure that bank branches are present in rural markets and
2 develop strategies and partnerships to bridge these divides.
3 We'd also like to see the resulting bank invest more in CDCs and
4 CDFIs and support small and micro-business development to
5 include entrepreneurship training and capital with small and
6 micro-business lending.

7 Again, we'd like to thank you for this opportunity to give
8 testimony and we encourage you to consider this matter very
9 closely. Thank you.

10 MR. FLOYD MILLER: Good morning, my name is Floyd E.
11 Miller II and I'm the President and CEO of the Metropolitan
12 Business League in Richmond, Virginia. I have over 20 years of
13 experience in nonprofit management and I come to you today in
14 support of the merger. The Metropolitan Business League is a
15 nonprofit organization that provides support to small, women,
16 and minority-owned businesses through the Richmond, Virginia
17 area. We provide this through education, leadership and
18 advocacy. Both SunTrust Bank and BB&T have been very supportive
19 to our initiatives. We are a membership based organization
20 consisting of over 500 small businesses as well as corporate
21 partners and sponsors. As president, my top priority is to
22 foster the growth of the Richmond region's businesses and one

1 way that we do that is through collaboration and partnerships
2 and developing better relationships. SunTrust Bank continues to
3 be and exemplify the definition of a true outstanding partner.
4 Over the years, both organizations have provided success stories
5 throughout the years. They've provided longstanding financial
6 support and always supported our initiatives as far as diversity
7 and inclusion. I am a proud individual today to say that both
8 organizations will continue to provide the quality services that
9 we need to provide support to our small businesses in Richmond.

10 In 2018, we received a Lighting the Way award and we received
11 75,000 dollars for two initiatives: One, the Abilities
12 Entrepreneurship Series, which provides support to individuals
13 with disabilities that want to start businesses. The second
14 initiative was, of course, our Veterans Entrepreneurship
15 Training Program which is a 12-month comprehensive program that
16 provides support to veterans transitioning out of the military.

17 Collaboratively, I believe that this merger will work. We
18 will continue to support each other, we will continue to provide
19 valuable services and resources to business owners pertaining to
20 financial literacy and entrepreneurship. Thank you.

21 MS. SUZANNE KILLIAN: Thank you.

22 MS. RALPHINE CALDWELL: Good morning, I am Ralphine

1 Caldwell, the Executive Director for the Local Initiative
2 Support Corporation in Charlotte, North Carolina. On behalf of
3 our president and CEO, Maurice Jones, and especially the local
4 office here in Charlotte, I'm pleased to provide comments
5 regarding the proposed merger of SunTrust and BB&T. LISC has
6 partnered extensively with both organizations in support of our
7 community development initiatives, and we look forward to
8 ongoing collaboration assuming the merger is approved.
9 Established in 1979, LISC is a national nonprofit housing and
10 community development organization that is dedicated to helping
11 community residents transform distressed neighborhoods into
12 healthy and sustainable communities of choice and opportunity.
13 Our organization has a nationwide footprint with local offices
14 in 33 cities and national rural network where we partner with 86
15 organizations serving over 2200 rural counties in 44 states.
16 LISC invests approximately 1.4 billion each year in these
17 communities and our work covers a wide range of activities
18 including housing, economic development, building family wealth
19 and incomes education, and creating healthy communities. LISC
20 has had a long-term and valuable relationship with both SunTrust
21 and BB&T. Most recently, the banks made a combined investment
22 of 30 million in support of LISC's expansion of operations into

1 the Charlotte market including 10 million for the housing
2 opportunity investment fund, known as the CHOF, which LISC is
3 managing. The CHOF is an innovative, customized to the
4 Charlotte market, fund which will finance approximately 2000
5 units to mixed income housing for families earning 30 to 120% of
6 area median income. To date, 31 million has been raised for the
7 CHOF with a goal of 50 million by the end of June. BB&T and
8 SunTrust also earmarked an additional 20 million for below
9 market rate loans to finance additional affordable housing
10 outside of the CHOF here in Charlotte. This is just the most
11 recent example of the support LISC has received from SunTrust
12 and BB&T. Since our inception, LISC has received significant
13 additional financial and technical support from the banks
14 including 115 million of equity investments through the low
15 income housing tax credit program, 8 million of combined debt
16 investments and equity investments through the new markets tax
17 credit program. These investments supported the development of
18 a grocery-anchored retail center in a low income community in
19 Saint Petersburg, Florida, as well as equipment and facilities
20 financing for an upholstery fabric manufacturing firm that
21 enabled the firm to expand capacity by 30% and create 100 new
22 jobs in a high poverty rural county in North Carolina. Over 2.1

1 million in grants used primarily in support of our local LISC
2 office operations and program delivery. In addition, the
3 development of business investment district in a low income
4 community in Washington, D.C. as well as the delivery of
5 financial coaching and workforce services at our network of
6 financial opportunity centers in Houston and Richmond, Virginia.

7 SunTrust and BB&T officials have provided critical in-kind
8 support to LISC by sitting on advisory boards and committees at
9 our local offices including sites in Houston, Richmond, San
10 Antonio and Washington, D.C. In short, LISC has partnered
11 substantially with both institutions over the years in support
12 of our community development work. Both institutions have been
13 exemplary partners to us and we expect they will increase their
14 commitments to the community development and financing and
15 engage more efficiently in these efforts once the merger is
16 complete. We are also hopeful that the merger will lead to more
17 efficient retail operations and not the closure of branches in
18 vulnerable communities.

19 In close, we support the merger with the full expectation
20 that together they will invest more in low to moderate income
21 communities than the two banks separately did and we commit to
22 work with them to achieve such goals. A letter from our

1 president and CEO will follow. Thank you so much.

2 MS. SUZANNE KILLIAN: Thank you.

3 MR. TIMOTHY JOHNSON: Good morning presiding officers,
4 Assistant Vice President, Deputy Director, commissioners and
5 other members of the Federal Deposit Insurance Corporation, and
6 Federal Reserve Bank assembled here today. My name is Timothy
7 Johnson and I have the pleasure of serving as the chief strategy
8 and impact officer of the United Way of the National Capital
9 Area, where we serve 11 counties across the District of
10 Columbia, Northern Virginia, Piedmont region of Virginia and
11 suburban Maryland. At United Way of the National Capital Area
12 we fight for health, education and the financial stability of
13 every person in our community. On behalf of Rosie
14 Allen-Herring, President and CEO of the United Way of the
15 National Capital Area, its board and staff, I appear before you
16 today to offer testimony and enthusiastic support of the merger
17 between BB&T and SunTrust Banks. For everyone whose lives have
18 been skipped over, written off, United Way of the National
19 Capital Area fights for them, because everyone deserves hope,
20 everyone deserves a chance and everyone deserves respect. How
21 do we get there? By living united. By finding new solutions to
22 old problems and by mobilizing the best resources that produce

1 lasting results, by forging impactful partnerships. We ask that
2 the Federal Reserve Bank and the FDIC support the merger between
3 BB&T and SunTrust. Both companies have been champions in the
4 community and the type of partners that I just described above
5 and that the community desperately needs. We support their
6 efforts and ask that you continue the economic and philanthropic
7 impact that they've had in our region which is home to over 7
8 million residents. United Way of the National Capital Area
9 mobilizes individuals and organizations to improve education,
10 financial stability and health, the building blocks of a good
11 quality of life. With over 40 years of existence, United Way of
12 the National Capital Area continues to serve as a model of
13 integrity, ethics and honesty of the nonprofit community and to
14 serve as the vehicle of choice for directing its resources to
15 the most deserving causes and to convene business, agencies,
16 nonprofits and civic leaders around the needs of our community.
17 United Way of the National Capital Area membership is comprised
18 of over 500 nonprofits that represents a variety of sectors from
19 health to housing, arts, financial literacy, education and the
20 environment. We serve as a unifying voice of the nonprofit
21 community in our region, we provide critical direct services and
22 help organizations build capacity to increase their impact in

1 our region. In education we set a goal of increasing student
2 success at low performing middle schools and increasing the
3 number of students graduating from high school. We support
4 financial stability. We believe that area residents who
5 understand the best money management options and the importance
6 of banking, budgeting and savings will be better equipped to
7 ensure a most successful future. For a community to thrive, we
8 know its members must be healthy and for that reason United Way
9 NCA make strategic investments in programs that provide adults
10 and children with access to health and wellness. SunTrust bank,
11 under the leadership of MidAtlantic Chairman and CEO, Daniel
12 O'Neal, and SunTrust Foundation under President Stan Little,
13 were the first corporate citizens to engage us in a strategic
14 discussion which led to their investment in Greater Washington
15 systems of Financial Empowerment Centers -- FECs. The FECs are
16 local community centers where residents and families can receive
17 high quality professional guidance on a myriad of financial
18 needs including, but not limited to, budget management,
19 financial coaching, entrepreneurial aid and assistance, often at
20 no direct cost to the recipient. Now, several years later,
21 SunTrust provides financial resources and strategic marketing
22 and volunteers to support two of the four regional FECs which

1 played a critical role in delivering financial guidance and help
2 the federal employees and contractors during the recent partial
3 federal government shut-down. As northern Virginia and southern
4 Maryland has a disproportionate number of federal employees,
5 contractors and workers whose businesses support the federal
6 workforce, many of these individuals found themselves assessing
7 an array of human services and government services for the first
8 time in effort to obtain food, gas, rent and utility assistance.

9 If these FECs, powered by the support of SunTrust, were not in
10 place, many more of our region's residents would have gone
11 without basic needs support and falling deeper into financial
12 jeopardy. SunTrust Bank and SunTrust Foundation have both been
13 stalwart supporters of the work at United Way NCA and throughout
14 our nonprofit community for many years. Our region continues to
15 enjoy the benefits of their excellent corporate social
16 commitment. Without its support, United Way and other
17 community-serving organizations would be unable to reach the
18 same number of people and communities in need. United Ways
19 around the country have praised SunTrust for their commitment
20 within communities in which they are located, whether through
21 employee engagement, whether it's back to school drives or
22 financial literacy series taught to community members by market

1 executives lie Muriel Garr, SunTrust has distinguished itself as
2 a leader in the community through its corporate philanthropy and
3 generous employee support. We're proud of these results but
4 they're not possible without the partnership and commitment of
5 corporate citizens like SunTrust Bank and BB&T, and the
6 philanthropic leaders like SunTrust Foundation whose investment
7 in employee engagement provides our families with the help
8 needed to get to the pathway of financial confidence and
9 stability.

10 Based on our partnership with SunTrust Bank and SunTrust
11 Foundation, and their long legacy of engagement in investment in
12 the community, we enthusiastically support the proposed merger
13 with BB&T because we witnessed the positive and measurable
14 impact they've made within our regional community and the union
15 between these two great financial institutions can only mean
16 increased impact for the 7 million residents of our metropolitan
17 region. Thank you for your time.

18 MS. SUZANNE KILLIAN: Questions for this panel? (No
19 response). Thank you very much. (BREAK)

20 MR. JONATHAN MILLER: Ms. Dunn, do you want to lead us
21 off?

22 MS. CORYE DUNN: I'm happy to. Thank you ladies and

1 gentlemen for the opportunity to speak this morning. My name is
2 Corye Dunn and I'm an attorney and serve as the Director of
3 Public Policy for Disability Rights North Carolina. As our
4 state's designated protection and advocacy agency, we are
5 dedicated to advancing the rights of people with disabilities.
6 We're an independent 501(c)(3) organization and our work spans
7 the entire state. There is an organization like ours in every
8 state and territory of the U.S. Born and raised in Durham, I
9 have a keen sense of the importance of these two financial
10 institutions on our communities in North Carolina, but today I
11 want to focus on the potential impact of the proposed merger on
12 North Carolinians with disabilities. I urge you to specifically
13 address the impact of this and any merger on people with
14 disabilities as you analyze public benefit. I'll comment
15 briefly on three areas and will comment more fully in writing.
16 I ask that you consider impact in retail banking, home lending
17 and business lending for people with disabilities.

18 On the retail banking front, it's essential that any
19 consolidation plan preserve branches that are accessible by
20 public transit and also protect drive-through hours at remaining
21 branches. Of course, we recognize the pressures that have led
22 to significant consolidation among financial institutions but we

1 have to ensure that further branch consolidation does not take
2 retail banking out of the reach of people with disabilities. In
3 addition to physical branch locations, it's important that the
4 consolidated entity make its web presence more accessible. We
5 have reviewed both Banks' websites under section 508 standards,
6 lower than some other standards courts have imposed on similar
7 institutions, and have found inaccessible features in both.
8 Since there will certainly be an investment in updating the web
9 presence of any consolidated entity, we would call on you to
10 require that that new website meet high accessibility standards.

11

12 Housing finance for my clients has two parts: First is the
13 individual home lending, as it must be fully accessible,
14 including the website, as I previously mentioned, but it also
15 means making lending for home modifications available and less
16 cumbersome. Housing stock in our state is largely inaccessible
17 for people with a variety of disabilities. Access to capital is
18 essential for both homeowners needing to adapt their existing
19 home in the face of a newly acquired disability, and also for
20 the purchase of a home that may not yet be physically accessible
21 to a homebuyer with an existing disability.

22 Second, it's essential that multi-family development

1 lending ensure accessibility. In this context, accessibility
2 means more than just architectural accessibility which is what
3 we usually think of when we talk about accessibility of housing.

4 For example, it's really important that people with
5 disabilities not experience discrimination in housing based on
6 credit and criminal histories that are directly related to their
7 disability. We'd be happy to work with these, and any,
8 financial institutions in our communities to ensure that their
9 lending helps guarantee accessibility to renters with
10 disabilities. We see this even in our most forward-thinking
11 affordable housing investment programs -- we see this sort of
12 discrimination.

13 Finally, business lending should be prioritized for
14 entrepreneurs with disabilities. Just as housing discrimination
15 is a factor in our clients' lives, so is employment
16 discrimination. For many people with disabilities the only way
17 to make a living without being subject to other peoples' biases
18 is to own their own business. We encourage expansion in
19 investment in lending and in technical support to entrepreneurs
20 with disabilities. And finally, perhaps the highest impact way
21 for these entities to further the accessibility of our
22 communities is to fund direct advocacy, to ensure that all

1 financial institutions, not just they, are working toward
2 accessibility in addition to their admirable historical
3 investment in funding of services and lending. We'd be happy to
4 discuss any of these matters in more detail and look forward to
5 providing you written comments as well.

6 MR. PETER SKILLERN: I'm Peter Skillern, Executive Director
7 of Reinvestment Partners, and advocacy and community development
8 agency fostering healthy and just communities by empowering
9 people, improving places and influencing policy. We work at the
10 local, state and national levels. The agency has been engaged
11 in advocacy for community reinvestment since 1988. BB&T entered
12 into a community benefits agreement with us in 1994 as part of
13 its merger with Southern National Bank. It was on a path to
14 grow from a community bank to a regional powerhouse. The bank
15 quickly outgrew its 1994 goals, totaling 300 million dollars,
16 but the pattern of setting goals for lending to low and moderate
17 income and minority households, and offering mortgage products
18 like CHIP and FHA, continued. BB&T expanded its community
19 development activities and philanthropy lending and investments.
20 Over time, BB&T leadership has been responsive to our concerns
21 regarding fair lending compliance and overdraft protection
22 making changes to policies and procedures as needed. It has

1 proactively reached out to discuss bank branch closures and new
2 merger acquisitions, fostering good communications. The bank
3 has been innovative in supporting new approaches, such as our
4 Healthy Food Prescription Program delivered in rural areas.

5 In short, we agree with the outstanding rating that BB&T
6 has received for its community reinvestment performance.

7 Likewise, we thank SunTrust for its commitment to investments
8 and its products through the new market's tax credits, low
9 income tax credits, and its commitment to financial literacy in
10 the work of its Foundation.

11 It is hard to overstate the impact of this bank merger.
12 The new bank will become the sixth largest bank in the country
13 but its footprint is primarily in the southeast. The merger
14 concentrates power with more than 442 billion dollars in assets.

15 With power comes responsibility. The concentration of capital
16 in one corporation is important to market dynamics in the
17 provision of credit, services and competition. The bank can
18 have a negative impact or a positive impact on families,
19 neighborhoods and society as never before. We are here to urge
20 the combined bank to create a beneficial impact that matches the
21 new institution's capital and capacity by affirmatively meeting
22 the financial needs of consumers and communities.

1 Founded in 1872, BB&T started as a merchant bank serving
2 the farm communities around Wilson, North Carolina and, given
3 the bank's history, will continue to have a significant
4 footprint in rural areas. BB&T has 138 branches in 56 of our 80
5 rural counties, more than any other retail bank, and that
6 matters to those communities. We anticipate divestment or
7 branch consolidation in urban areas. We urge the banks to
8 consider the impact on LMI and communities of color when doing
9 so, but there's a little overlap between SunTrust and BB&T in
10 rural areas and branch duplication should not be a catalyst for
11 closures in rural areas -- those banks mean too much. We have
12 additional written comments and analysis of branch locations
13 that we'll submit.

14 In North Carolina and across the southeast, rural areas
15 face a challenging economic landscape. Many different problems
16 intersect to create an environment where good jobs are scarce,
17 businesses strain to grow and too many households cannot make
18 ends meet. These areas consistently report higher rates of
19 poverty, lower rates of educational attainment, and persistent
20 population declines. We recommend that the new bank create a
21 multidisciplinary team to focus on the credit and investment
22 needs of its rural footprint. We applaud the leadership of both

1 SunTrust and BB&T for engaging in the listening process of six
2 regional meetings organized through the National Community
3 Reinvestment Coalition. I participated in the Winston, Salem
4 and the Atlanta meetings. Community leaders asked that the bank
5 recognize the continued impact that slavery, segregation and
6 discrimination have in creating an unequal playing field for
7 African-Americans in our society. We ask that a racial equity
8 lens be used in creating fair, nondiscriminatory treatment and
9 that the new bank undertake an affirmative initiative to
10 diversify its hiring, its philanthropic to minority-led agencies
11 and HBCUs and its efforts to create economic opportunity.
12 During those meetings, we requested support for the community
13 development field including low-cost capital investments into
14 the community development of financial institutions,
15 partnerships with community development corporations and small
16 business technical assistance centers, and grant support for
17 housing, counseling agencies and nonprofits. In response to
18 climate change, an increasing number of disruptive storms in its
19 franchise footprint, we also ask that the bank become a leader
20 to assist recovery efforts. For accountability and transparency
21 we ask for measurable goals for lending by income, geography and
22 race, and to meet the goals we request mortgage products like

1 CHIP and FHA and rehab loans. We request the bank take a
2 leadership role in disclosure data for its small business
3 lending and to date those conversations have been positive and
4 we are encouraged by them.

5 But most importantly, we ask that the leadership merge the
6 best of both banks in terms of their talented staff, products,
7 investments and relationships. We hope the new bank will embody
8 a culture and provide the infrastructure of policies and
9 procedures to serve the common interests of the bank, its
10 clients, and their common communities. Thank you.

11 MS. ANGIE STEELE: Good morning, my name is Angie Steele
12 and I am the Executive Secretary of the Durham Committee on the
13 Affairs of Black People, known as committee, located in Durham,
14 North Carolina. The committee was formed in 1935 to be a
15 representative of, and a leadership body for, the Black citizens
16 of Durham. The purpose of the committee is to promote the
17 welfare of the citizens in civic, cultural, economic,
18 educational, health, housing, political youth and religious
19 affairs, which we consider Black Affairs whenever they affect
20 the Black population or any individual in any special manner by
21 race. This merger is considered Black Affairs and the committee
22 felt strongly that a merger of this magnitude requires our

1 participation to ensure the elimination of racial discrimination
2 in lending, investments, and services resulting from this
3 merger. The city of Durham just celebrated its 150th birthday
4 on April 10, 2019, and the Black community will celebrate on
5 August 20, 2019, the 150th anniversary of the establishment of
6 the Hayti Community through land purchased by Reverend Ian
7 Markham. After the Civil War, the African-American economy
8 progressed through a combination of vocational training, jobs,
9 land ownership, business ownership and community leadership.
10 Just as now, federal, state and local actions led to the
11 destruction and the deconstruction of our beloved Hayti business
12 district which was a thriving economically and socially viable
13 Black community. The Durham Redevelopment Commission created in
14 1958 oversaw several different projects to rebuild areas deemed
15 blighted and to build a freeway to connect the newly planned
16 research triangle park to downtown and more effectively
17 dismantling the once thriving Hayti community. Urban renewal
18 leaders did not make good on promises to the Black community,
19 failing to provide adequate replacements for lost housing and
20 businesses, Durham 150. The legacy of Central Carolina Bank and
21 Trust goes back to 1899. By 1961, CCB, the city and its
22 citizens, both Black and White, prospered and grew together. In

1 2000, when CCB merged with NCB, we lost our headquarters, and in
2 2005, SunTrust eliminated over 107 jobs in its mortgage and
3 servicing division and 293 jobs were lost from the operations
4 center based in Durham resulting in the loss of leadership and
5 commitment to the Durham community. CCB went from one of the
6 best lenders to members of the Black community for home loans,
7 business loans and church loans, to SunTrust Bank, a bank that
8 is underperforming its peers. CCB was known as a bank that
9 supported diversity and inclusion long before it was a thing.
10 That can't be said of SunTrust. The Black community of Durham
11 has been made promises before and we want the North Carolina
12 Banking Commission, FDIC, and Federal Reserve to protect our
13 interests and make sure that the Black community is not
14 neglected or forgotten as this merger takes place. We expect
15 you to ensure that the resultant merged financial institution
16 does not deny the Durham Black community the loans, financial
17 services and investments provided to other communities and that
18 the institution provides public benefits in support of the
19 Durham Black community in accordance with fair lending laws and
20 regulations. My colleagues will go into greater details about
21 the needs of our community, but I felt it was important to
22 provide you with this historical context for our concerns. The

1 Durham committee will submit substantive written comments and
2 exhibits prior to the May 3rd deadline. Thank you for the
3 opportunity to testify.

4 MR. JONATHAN MILLER: Thank you.

5 MR. TYRONNE JOHNSON: Good morning. My name is Tyronne
6 Johnson, and I serve as the Treasurer for the Durham Committee
7 on Affairs of Black People, also known as Committee. My
8 colleague just explained the purpose in the role of the
9 community that we all love and cherish. The founders of the
10 committee were focused on the economic success of the Black
11 community. The Durham Black community and its citizenry were
12 known for their land ownership, business ownership, home
13 ownership and business ownerships to wealth development in
14 underserved communities. The committee is very concerned how
15 the 34,314 Black households will fare as a result of this merger
16 and wants to ensure that the Black community benefits from the
17 wealth creation that the merged institution can generate through
18 lending, investing and providing targeted products and services
19 to our community. My testimony will focus on the concerns this
20 merger raises for the committee related to these issues and
21 share with you our recommendation on how the merged institution
22 might address our concerns.

1 The committee proposes that the merged institution commit
2 to providing a seat at the table for Black citizens on national,
3 regional and local boards and advisory councils it appoints.
4 That any advisory committees designed or assigned to address
5 affordable housing funding, investments in opportunity zones,
6 CRA, small business lending and investments in minority and
7 women-owned businesses have representation from affected Black
8 citizens, Black-led organizations and historically Black
9 colleges and universities in the area. While our primary
10 concern is the Black citizenry of Durham, we want to raise this
11 as a national issue as we are aware that nearly 70% of the
12 national Black community will be impacted by this merger.

13 The Committee proposes that the merged institution
14 announce at least 30 million dollars commitment for affordable
15 housing in conjunction with the City of Durham's 95 million bond
16 proposal and five-year affordable housing and strategic plan.
17 The committee proposes the merged institution provide a first
18 look program to the city of Durham, County of Durham, nonprofits
19 and first-time homeowners for vacant land or houses obtained
20 through bank-owned real estate. The committee proposes that the
21 merged institution develop a home retention program for
22 homeowners located in opportunity zones whose loans are serviced

1 but not owned by the merged institution for both public and
2 private investors. The committee proposes that the merged
3 institution commits to doing business with Durham-based Black
4 businesses including, but not limited to, Black architects,
5 investment bankers, law firms, real estate and property
6 management firms as well as construction firms, home improvement
7 firms and SBIC's. Thank you for the opportunity to appear today
8 and to share with you my concerns of the merger on the Durham
9 Committee on the Affairs of Black People.

10 MS. STELLA ADAMS: Good morning. My name is Stella Adams
11 and I'm CEO of S.J. Adams Consulting. First, I want to
12 associate my comments with those of my fellow panelists. As a
13 person with a disability, resident of Durham and member of both
14 The Committee and Reinvestment Partners, I concur with their
15 concerns. I have spent my life recognizing the importance of
16 the economy in advancing an equal opportunity society. I have
17 sought to address these challenging economic realities faced by
18 the Black community and other underserved communities. These
19 communities face disproportionately high unemployment, stagnant
20 wages, and rising housing costs. In order for this merger to
21 provide a major public benefit to these communities, the
22 resulting institution would have to enhance the capacity of

1 communities of color and other underserved groups by promoting
2 diversity and inclusion in housing, financial services and
3 related programs and by promoting community economic development
4 and through community and industrial engagement.

5 This proposed merger would cover 17 states. It will
6 affect 25.7 million Black households and 16.7 million Hispanic
7 households. In other words, this merger is going to cover 70%
8 of the Black population and 26% of the Hispanic population in
9 the nation. A commitment to racial equity, diversity and
10 inclusion is paramount and the commitment must be explicit. It
11 cannot just be platitudes. While early stage minority and
12 women-owned companies and small and medium sized enterprises in
13 low and moderate income communities have positive environmental,
14 social, and economic impacts on their communities and are
15 critical to driving sustainable growth, many of these companies
16 face difficulties in obtaining adequate investment capital. We
17 need these two banks, this merged bank, to increase its capital
18 and to partner with CDFIs, SBTCs, SBICs, and other community
19 based organizations to provide support to minority and
20 women-owned businesses and to businesses operated in low to
21 moderate income communities and funding programs that promote
22 the establishment of incubators, accelerators and other

1 sustainable start-ups and also for the integration of
2 sustainability considerations in existing programs and services
3 that they offer.

4 I want to focus the remainder of my time on climate change
5 and urge BB&T SunTrust to develop resiliencies for its clients
6 and the communities it serves. Many southeastern cities within
7 the proposed footprint are particularly vulnerable to climate
8 change compared to cities in other regions and are increasingly
9 at risk due to heat, flooding and disease. Rural communities
10 are an integral part of the southeast cultural heritage and to
11 the strong agricultural and forest product industries across the
12 region. The more frequent extreme heat episodes and changing
13 seasonal climates are projected to increase exposure linked to
14 health impacts and economic vulnerabilities in the agricultural,
15 timber and manufacturing sections. I urge BB&T SunTrust to work
16 constructively with borrowers in communities affected by natural
17 disasters within their assessment area. BB&T SunTrust must
18 acknowledge the effect of natural disasters on local businesses
19 and should make an effort to adjust the terms of existing loans
20 in affected areas and offer loan products that can assist
21 borrowers with recovery including and especially FHAs, 203H, and
22 203K loan products as well as SBA and USDA loan products. I

1 strongly urge BB&T SunTrust to consider all activities related
2 to disaster recovery that are the most responsive to the needs
3 of low and moderate income individuals and neighborhoods and to
4 underserved communities of color. Thank you for allowing me to
5 speak at this important hearing and I will have more substantive
6 written comments, like a volume, that I will be submitting prior
7 to May 3rd.

8 MS. SUZANNE KILLIAN: Are there any questions for this
9 panel? (No response).

10 MR. JONATHAN MILLER: Thank you very much panelists, we
11 appreciate it. The next panel, we're still waiting for some
12 people to arrive so the next panel will start at 10:55.

13 MR. DAVID BENNETT: Good morning, my name is David Bennett
14 and I serve as Executive Vice President of Centrant Community
15 Capital which is based in Raleigh, North Carolina. Thank you
16 for the invitation to appear at today's hearing and for this
17 opportunity to provide comments regarding the proposed merger of
18 BB&T and SunTrust. It is my pleasure and privilege to share my
19 observations regarding our experience with BB&T as it relates to
20 the bank's record of support for community development projects.

21 Centrant Community Capital is a wholly owned subsidiary of
22 the North Carolina Bankers Association. When the NCBA created

1 this entity in 1990, we were known as Community Investment
2 Corporation of North Carolina and our purpose was to provide a
3 conduit through which the banking community could support the
4 creation and preservation of affordable multi-family housing for
5 low to moderate income families and seniors across our state.
6 Typically, these are projects that have received an allocation
7 of federal low-income housing tax credits. Specifically, we
8 offer conventional, long-term, fixed rate, permanent mortgage
9 product that is not typically offered by commercial banks.
10 Over the years, our lending footprint has expanded well beyond
11 North Carolina now encompassing six southeastern states from
12 Virginia to Texas.

13 As a lending consortium, all of the funding behind our
14 loans is provided by a network of nearly 100 member banks via
15 voluntary loan-by-loan participation commitments. By pooling
16 these loan participation commitments, the affordable housing
17 developments receive the financing that they need but the loan
18 risk to any one individual bank is minimized and shared among
19 the participant banks. To date, Centrant Community Capital has
20 provided over 400 million dollars in funding commitments to
21 finance 23,000 units in six southeastern states. BB&T was among
22 the earliest members to join our consortium in 1993. Since that

1 time the bank has been one of Centrant's most consistent and
2 supportive members. In total, BB&T has provided over 37 million
3 dollars in funding for our loans or approximately 9% of our
4 total loan commitments. These participation commitments have
5 helped to finance the creation or preservation of literally
6 thousands of affordable apartment units in over 230 properties
7 across our entire lending footprint. Without a doubt, BB&T has
8 been our largest contributing member.

9 In addition to providing funding commitments for our
10 permanent loans, I would note that BB&T regularly serves as the
11 construction lender for its attached credit equity investor for
12 the projects that we are financing. Without the support of
13 financial institutions such as BB&T it would not be possible for
14 Centrant to provide the financing that we offer. We appreciate
15 BB&T's longstanding support of our organization, and applaud its
16 demonstrated commitment to community development efforts in the
17 markets that we serve together. And while Centrant Community
18 Capital has less direct experience with SunTrust as a member
19 bank, I will add that we also encounter SunTrust on a regular
20 basis as a funding partner on these developments, either as
21 attached credit equity investor or as a lender through its
22 community development subsidiary, SunTrust Community Capital.

1 It's my observation that both institutions have a longstanding,
2 demonstrated track record of support for community reinvestment
3 efforts, particularly affordable housing, and I have no doubt
4 that the combined entity will continue to do the same going
5 forward. Again, I appreciate the opportunity to join you today
6 and I'm happy to provide any additional information as
7 necessary. Thank you.

8 MR. LENWOOD LONG, SR: Good morning, my name is Lenwood G.
9 Long, Senior. I'm President and CEO of Carolina Small Business
10 Development Fund, a nonprofit CDFI based in Raleigh, North
11 Carolina. It is certainly a delight for me to speak on behalf
12 of the proposed merger between BB&T and SunTrust. The Carolina
13 Small Business Development Fund has worked to promote community
14 economic development in North Carolina for almost four decades.
15 Since 2010, our efforts have focused primarily on promoting
16 entrepreneurship across the region, primarily through the
17 affordable small business loans, of which we are pleased to say
18 that BB&T has been one of our notable bank partners. The
19 Carolina Small Business Development Fund unequivocally supports
20 the proposed merger for a variety of reasons. Our experience
21 suggests a combined entity would be more effective and have
22 greater capacity to promote the economic growth across the

1 region. Withstanding all that has been said, certainly with the
2 lens of serving an increased population of people of color, we
3 certainly would suggest that the merged bank would consider
4 those lenses. We recognize that traditional banking
5 institutions have long been recognized as viable partners in the
6 promotion of sustainable community development. Through
7 community banking efforts and corporate support, BB&T has
8 displayed a long history of support for initiatives that grow
9 small businesses and revitalize distressed neighborhoods.
10 Unfortunately, despite the importance of this work, the past few
11 decades have seen a decline in financial support for CDFIs and
12 similar organizations. However, we have seen that a handful of
13 banking institutions, including both BB&T and SunTrust, have
14 remained steadfast in their commitment to work in this area.
15 Over the years we have had the opportunity to work with BB&T on
16 a variety of initiatives. They have shown consistent financial
17 support for our work to promote in a spirit of entrepreneurship
18 and spread an awareness about the importance of small
19 businesses. For example, we know they have a strong desire to
20 promote local small firm ownerships and they have partnered with
21 us to support our innovation and entrepreneurship center in
22 Raleigh, North Carolina. Through technical training and public

1 events, this center works to promote development in the most
2 economically distressed areas of the Raleigh metro area. BB&T
3 also has been a key sponsor for major events that the Carolina
4 Small Business Development Fund hosts to inspire and train small
5 businesses.

6 As you know, financial institutions have an affirmative
7 obligation to support community development through the
8 Community Reinvestment Act. The extent to which banks have met
9 this obligation is something that fellow regulators are required
10 to consider when assessing proposed mergers. Research shows
11 that some financial institutions will strategically increase
12 credit access and promotion of community development during the
13 year before merger activity. Such actions are designed to
14 appease the close regulatory scrutiny which comes with this type
15 of activity. However, based upon our experience, we believe
16 that BB&T commitment to sustainable economic development is a
17 longstanding core component and value of their business
18 strategy. Notably this isn't just my personal example. For
19 example, analysis on differences in bank corporate culture has
20 highlighted how BB&T has a strong institutional commitment to
21 improving the economic mobility of its clients. More than
22 perhaps ever before, there's a strong need for traditional

1 financial institutions to support the work of community finance
2 organizations. Small business lending is usually not an area
3 that is profitable for large banks. In the decade since the
4 great recession the number of small business loans for less than
5 100,000 dollars by regulated banks has declined by 52%. CRA
6 data with capital deployment shows an alarming decline from 2007
7 to 2016, especially in the total number of loans to small
8 businesses for less than 100,000 dollars. Carolina Small
9 Business Development Fund, an organization like us, worked to
10 fill that need by providing affordable financing. Support for
11 these comes from institutions like BB&T and SunTrust. However,
12 the Department of the Treasury data on CDFI lending in North
13 Carolina shows a concerning trend: Community lending for
14 amounts of more than 50,000 dollars has essentially remained
15 flat since the great recession, and loans for smaller or micro
16 loans of 50,000 or less have actually declined by more than half
17 during the same period. And I have experienced the ability of
18 community development organizations to meet this consistent
19 need, it's mostly a fountain of funding constraints. Put
20 simply, community organizations need additional support to fully
21 assist all small business owners that come to us for help. When
22 banks merge, there's often a variety of legitimate concerns

1 raised by stakeholders about how the combined entity should
2 alter the competitive landscape for affected industries. I
3 would urge BB&T and SunTrust as they complete this merger, if
4 approved, that increased response to a cap of the equity needs
5 of the CDFIs managed by people of color be given some attention.

6 I would also challenge them that any merger should also have a
7 strong positive with a narrative that supports small businesses.

8 So, for all these reasons I strongly urge approval of the
9 merger between these financial institutions. Thank you for
10 giving me an opportunity to speak these five minutes on this
11 important issue and I will have written comments to augment
12 this. Thank you so much.

13 MR. PATRIC WOODIE: Good morning, my name is Patrick
14 Woodie. I'm President of the North Carolina Rural Center, a
15 statewide nonprofit based in Raleigh and serving North
16 Carolina's 80 rural counties. As the representative of the
17 rural center and its affiliate organization Thread Capital, I am
18 pleased to offer our perspective in support of the potential
19 merger of BB&T and SunTrust. I offer our testimony today based
20 upon the Rural Center's long history of partnership with BB&T.
21 As a statewide nonprofit with an economic development mission,
22 the Rural Center works to develop, promote and implement sound

1 economic strategies to improve the quality of life of rural
2 North Carolinians. Our affiliate, Thread Capital, is a
3 community development small business lender and a primary lender
4 to disaster impacted businesses. We operate with the core
5 belief that our rural communities have inherent cultural value
6 and are vital to the economic health of our state. The rural
7 center has enjoyed a long and productive partnership with BB&T.
8 Kelly King, CEO of BB&T, is a former seven-year chair of the
9 Rural Center Board of Directors and presided over the founding
10 of the Rural Center's North Carolina Capital Access program in
11 1994. BB&T is currently represented on the Board of Directors
12 of both the Rural Center and Thread Capital. BB&T is an
13 excellent example of one of the Rural Center's core economic
14 development strategies: A determined focus on growing the
15 businesses that are already present in our rural communities.
16 The fact that it was founded in Wilson, North Carolina and is
17 now positioned to be the nation's sixth largest bank speaks to
18 the long term vision of nurturing our state's current
19 businesses. 75% of all business establishments in rural North
20 Carolina have fewer than ten employees. Small business is big
21 business in rural North Carolina.

22 In the coming weeks the Rural Center and Thread Capital

1 will release the report: Small Business Dynamism North Carolina,
2 which highlights a variety of negative trends for our state's
3 entrepreneurs between 2005 and 2015. Trends include a 7%
4 reduction in rural bank branches, a trend that accelerated
5 dramatically between 2010 and 2015, a 61% reduction in lending
6 to rural businesses with less than one million in revenue, and a
7 7% reduction in businesses with less than ten employees. While
8 we recognize that economic and demographic factors are at the
9 root of this decline, we also know that the future of rural
10 North Carolina's economy depends upon our state reversing these
11 negative trends. There is much for us to applaud in BB&T's
12 support for and presence in rural North Carolina. The bank was
13 born in a rural community and has remained loyal to its roots.
14 We commend BB&T for its recent seven figure investments in its
15 own operations centers in downtown Wilson and downtown
16 Wyattville. With the potential move to Charlotte, the Rural
17 Center has confidence that BB&T will not forget its rural North
18 Carolina investments, its rural employees and its rural history.

19 We also applaud BB&T's outstanding CRA rating. The Rural
20 Center has benefitted from their community support including
21 more than 250,000 in grants over the last four years. BB&T was
22 especially generous in the aftermath of hurricanes Matthew and

1 Florence in helping create emergency bridge loan funds to
2 support impacted small business owners. As other banks have
3 moved away from rural communities, BB&T has been the noticeable
4 exception. While there was an overall 14% net reduction in
5 rural bank branch locations in North Carolina from 2010 to 2015,
6 BB&T went in the opposite direction and expanded their presence
7 in rural North Carolina. The disparity in recent CRA
8 performance between BB&T and SunTrust should be noted. Given
9 the disparity in the ratings, but acknowledging our lack of
10 familiarity with SunTrust beyond what is available in public
11 reports, it is our hope and our belief that the combined entity
12 will follow BB&T's lead and be committed to achieving
13 outstanding CRA ratings as a newly merged entity. While we have
14 concerns regarding the negative trends in rural small business
15 lending, we support the proposed merger between BB&T and
16 SunTrust. We are realistic about the economic pressures that
17 are pushing banks to close branches and serve larger businesses.

18 It is our hope that the rural roots and community focused
19 culture of BB&T will be ingrained in the DNA of this new banking
20 partnership and will help guide it into the future. Our support
21 is based on our confidence in the continued leadership of Kelly
22 King, given the historic performance of BB&T as an outstanding

1 corporate citizen of our state and in the institute's continued
2 rural presence. This new bank will significantly impact the
3 economic future of all of North Carolina. Thank you for
4 allowing me the opportunity to be here today and to provide our
5 views.

6 MR. DANIEL ELLIS: Good morning, I'm Dan Ellis. I'm the
7 Executive Director of Neighborhood Housing Services of
8 Baltimore. Our organization is a CDFI working in Baltimore
9 City, Maryland. We also do community engagement work in West
10 Baltimore in a historically disinvested community. Our
11 community has a lot of needs. It is characterized as a low
12 income community, not a moderate income community. We have
13 recently had the opportunity to develop a project in West
14 Baltimore that's a mixed use project that contains about 10,000
15 square feet of retail space. We began looking about a year and
16 a half ago for a bank partner that had interest in locating a
17 branch, because the community had identified the need of having
18 a branch in the community. We talked to a lot of banks and we
19 actually only found one bank that had significant interest in
20 furthering the conversation which was BB&T. We have since
21 signed a letter of intent and they are planning to open a branch
22 on North Avenue which is a distressed street through the middle

1 of West Baltimore. The impact on our community of having a new
2 bank branch is not to be understated. The services that are
3 provided by the bank will largely be replacing services provided
4 by check cashing companies where people go to cash their checks
5 and the fees associated with check cashing are extraordinary and
6 have a tremendous negative impact on our residents. It will
7 also bring investment into the community that has historically
8 been in great need of this. We applaud BB&T for their
9 willingness to consider placing a branch in a distressed part of
10 the city and in their willingness to partner with us in making
11 these services available to our residents. Within Baltimore
12 City, looking at the whole city, there are needs of lending that
13 continue to happen. We are very supportive of the efforts that
14 are being done by BB&T and SunTrust with NCRC to create a
15 community benefits agreement. It is, however, critical that
16 within that agreement we have goals that are specific to the
17 local market, not simply the MSAs. The reason for that is that
18 we've seen from other institutions a tendency to often meet CRA
19 obligations outside of the city and to not have the investment
20 occur within the most distressed parts of our communities. So
21 we strongly encourage local specific goals within the Community
22 Benefits Agreement.

1 We also encourage goals around the nonprofit grants and
2 support for some of our colleagues within the industry. Over
3 the past 18 months our organization has received about 80,000
4 dollars of support from BB&T and SunTrust when we combine them
5 together. When we have seen mergers happen in the past, the
6 idea of 1 plus 1 equal 3 has not been true, it has been 1 plus 1
7 equals 1 with other institutions and other experiences with
8 grants. What we have seen happen is they may raise the overall
9 philanthropy commitment to the local area but they lower the
10 caps or lower the amounts they provide to any institution. And
11 so, therefore, institutions that are having impact within our
12 communities therefore receive less resources and have less
13 places to go. This also sometimes occurs within the investments
14 that CDFIs can pursue. So, we encourage the combined entity to
15 be very mindful of their historic relationships and maintaining
16 those to the greatest extent possible. We are grateful to both
17 SunTrust and BB&T for their support and appreciate the
18 opportunity to continue that. I want to conclude by simply
19 saying that we are supportive of the merger with the condition
20 that a Community Benefits Agreement is reached and that is a
21 critical component that will quantify what the outcomes are and
22 what the agreements are that everybody can do. We are

1 supportive and very appreciate of both SunTrust and BB&T's
2 willingness to work with the community to develop this and are
3 confident that we will be able to come to a resolution, and so
4 with that resolution we are supportive of this merger. Thank
5 you for the opportunity to bring comments.

6 MS. TIA BREWER-FOOTMAN: Good morning, I'm Tia
7 Brewer-Footman, Executive Director of the FB Foundation based in
8 Charleston, South Carolina. Thank you for the opportunity to
9 speak in favor of the merger. As a former television news
10 anchor, I have worked for many broadcasting affiliates from ABC
11 to Fox to CBS and, in order to advance in that industry, moving
12 to other markets was common, but after nearly a decade in the
13 industry I knew it was time for me to begin to develop roots in
14 a city and in a community. That place for me was Charleston,
15 South Carolina. I remember calling my mother to share the
16 feeling that this would be my last move and the conclusion to my
17 days in television news. It was an inner knowing. And that
18 same strong knowing is what I felt nearly three years ago when I
19 walked into the lobby of BB&T bank after wanting to diversify my
20 banking while maintaining my other small business accounts
21 across other financial institutions. And there, standing in the
22 lobby, I had that same exact inner knowing that this was it. I

1 had a feeling without knowing exactly why or how that BB&T was
2 going to be more than just a bank to me And they have been more
3 than a bank. As they've invested in my personal development,
4 professional development and now community development projects.

5 As the only female voice on the local BB&T advisory board in
6 Charleston I appreciate how I'm heard and valued as a business
7 professional and community leader. In fact, soon after that
8 placement, BB&T invested in and for me to attend nearly a week
9 at their high level leadership training at the BB&T Leadership
10 Institute which is typically reserved for their executives and
11 corporate clients. Since that time, the institute collaborated
12 with me to pilot an inaugural high school level Emerging Leaders
13 certification program in partnership with my statewide program
14 for teen girls of color interested in leadership, STEM or
15 entrepreneurship in South Carolina. Being more than just a
16 bank, BB&T has also asked me to serve on their newly formed
17 statewide community development council in which they invested
18 CRA funds to help me launch SC Faith Work, a community economic
19 development initiative for South Carolina's faith-based
20 community. Through the support of BB&T over two dozen pastors
21 are receiving monthly training and technical assistance to
22 assess the real needs of their community, design community based

1 programs and then address those needs through the establishment
2 of a separate nonprofit or CDC. Empowered and equipped, thanks
3 to institutions such as BB&T, SC Faith Work pastors will be
4 prepared over time to collaborate with funders and community
5 based organizations to activate projects and initiatives in
6 their own neighborhoods. As this pilot group concludes this
7 fall, efforts are already under way to strategically expand
8 statewide and after research some of SunTrust's values,
9 philosophy and community outlook, I'm hopeful and optimistic.
10 In fact, it was refreshing to learn of their affordable housing
11 efforts for seniors, their targeted economic development
12 initiatives in LMI communities and even their Lighting the Way
13 Award by their SunTrust Foundation in which they recognize
14 nonprofits across their market with well deserved financial
15 resources and recognition for the positive impact these
16 organizations are making within their individual communities.
17 And while I don't have a personal or professional connection to
18 SunTrust, it is my prayer that the merger will strengthen both
19 of their commitments to community in which together they could
20 really be positioned to be more than just a bank. Thank you.

21 MR. JONATHAN MILLER: The next panel will start at 11:25.

22 MR. HECTOR VACA: Good morning, my name is Hector Vaca and

1 I'm here representing the members of Action NC and Families
2 Belong Together Coalition. Our community is concerned about the
3 proposed merger between SunTrust and BB&T. According to an
4 April 2019 report, SunTrust is a leading lender to private
5 prisons and its proposed merger would only increase its ability
6 to finance this industry which profits from mass incarcerations
7 and the criminalization of immigrants. Public and private
8 prisons are equally damaging when it comes to their role in the
9 criminal justice system which criminalizes people of color,
10 tears people from their loved ones and contributes to
11 generational poverty and economic instability. While private
12 prisons are distinct in that they generate profits from the pain
13 of communities and separation of families. The private prison
14 and the detention industry is a five billion dollar enterprise,
15 made possible by government contracts and facilitated by debt
16 financing and investments made by Wall Street firms like
17 SunTrust. Brutality, neglect, and human rights violations are
18 well documented in public and private prisons alike. The
19 conditions in privately operated facilities have proven even
20 more deplorable than in government operated facilities. In
21 August of 2016, the Justice Department's Inspector General
22 reported that privately operated federal prisons are more

1 dangerous for incarcerated people than government operated
2 facilities. The same report stated that people held in
3 privately operated prisons were more likely to submit complaints
4 about medical care, treatment by correctional officers, and the
5 quality of the food, and more likely to experience violence.
6 Two years ago, Pedro Salmerone, a young Salvadorian seeking
7 asylum in the U.S. was in such a facility. Pedro was detained
8 at the Stewart Detention Center operated by CoreCivic, one of
9 the companies that SunTrust finances. While at Stewart, Pedro
10 was denied access to a doctor, even though he was sick, bleeding
11 from his eyes, nose and mouth and he had bloodshot eyes. Before
12 leaving the facility, Pedro lost over 30 pounds. Pedro told us
13 that guards routinely woke him up in the mornings and threaten
14 him with violence. There are many such stories from many of the
15 private prisons operated by CoreCivic and Geo Group. SunTrust
16 has played a leading role in financing agreements that are vital
17 to the expansion of the private prison industry. SunTrust is
18 part of a group of banks that offers revolving lines of credit
19 and term loans to the two largest private prison companies: Geo
20 Group and CoreCivic. CoreCivic currently has an 800 million
21 dollar line of credit with a syndicate of ten banks, one of the
22 largest contributors being SunTrust, loaning 14% of the credit.

1 SunTrust has issued term loans to CoreCivic valued at 28 million
2 dollars and has extended a revolving line of credit to them
3 valued at 112 million dollars. As of December 31st, 2018,
4 CoreCivic had issued seven bonds totaling over 1.516 billion
5 dollars for the bonds or senior notes totaling over 1 billion
6 dollars. SunTrust was one of the banks involved in underwriting
7 one or more of those bonds. Geo Group has 900 million dollars
8 revolving line of credit with a syndicate of six banks. As of
9 December 31, 2018, it had borrowed 498.8 million dollars under
10 that line of credit. SunTrust is one of these lenders but its
11 contribution is based on the bank's credit commitments recorded
12 in agreements lender addendums which are not publicly available.

13 As of December 31, 2018, GEO Group owed six banks a total of
14 786 million dollars through its term loans. The total value of
15 the loan is 792 million dollars. SunTrust is one of these
16 leaders but its contribution is based on the bank's credit
17 commitments recorded in agreements lender addendums which are
18 not publicly available. As has been shown, SunTrust plays a
19 role in financing private prisons, an industry that has a
20 history of horrendous living conditions and violence against
21 incarcerated individuals.

22 In supporting this industry financially SunTrust is

1 complicit in the commitment of atrocities like what happened to
2 Pedro Salmerone. Therefore, we ask that the Federal Reserve not
3 let this merger go forward unless SunTrust and the new company
4 to be formed commit to ending their association with the private
5 prison industry by not refinancing existing agreements with any
6 private prison companies and not entering any new finance
7 agreements with any private prison companies. Once again, we
8 ask that the Federal Reserve not let this merger go forward
9 unless SunTrust and the new company to be formed will make the
10 commitment to end their association with the industry. We also
11 call on BB&T to take this into account and to not go forward
12 with their plans to merge with SunTrust unless SunTrust pulls
13 their money out of private prisons. Thank you.

14 MR. CHRISTIAN CANO: Good morning, my name is Christian
15 Cano and I'm here as a business and personal BB&T account
16 holder. I am also here as a member of Action NC and a neighbor
17 who is concerned about the proposed merger between BB&T and
18 SunTrust due to SunTrust's role in financing agreements with the
19 American private prison industry. Specifically with CoreCivic
20 and GEO Group. My family has personal accounts also with Wells
21 Fargo and are shareholders of Bank of America, shares that we
22 have recently sold in Bank of America, we've only kept a few of

1 those shares so we could still attend the bank shareholder
2 meetings here in Charlotte because they have some great
3 giveaways. In 2016, I was honored to be one of the Ninth
4 Congressional District's congressional nominees here in
5 Charlotte, and because Bank of America was listed as one of the
6 backers of hate, I was forced -- or not, I was forced, but my
7 family made a decision to withdraw all of our accounts from Bank
8 of America and sell our shares from Bank of America. Mainly
9 because of the lack of moral leadership with Bank of America
10 with issues like this that actually decrease shareholder value
11 in my opinion, one of those irresponsible decisions once again
12 was to continue to finance private prisons. I share this with
13 you because my family would like to actually welcome SunTrust
14 and BB&T if they decide to merge to Charlotte. My understanding
15 is they may actually move here to the great city of Charlotte,
16 and I want to welcome them with open arms. My family would like
17 to welcome the new partnership with open arms and continue our
18 relationships both as account holders and also possible new
19 shareholders and stakeholders in their success. But only if
20 they decide to embrace what is best for not only the account
21 holders like myself, their employees and their share and
22 stakeholders, and that is also to join us in stopping the 2019

1 American apartheid system of private prisons. I use the term
2 apartheid because it feels like I was back here in 1986 with
3 many of us around here having the same conversations about the
4 brutality reached in the 1980s during the free South Africa
5 movement here in America. That groundswell of opposition that
6 we're seeing against private prisons as well, led to Congress
7 passing the comprehensive anti-apartheid act in 1986, and I see
8 this type of Congressional action if banks do not decide to
9 willingly do this, passing in our current Congress. The
10 apartheid system that I believe is happening in America is our
11 treatment of immigrants, undocumented and neighbors of color
12 here in America and I would not like to see BB&T and SunTrust
13 continue to participate in that. My family understands that
14 just being here is not going to force SunTrust or BB&T or the
15 Federal Reserve from stopping this merger but I do hope they
16 take it within their heart to understand that this is just bad
17 business. Just like back in the 80s with the free South Africa
18 movement here in America, I'm going to do everything I can to
19 make sure that SunTrust and BB&T understand this is no longer a
20 profitable industry to invest in as a shareholder if I become
21 one. It's going to damage their brand, it's going to continue
22 to damage financial brands and shareholder value. That is why

1 my family was so grateful recently when Wells Fargo decided to
2 announce that they would stop financing private prisons because
3 we have accounts. We also have tickets to the Wells Fargo gold
4 tournament that's coming here next week in Charlotte and I'm
5 excited to see Tiger Woods, and I know that I would not be
6 buying those tickets if Wells Fargo was continuing to finance
7 private prisons, nor would the PGA heads or professional
8 athletes play in tournaments that do such. As far back as 2013
9 Deputy Attorney General Sally Yates wrote that private prisons,
10 even though they did at a small time provide the same level of
11 corrections services, programs and resources, that we needed at
12 the time to offset the needs at that time, they did not provide
13 the same level of safety and security. Yates also wrote that
14 they did serve during a difficult time but they have not been
15 proven to be effective as facilities run by the government and
16 she said the bottom line is you pay for what you get with
17 private prisons. I believe that we should possibly, or BB&T
18 should, invest in food services for privatizations of private
19 prisons, there's still money to be made in that area, medical
20 and transportation are areas. So, at the end of the day, let me
21 be clear, the merger of BB&T and SunTrust would be welcomed with
22 open arms by my family, as both an account holder and a future

100

1 shareholder. I want them to succeed and I want them to be part
2 of our culture here in Charlotte if they decide to move here,
3 but only if they do the responsible thing and stop financing all
4 private prisons as a backer of hate. Once again, I do hope that
5 SunTrust, BB&T and the Federal Reserve consider what Action NC
6 is asking for. Thank you.

7 MR. JORGE MILLARES: Good afternoon, my name is Jorge
8 Millares and recently J.P. Morgan Chase and Wells Fargo
9 committed to stop financing private prison companies such as
10 CoreCivic and GEO Group. We have all come here today to say
11 that it's time for SunTrust to follow the same example of their
12 counterparts or not let the merger go through. Private prisons
13 have a really long history of violating the human rights of
14 undocumented immigrants and U.S. citizens alike. You see, they
15 don't discriminate when it comes to the mistreatment of the
16 detainees in their locations. One example is that of the
17 Stewart Detention Center in Georgia. Those who are detained
18 there are living under terrible circumstances that one can only
19 imagine. From being served expired food -- often -- not just on
20 one occasion but multiple reported occasions of being fed
21 expired food -- can you imagine looking at a meal and saying "I
22 have to eat this to just be able to sustain life, but it's

1 expired." From well documented issues of ventilation system
2 issues, which Hector mentioned, which have led to critical and
3 life-threatening illnesses and diseases to abuse, many
4 well-documented times of abuse and, most importantly, detaining
5 children in cages like animals. We've all seen the pictures and
6 we've all seen the videos across every media outlet in the
7 nation. It's simply unacceptable. As if that wasn't enough,
8 the merger would continue and allow this problem to just rise to
9 the top, so the reasons we're here is to say that either: A)
10 SunTrust must stop funding these private prisons, or stop the
11 merger. But, how do we stop the -- well, what does that mean
12 exactly, right? So, what does it mean to stop funding? Well,
13 number one, commit to not providing new loans to CoreCivic or
14 organizations like GEO Group and, secondly, commit to ensure
15 that they do not finance -- or rather, refinance any of those
16 existing loans that are in place. Unfortunately, we live in era
17 where everything is politicized. This is not a political issue.
18 This is a human rights issue that's happening right here in the
19 United States of America. My mother came to this country sixty
20 years ago and I'm a first generation American. She came to flee
21 the oppressive regime in Cuba. In Cuba there are political
22 prisons, where people are treated very similarly to the way that

1 these individuals are being treated in these private
2 institutions. At the moment, many people are of the opinion
3 that SunTrust is guilty by association of these atrocities,
4 which is why we urge you to stop financing CoreCivic and GEO
5 Group immediately. But, you don't have to take our word for it,
6 take it from your counterparts over at Wells Fargo and J.P.
7 Morgan Chase. They've already committed to pulling the
8 financing and no longer doing that practice, and the reason why?
9 My personal opinion, it's because they realize that people are
10 people and that they're much more valuable than the commas on a
11 check. Thank you.

12 MS. KELLE PRESSLEY: Good morning, my name is Kelle
13 Pressley, I'm with Mom's Rising, and we have over a million
14 members nationwide and we are one of the hundreds of
15 organizations that are members of Families Belong Together
16 Coalition. Every family should have a safe bed to sleep in at
17 night and children definitely should have the privilege of being
18 tucked in, or being kissed goodnight in a comfortable setting by
19 their parents, and the reason why I can relate to that is
20 because I'm a mother of nine and I'm also -- a very proud mother
21 of nine -- and we have five sons, four daughters, we home
22 schooled and our lifestyle revolves around our children and

1 making sure they're safe. So, going back to what I was
2 mentioning earlier, we see that there's a problem with the
3 current systems and how families are being torn apart and we
4 know that moms have a lot of power, moms make the most consumer
5 decisions for their families even down to banking, and we care
6 deeply about how banks make decisions that affect our families
7 and our loved ones. According to April 2019 report, these banks
8 that we are talking about, they were major financiers for the
9 private prisons, as everyone here is very aware of, and as a mom
10 and a member of Families Belong Together we won't tolerate that
11 at all. We definitely choose to continue to let our voice be
12 heard so that we can get this over and done with because we love
13 spending time with our families. Under Trump's administration
14 and the cruel treatment of our families in these prisons, we are
15 asking that this proposal is demolished. We are also stating
16 that the treatment of immigration can be handled in a more
17 humanized way and we are definitely looking for that respect and
18 focus on our families, that bank would be the same thing, and we
19 hope that the banks will be part of the solution and not part of
20 the problem. So, we urge you to stop this merger right now, and
21 if the merger does go through, we are asking that banks of --
22 I'm having a long day already -- I'm thinking of the home school

1 stuff. But definitely that the parameters are set in place that
2 the continued support of the private prisons are ended, and I
3 thank you for your time on behalf of Moms Rising.

4 MR. JONATHAN MILLER: We'll have an hour for lunch.
5 (Break).

6 We are getting started with our first panel this
7 afternoon. Mr. Allen, we'll start with you.

8 MR. JOHN ALLEN: Presiding officers, Mr. King, Mr. Rogers,
9 special guests: Good afternoon, I am John Allen and I am Vice
10 President of Housing and Financial Counseling for the UP Center.

11 We are the Commonwealth of Virginia's oldest multi-program
12 501(c)(3). On behalf of our President and CEO, Tina Gill, I
13 convey our wholehearted support of the SunTrust-BB&T merger.
14 Like SunTrust and BB&T we were founded in the latter part of the
15 19th century. Our mission then was providing service to the
16 most vulnerable population in the greater Hampton Roads region.
17 We operated an orphanage, distributed home heating coal -- coal
18 for home heating -- and also gave out shoes to poor children so
19 that they could walk to school. Adapting to many changes in the
20 136 years of service, the agency mission remains virtually the
21 same as a HUD-approved, comprehensive, housing counseling agency
22 we serve almost 1500 clients per year. Our specific goal is to

1 empower households to establish, maintain or improve upon their
2 financial stability and obtain or retain affordable, safe and
3 permanent housing. Collaboration with, and funding through,
4 SunTrust and BB&T has continued for years and remains vital to
5 achieving our mutually defined goals. 89% of our service
6 population earn less than 80% of the area median income, and
7 over 60% live paycheck to paycheck and have little or no
8 savings. Evictionlab.org out of Princeton University reports
9 that five Greater Hampton Roads cities are among the top 15
10 cities in the United States experiencing the highest eviction
11 rates, and it is well documented that the Hampton Roads region
12 has a severe shortage of affordable housing. SunTrust financial
13 literacy efforts complement our own two and a half hour art of
14 debt management course. That course encompasses introductory
15 financial planning, budget management including savings, credit
16 management and debt management. 75% of individuals who complete
17 this course make a written commitment to begin or increase
18 financial behaviors to increase their financial stability and
19 capacity. On follow-up, we have found that about 75% of that
20 total actually meet their written commitment and/or improve
21 their credit scores. With funding from SunTrust and BB&T we
22 have undertaken intensive counseling and achieved a 90% success

1 rate in preventing eviction and foreclosures of household when
2 they complete counseling. Perhaps the greatest example of
3 collaboration between us, SunTrust and BB&T and one other
4 mortgage lending institution pertains to our home ownership
5 education counseling efforts. With approval of appropriate
6 regulators we gained permission to produce a professional color
7 flyer advertising our free counseling services. The flyer also
8 featured the logos of SunTrust, BB&T and the other competitor.
9 We distributed this flyer to over 600 of our clients and
10 outreach prospects. Although we don't have an accurate figure
11 of the number of mortgage loan approvals granted, we do know
12 that after four months of counseling, 70% of clients improved
13 their credit scores by ten points or more as reported by all
14 three credit reporting agencies.

15 In summary, we believe that SunTrust has done an
16 exceptional job meeting their CRA responsibilities. We also
17 believe that the combined entity will continue to do so. Mr.
18 Rogers and Mr. King, please take note of the following
19 individuals that we continue to work with: Robin Pope Moss,
20 Anthony Weekly, Mark Johnson, Sharon Jeffries Jones and Cindy
21 Mims. Thank you.

22 MR. RODERIC WOODSON: Board Counsel, D.C. Students

1 Construction Trades Foundation. Good afternoon, Ms. Killian,
2 Mr. Miller and other members of the joint panel convened for
3 this public hearing. I'm Roderic L. Woodson, Senior Counsel to
4 the Washington D.C. law firm of Leftwich LLC, and long time
5 advisor to the District of Columbia Students Construction Trades
6 Foundation. Established in 2005, the foundation is a
7 partnership amongst business and community leaders in the
8 Washington D.C. region. Among other things it was created to
9 promote and advance vocational education in the building
10 construction trades for students enrolled in the public schools
11 and to generate renewed interest in career and technical
12 education, CTE, as a viable pathway to work, college and
13 careers. The foundation has designed three programs around this
14 objective, the Academy of Construction and Design, the D.C.
15 Apprenticeship Academy and the Adult Education Program. Our
16 correspondence dated April 19, a copy of which is appended to my
17 testimony, outlines additional details of the foundation
18 programs, including its signature, hands-on skills project,
19 Build A House, Build A Home where our public school students are
20 under the supervision of industry tradesmen and tradeswomen,
21 employees of the foundation member companies, actually construct
22 a house. We believe this type of learning experience should be

1 a crucial component of public education today. We take note
2 that a major theme of the recently released Federal Reserve
3 system study, Investing in America's Workforce, Improving
4 Outcomes for Workers and Employers, is the recognition that
5 "employers are essential partners for successful efforts to
6 bridge skills gaps. Standing still is not an option for
7 employers faced with skills shortages in their talent pool and
8 skills gaps in their workforce." The truth of this insight has
9 long been recognized by the construction employers in the
10 District of Columbia when they organized the foundation back in
11 2005 to reinvigorate skills trades education and training in our
12 public schools. It is widely recognized that vocational
13 education trades in many public school systems, particularly in
14 urban areas, were abandoned starting in the late 1970s and early
15 80s as the "college for everyone" idea gained currency in
16 education and public policy circles. Our experience suggests
17 that this flawed approach remains deeply ingrained despite
18 recent efforts to reconsider the value of vocational CTE
19 education. Understanding the need for expanded and effective
20 CTE education is, in our view, a motivating reason that SunTrust
21 Bank has undertaken its financial support of the foundation.
22 Providing skills training for the large number of young people

1 not destined for post secondary education gives promise to
2 useful employment and productive lives, all of which promote
3 stable communities, particularly for low and moderate income
4 individuals, under the Community Reinvestment Act. Such
5 partnerships amongst employer groups and public school systems,
6 similar to that enjoyed by the foundation and supported by
7 SunTrust, should be encouraged at every moment, and especially
8 so in urban school districts. Accordingly, the D.C. Students
9 Construction Trades Foundation is pleased to convey its support
10 to SunTrust as it seeks approval of this merger with BB&T Bank.
11 This concludes my prepared remarks. I would be pleased to
12 answer any questions the panel may wish to ask.

13 MS. MICHELLE JONES: Good afternoon. Thank you for the
14 opportunity to speak to you today in support of the merger of
15 SunTrust and BB&T. My name is Michelle Jones, and I serve as
16 Chief Development Officer, and I represent Money Management
17 International as well as its Clearpoint Division. For those of
18 you who may not be familiar with the organization, MMI is the
19 nation's largest 501(c)(3) nonprofit provider of financial
20 credit and housing counseling. Our work at MMI really centers
21 on serving low to moderate income households, helping them to
22 address their most pressing financial challenges. In our work

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1 with our clients, we are striving to help them create, restore
2 and maintain a life of financial wellness. Last year, MMI
3 served over 200,000 households. I have over 20 years of
4 experience working in the nonprofit financial counseling service
5 sector and over these many years I have had the opportunity to
6 work extensively with SunTrust, and I can tell you in my
7 experience I have seen them repeatedly and reliably step up to
8 the plate in support of financial literacy, capability and
9 wellness. I've seen firsthand how SunTrust has continually
10 invested in the financial well-being of at-risk communities,
11 mission based nonprofits, the financial help of their clients,
12 their customers and their employees. SunTrust and the SunTrust
13 Foundation have provided significant support for our agency over
14 the years, investing in our efforts to develop innovative
15 services and providing financial support for the counseling and
16 education we provide to financially vulnerable members of the
17 community. Just as an example of this, in 2012 our organization
18 opened its first Hispanic Centers for Financial Excellence. At
19 these centers we teach first and second generation immigrants
20 about the U.S. financial system, how to make good use of
21 mainstream financial products, and help them establish and
22 realize those short term and long term financial goals. Only a

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1 year after its opening, SunTrust supported our efforts to open a
2 second center, so we had our first in Norcross, Georgia, the
3 second in Miami, Florida, and not only did they support the
4 opening of the second center but they have provided full support
5 for both centers in the six years that have passed since.

6 Support of the Hispanic Centers for Financial Excellence is just
7 one way in which SunTrust has supported our education mission.

8 Most recently they have also added support to our organization
9 for our military outreach and counseling programs and, through
10 their generous funding, we are able to provide financial crisis
11 counseling for over 10,000 members of the military, veterans and
12 their families.

13 But it's not just about the support that SunTrust has
14 provided to our organization. I have seen firsthand SunTrust's
15 commitment to financial well-being when I was asked to speak at
16 a round table hosted by SunTrust Foundation President and also
17 by Bill Rogers, the President CEO of SunTrust. At that forum
18 SunTrust had gathered some of the leading nonprofit
19 organizations in the nation. They had United Way Worldwide
20 represented by their CEO, Boys and Girls' Clubs of America,
21 Autism Speaks, and many others, and we were all brought together
22 because SunTrust was interested in understanding how they could

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1 better leverage their resources to make an even greater impact
2 on the financial wellbeing of households across America. That
3 was mirrored in the investment that I saw SunTrust make in its
4 own employees several years ago when they began providing
5 financial education to their teammates, incenting the creation
6 of savings and making MMI's financial counseling services
7 available free of charge to any teammate or family member who
8 needed assistance. We at MMI strongly support the merger of
9 SunTrust and BB&T because we believe that together they will
10 continue to be deeply committed to, and invested in, the
11 communities that we all jointly serve. We believe that this
12 merger has the potential to reach even more individuals and
13 families in need of financial stabilization and we also expect
14 that the newly combined organization's increased resources and
15 expanded footprint will be of benefit to the clients we serve as
16 evidence by both SunTrust and BB&T's record of supporting the
17 need of at-risk households, whether through foundational giving
18 or community engagement. I speak for all of us at MMI when I
19 say that we look forward to working with the expanded team at
20 SunTrust and BB&T. I thank you again for this opportunity.

21 MR. HERB HOELTER: Good afternoon. Thank you for the
22 opportunity to comment on the proposed merger and the work that

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1 SunTrust has done, particularly in my community in the greater
2 Baltimore community. My name is Herb Hoelter, and I am the CEO
3 and cofounder of the National Center on Institutions and
4 Alternatives, a nonprofit 501(c)(3). I founded NCIA in 1977 and
5 for the past 42 years we have been working in the human service
6 special education and criminal justice fields. I began NCIA
7 with two employees and we currently have over 650 employees and
8 a 32 million dollars a year operating budget in Baltimore. We
9 reach over 2000 lives a year and are very active in training and
10 developing workforce opportunities for individuals with
11 developmental disabilities, students with learning disabilities,
12 and other populations who have lived in the shadows of our
13 society. As one example, we now have over 100 adults with
14 disabilities working on 15 contracts in Maryland, including a
15 full service contract in two Maryland I-95 rest stops which we
16 are real proud of, and have had for a few years. Additionally,
17 over the past 18 months alone we developed a new program for
18 training and employment for homeless veterans and returning
19 citizens. In that time we've trained over 200 homeless veterans
20 and returning citizens and 90% of them are now employed.

21 I'm not here because SunTrust invested money in us. They
22 haven't and they never gave us a grant I don't think. But I

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1 want to talk about the human capital that they've invested and
2 provided for us and other nonprofits in the Baltimore area. I'm
3 really familiar with the community involvement they've
4 accomplished in a number of ways. First I've been at
5 innumerable events, charity races, fundraisers, that SunTrust
6 has sponsored and their employees have worked on. They don't
7 just give money away, they work at it. Second, Vince Westley,
8 who recently retired, he was a Senior Vice President and
9 Division Manager of their nonprofit lending division in the
10 greater Washington and Baltimore region worked for SunTrust for
11 34 years. He has been a member of my board of directors since
12 2004. In the past 15 years he's been an invaluable board
13 member, guiding us through both good times and bad. In addition
14 to his professional advice, he also spends countless hours
15 working with us -- we have one charity event a year, a golf
16 tournament, and you know bankers like to golf, and he's helped
17 and assisted us -- we have a school for emotionally and
18 intellectually challenged students and he's helped us put that
19 together for a couple of years.

20 In addition to Vince's involvement, SunTrust employees
21 have been involved in NCIA in developing and teaching financial
22 literacy classes for clients with developmental disabilities and

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1 for our program for homeless veterans, and it's fantastic,
2 helping these people along. These classes are critical to their
3 success in the community and SunTrust has never let us down. We
4 are now looking with Vince's support, to expand our work into
5 the Charlotte community. We recently developed a model
6 training program for SNAP recipients -- the people who receive
7 SNAP cards -- in an effort to get individuals to become self
8 sufficient through training and employment. We believe people
9 want to work, they just don't know how to get there. Without
10 question, SunTrust has been a valuable and contributing member
11 of the greater Baltimore community. I support the merger
12 unequivocally and I believe the alliance of two banks who
13 support our community will give them more opportunities to
14 further their charitable giving and human capital efforts.
15 Thanks for the time and congratulations to the Carolina
16 Hurricanes.

17 MR. ROBERT NEWMAN: Good afternoon, ladies and gentlemen,
18 and thank you for the opportunity to provide comments this
19 afternoon. My name is Bob Newman and I'm the President and CEO
20 of the Virginia Community Development Corporation, also known as
21 VCDC. That's a nonprofit syndicator of low income housing tax
22 credits and related investments. We work in Virginia and

1 adjacent states. Our history of working with BB&T and various
2 predecessors extends over 25 years and our relationship with
3 SunTrust Bank and its various predecessors goes back nearly as
4 far. BB&T has been a limited partner or investor member in at
5 least 25 of our multi-investor equity funds which VCDC has
6 deployed in over 230 affordable housing developments in
7 communities in every region of Virginia as well as communities
8 in Kentucky, West Virginia and North Carolina. SunTrust and its
9 predecessor banks have invested in at least five VCDC sponsored
10 multi-investor funds over the years. VCDC equity funds have
11 also borrowed approximately 175,000 in bridge loans over the
12 years from BB&T which allow us to fund the project needs in
13 advance of receiving investor pay-ins. As of December 31, 2018,
14 BB&T held deposits of almost 16.7 million dollars from VCDC and
15 related entities, and at that date SunTrust held over 1.6
16 million in VCDC related deposits, so I estimate that BB&T and
17 SunTrust collectively provided over 360 million dollars in
18 equity investments and credit directly in support of our efforts
19 to capitalize the acquisition, rehabilitation and construction
20 of over 9700 units of affordable housing and also serves as a
21 depository for over 18.3 million dollars in VCDC related
22 accounts, which are mostly in the form of cash reserves to

1 ensure the long term success of these investments. Our
2 partnership with both of these banks, particularly with BB&T,
3 since at least the early 90s has been crucial to our ability to
4 assist many scores of community based developers, most of which
5 are nonprofit corporations or local housing authorities, to meet
6 the pressing housing needs in their communities. We specialize
7 in providing capital and technical assistance to enable
8 developments that would not otherwise occur. VCDC's prudent
9 management of the funds invested on behalf of each bank has
10 helped the banks to meet their goals under the Community
11 Reinvestment Act and has provided safe and dependable financial
12 returns. In fact, no fund that we manage has ever failed to
13 generate the projected internal rate of return to its investors.

14 It's also worth noting that BB&T's generous support of several
15 of our efforts to develop the capacity of our nonprofit
16 partners, including the bank's annual sponsorship of our
17 nonprofit sustainability challenge and several sponsorships of
18 property management conferences, that these investments have
19 helped to benefit scores of leaders and other professionals
20 providing on the ground services in these communities to develop
21 their skills and strengthen their organizations. We greatly
22 appreciate the support that both BB&T and SunTrust have

1 provided. We definitely view each bank as important business
2 partners that have always been there to help us sustain the
3 important work that we've done for nearly 30 years through
4 their significant and consistent investment in our enterprise.
5 In a good partnership, each party brings something to the table
6 to meet each others' individual needs while simultaneously
7 meeting their joint mission and I believe that our dealings with
8 these two entities certainly meet this description of good
9 partnerships. The banks provide needed capital to finance the
10 critical housing needs in diverse communities in every region in
11 Virginia and beyond and VCDC identifies, nurtures, underwrites
12 and structures the financing and provides long term asset
13 management services to the projects that address the local needs
14 to build stronger communities. VCDC therefore supports the
15 acquisition of SunTrust by BB&T with the hope and expectation
16 that the merged entity will continue to be supportive and
17 trusted business collaborator with VCDC to allow this very
18 successful partnership to continue long into the future. Thank
19 you.

20 MR. RODERIC WOODSON: Members, if I might add, the
21 President of our foundation and the chairman of Miller and Long
22 Construction Company has come here today to express his support

1 and you'll be hearing from him in the open mic session.

2 MR. JONATHAN MILLER: The next panel will be in 30
3 minutes.

4 Welcome to our panelists, I think we're ready to get
5 started again.

6 MS. TIA HALL: Good afternoon, my name is Tia Hall and I
7 serve as Vice Chair of the Political Committee of the Durham
8 Committee on the Affairs of Black People, also known as The
9 Committee. I want to associate myself with my colleagues who
10 spoke this morning. The Durham Black community and its
11 citizenry are known for their commitment to education. Durham
12 Committee founder, Dr. James E. Shepard, opened the National
13 Religious Training School in Chautauqua for the Colored Race in
14 1910. The school later became North Carolina Central
15 University. The Committee understands the importance of cradle
16 to grave educational opportunities and has been engaged since
17 its founding in the promotion of Black academic excellence. My
18 testimony will focus on the concerns this merger raises for the
19 Committee related to education and the support of historically
20 Black colleges and universities, such as North Carolina Central
21 University. The committee is aware that BB&T has a leadership
22 institute whose mission is to expand the learning experiences of

1 the next generation. According to the website, BB&T partnered
2 with select state organizations, school districts and
3 educational institutions in the BB&T footprint to offer
4 leadership programs for college students and public school
5 principals. The Committee notes that not a single one of the
6 select educational institutions is an HBCU, and that over 3300
7 students were certified through this leadership program while
8 HBCU students were relegated to an online financial literacy
9 program in partnership with EVERFi. That's not good enough for
10 the students of North Carolina Central University. The
11 Committee is also aware the BB&T's leadership institute has a
12 program for public school principals. We wonder what type of
13 outreach is done to promote this program in local markets.
14 There have been numerous community events including those
15 sponsored by the Committee around ways to improve academic
16 excellence in Durham public schools, and I do not recall any
17 representatives from BB&T sharing this information with the
18 general public or with the local school board. The Committee
19 proposes that the merged institution commits to continuing the
20 leadership institute and to providing access to the leadership
21 institute to the North Carolina Central University student
22 leaders. Further, The Committee proposes that the merged

1 institution engage the Durham Public Schools by informing
2 Durham's school board of its tuition-free program for local
3 principals. The Committee proposes that the merged institution
4 establish an endowment of one million dollars for North Carolina
5 Central University School of Business. The Committee proposes
6 the merged institution support adult literacy, workforce
7 development, and soft skill development through Durham Technical
8 Community College. The Committee is here to inform, to serve,
9 and to protect the welfare and civil rights of Black citizenry
10 of the city and county of Durham. Thank you again for the
11 opportunity to appear today and to share with you the concerns
12 of the members of the Durham Committee on the Affairs of Black
13 People.

14 MR. PATRICK KIRBY: Good afternoon. My name is Patrick
15 Kirby and I'm the Director of the Northern West Virginia
16 Brownfields Assistance Center at West Virginia University. I'm
17 here representing West Virginia University as one of 13
18 agencies and organizations in West Virginia that seeks to share
19 concerns and propose actions that can mitigate the anticipated
20 impacts that would ensure the adequate and necessary services
21 continue to be provided in West Virginia if the merger -- when
22 the merger happens. The potential for the merger to lead to

1 continued branch closures and increased prioritization of urban
2 investment strategies over rural services and support is a
3 critical concern of our organizations. As the flagship
4 University in West Virginia and a key technical assistance
5 provider to rural West Virginia communities we're aware of the
6 significant impacts a pending merger between BB&T and SunTrust
7 Banks is likely to have on banking services in our state. And I
8 would urge you to consider the critical role of banking services
9 to rural communities specifically throughout West Virginia.
10 Bank services and bank branches are essential to rural
11 communities as you've heard throughout the day. Our rural
12 communities face lower incomes and wealth, lower rates of
13 business startups and higher rate of unemployment than urban
14 areas, but they are a great place to visit so I don't want to
15 stick on the negative. Our concerns about this merger arise
16 from the unique relationship that both banks have with West
17 Virginia. For BB&T it's a financial institution that provides
18 critical leadership in the state and we're thankful for that,
19 and SunTrust is a bank that has recently completed a total
20 disinvestment from the state. So BB&T holds the largest market
21 share in the state of West Virginia, which is part of the
22 concern, with over 15% of the West Virginia market. That's 63

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1 offices and more than 5 billion in deposits. Despite the growth
2 that they've seen in that market share, in recent years BB&T has
3 had to close branches in West Virginia from a high of 78
4 branches in 2013 and 2014, to consistent closing branches now
5 with 63 before the merger. So, for reference, West Virginia has
6 55 counties and 63 branches, so that's in a large area. While
7 we understand that branch closings can be part of normal
8 operations for financial institutions it's a move that has
9 additional implications in rural states like West Virginia, most
10 notably related to transportation access challenges that rural
11 communities being a significant distance from even large towns,
12 local bank branches are a critical mechanism to provide
13 necessary financial services to geographically remote
14 populations across the state. As was noted earlier by Jen
15 Giovanniti with the Benedum Foundation, who is one of the 13
16 organizations that we've talked with, Federal Reserve Chairman
17 Powell, she brought up had discussed the branch closure issues
18 back in February of 2019, and I'll just highlight that he
19 indicated the loss of the branch often meant more than the loss
20 of access to financial services, it also means the loss of
21 financial advice, local civic leadership, and an institution
22 that brought needed customers to nearby businesses.

1 Additionally and equally important, West Virginia has an aging
2 demographic and lacks broadband infrastructure, limiting access
3 to technology and online services that are becoming the norm in
4 other parts of the country. Bank branches serve as critical
5 resources when you have a population that is not able to easily
6 or quickly adopt online banking practices.

7 I'd like to highlight access to credit and capital as well
8 for small businesses, as indicated through research that they
9 did, small business lending in Appalachia was 18% lower than
10 lending nationally, and West Virginia is in the entire footprint
11 of Appalachia the only state that is, and bank branches are
12 important to lending because a higher number of bank branches
13 has been statistically correlated to a higher number of loans
14 being provided. The reality is that the Community Reinvestment
15 Act obligations for large banks with regional and national
16 presence can usually be met by making community investments and
17 service commitments in nonrural service markets. This means
18 that West Virginia may be overlooked in future CRA strategy and
19 when our communities need and deserve both CRA community
20 development, investment and banking services. The CRA strategy
21 for large banks should not forget about rural communities but
22 rather encourage banks and branches to seek more opportunities

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1 in those underserved areas. We fear the inevitable decline in
2 banking services in West Virginia because of the merger and
3 expect that it will lead to a redirection in the focus of the
4 CRA efforts into the southern geography of the current BB&T and
5 SunTrust banking footprint. This change in CRA focus and the
6 likely additional closing of branches will negatively impact
7 those services. We urge the agencies to recognize existing
8 networks of CDFIs that currently operate within West Virginia
9 and are actively investing in housing, health, small business
10 and entrepreneurship. Those entities are essential partners in
11 continuing to leverage and accelerate the investments. So,
12 looking to those groups as a dedicated partnership, that would
13 be fantastic. Just in closing, unfortunately West Virginia is
14 not being represented by community benefits agreements that are
15 currently being negotiated, as we heard today, and in some cases
16 almost finalized, so I would just ask that you look at the
17 letter of concern that the 13 organizations submitted and they
18 also have proposed solutions in that for the record. I
19 appreciate the time today. Let's go Mountaineers.

20 MR. SEBASTIAN FECULAK: Thank you so much. My name is
21 Sebastian Feculak, here on behalf of North Carolina AFL, CIO,
22 representing over 14 million workers across the United States

1 and over 130,000 members here in North Carolina. We are here
2 also with some concern due to this merger between BB&T and
3 SunTrust, both in terms of micro and macro economic impacts. We
4 have a number of concerns that directly have to do actually with
5 as this expansion would go forward it would create another
6 so-called "too big to fail" bank. It is estimated that this
7 will become the sixth largest bank in the nation and, with the
8 looming concerns over the increased possibility of the recession
9 that's coming up, we are concerned that this could lead to
10 another situation like the financial crisis in 2007. If there
11 is a possibility of another failure in some of the financial
12 tools that are available, what will happen to many of our folks
13 in the community? So, if such an entity was to fail again, the
14 working class would more than likely be held accountable to try
15 and bail out some of these banks but more than likely their own
16 economic security would possibly suffer. Further, we have only
17 seen how consumers and workers have been put under pressure and
18 suffer under some of these poor policies of too-big-to-fail
19 banks. Since 2017, the two banks have collectively authorized
20 around 7 billion dollars in stock buy-backs in a currently
21 probably irresponsible move to inflate its short-term market
22 value, which only would enrich further the banking executives.

1 Nonetheless, as these buy-backs occur, the banks have continued
2 to put pressures on workers and consumers. A quote from
3 actually a SunTrust worker mentions, "managers really pushed me
4 to ignore it when consumers say no." Let's recall that these
5 were under the same sort of reckless conditions that banking
6 giants such as, unfortunately, Wells Fargo here in Charlotte
7 committed its own account fraud scandal which the Federal
8 Reserve had to move to restrict its own growth until the
9 problems were resolved. It extends from here a request on the
10 Richmond and National Federal Reserve to investigate the
11 possible consumer abuses before moving forward with any merger
12 discussions. Further, we cannot ignore the impact on the
13 workers themselves. One of the press releases on the merger
14 referenced means of the bank to increase profits would include
15 laying off possibly large swaths of workers. With the duty of
16 the Fed and its tools to assist our healthy growth of our
17 economy, we call for protections of these employees and workers.

18 The press release that I'm referencing stated things such as
19 "primary sources of cost savings will be in shared services and
20 retail banking." Such euphemisms are used for highlighting
21 closing call centers, savings and retail banking, possibly
22 closing branches. We have found that actually 700 of the 3100

1 branches are actually within two miles of each other which
2 brings a concern that more than likely many of these branches
3 would close and also become consolidated which may lead to a lot
4 of our workers being laid off and also taking away the economic
5 boom that it could provide, not just to urban areas but also to
6 rural areas. Lastly, this is one of the largest such mergers
7 since the financial crisis and this would be the largest bank
8 which the FDIC would be the primary regulator over, and I do
9 echo actually previous sentiments as we worked with U.S. Senator
10 Sherrod Brown, that under these circumstances we ask the FDIC
11 board would not move forward with this merger until the full
12 board actually is operating without any vacancies as still one
13 of the vice chair positions currently sits vacant. So, we again
14 ask to refrain from moving forward with this merger and looking
15 forward to hopefully having a fully staffed and operating FDIC
16 regulating board. Finally, as a local of Charlotte for a number
17 of years, we do see some concern with -- a lot has been
18 discussed with corporate social responsibility issues and
19 concerns and programs and we look very favorably towards a lot
20 of those programs. We do have the highlight the unfortunate
21 negative legacy of Charlotte that it has been following here
22 with the upward mobility concerns that even though we have -- it

1 is a large banking center, we have yet to actually solve the
2 concern of the income inequality which has unfortunately
3 continued to actually increase. So, we remain apprehensive that
4 these issues within our community, both here locally and
5 nationally, can be solved and that we continue to have
6 discussions both in our community and nationally about how to
7 tackle these problems before we continue discussing these
8 mergers. Thank you.

9 MR. ADNAN ALGHITA: Good afternoon, my name is Adnan
10 Alghita. I represent myself here. I own the company as a
11 builder developer from day one, 1971, when I graduated from
12 Georgia Technology as a structural engineer, and here I don't
13 have anybody here including Mr. Roger, that I think when you
14 live -- I've been living in this country for 50 years. I eat
15 its food, I drink its water, and you owe it something. That's
16 the way I was raised. Especially the truth -- you owe the
17 truth. There is no substitute for the truth and North Carolina
18 did not invent the airplane without the truth. So, these are
19 serious, serious allegations I've got here. That's why I
20 address them to the Federal Reserve, to the Attorney General
21 Anti-trust Division, Federal Trade Commission and Mr. Kelly
22 King, the Chairman of BB&T which I know nothing about BB&T. I

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1 lived all my 50 years, 30 years in Atlanta and about 20 years in
2 Florida as a builder/developer and I'll try to be brief here.

3 There are some serious allegations here and I'm liable for them.

4 I told Mr. King, you ought to audit these allegations and if
5 you find any inaccuracy in them, let me know, I am liable for
6 them. The same thing I told the Justice Department, the same
7 thing I told SunTrust. Mr. Rogers came to SunTrust as a
8 chairman eight years ago. I'm talking about in the mid 80s
9 where SunTrust, Robinson Humphries, were in coordination with
10 Iraqi criminals ring, connected with Sadaam Hussein, taking the
11 American program, food, Ariel for Food, sell the food, buy arms,
12 send them to Sadaam. Then, you know, we had to go to get rid of
13 Sadaam, 7000 Americans lost their lives. They lost their lives
14 with bullets that went from here to Iraq. I don't want to
15 really use emotions here. Please get serious. America can
16 never be great again if the truth is missing. I repeat, America
17 will never be great again if the truth is missing. You did not
18 invent the airplane with lies. You invented the airplane with
19 facts and accuracy. So, I'm going to go briefly about why I am
20 hurting by SunTrust. SunTrust took my -- I applied for a loan
21 to build projects in Florida, and it was like a 2.4 million
22 dollar loan. They funded about a million and a half and they

1 say you're supposed to finish it in one year. One year has
2 passed and you are only 60% complete. I said, it's true, you
3 know the project is bigger and it is appraised, they're on
4 appraisal. The land 1.7 million, the funding, the funding 1.5
5 million and 500,000 from me, from my company, invested in
6 addition to the land free and clear. They took 3.5 million
7 dollars and they sold it to a friend of theirs for \$375,000
8 liquidation. Then they go turn around and they call the bad
9 loans and they give the bad loans, this is in '09 when there was
10 the backing crisis, and the American people have to buy those
11 bad loans, they give a million and a half when they sold it for
12 -- please, please, I beg you, investigate this, and I want, if
13 they deny it, if there is any doubt about the truth, I will know
14 how to document it. I know how to document it. Please, I beg
15 you to investigate. Thank you.

16 MS. SIL GANZO: Good afternoon. My name is Sil Ganzo. I
17 am here representing myself today. I am an advocate for the
18 immigrant and refugee community. I work by the organization
19 that provides after school and summer programs to newly arrived
20 families providing English language classes. I thought long and
21 hard about coming here today to talk with you about the merger.
22 At the beginning I thought there was nothing for me to say, but

1 then the more I thought about it I realized that there's
2 something that you're responsible for that I need to ask you to
3 stop, which is the funding to private prisons. The mass
4 incarceration has been discussed this morning, I believe. And I
5 decided to come here. I don't have a script. I have tons of
6 data that I want to share with you. I want to give you an
7 example of what's going on so you know where your money is going
8 when you give money to private prisons. I have a nephew. He is
9 19 years old. He was arrested -- he was one of the last people
10 arrested under 287-G here in the city because he was riding the
11 train without a ticket. He came to this country when he was two
12 years old. This happened last November. He is still in jail.
13 His charges have been dropped. There's no excuse. The Stewart
14 Detention Center in Georgia has many prisons in the country.
15 They are working to reach a quota that is inhumane and you are
16 partly responsible for it if you are funding it. When my nephew
17 was arrested, sent to Georgia, I started reading and educating
18 myself about the incarceration and private prisons in the United
19 States and I'm sure you all are aware of a lot of data out
20 there. There's a book that I'm reading that I will suggest to
21 you reading through. It's called Just Mercy by Brian Stevenson.
22 He is the one who said that the opposite of poverty is not

1 wealth, the opposite of poverty is justice.

2 There are two-thirds of all inmates in local jails are not
3 even convicted and by law that means that they are presumably
4 innocent. Two-thirds of the people in jail right now have not
5 gone through a trial and they are still there, just like my
6 nephew who wasn't even able to finish his [inaudible] degree. I
7 want to urge you to redefine what your focus is. I wonder why
8 you give money to private prisons. Is it because of crime? I
9 also learned that from 1980 to 2009 the prison population in the
10 U.S. climbed from 330,000 to 1.1 million. That's a 400 increase
11 while the general population has increased 36%. Crime rates
12 actually fell by 42%. So if you care about crime reduction I
13 will see that funding being redirected to educational programs
14 such as after school which are preventing [inaudible] crime.
15 Recent tests found that between the hours of 3:00 to 6:00 is
16 when children as young as ten years old experience alcohol,
17 tobacco, drugs, sex, and criminal activity for the first time.
18 I have seen what their mind is doing. I have seen the terror of
19 the street. They're hunting us. They're hunting brown people
20 just like me. They're hunting Black people. They're going to
21 the neighborhoods where we live just to reach a quota, not even
22 to rid the criminality or keep our community safe.

1 I don't have any more to say. I think just to get it out,
2 I hope that you make the right thing because your children and
3 grandchildren will know what you're doing. It's wrong. It's
4 inhumane and I hope that you do the right thing. Thank you.

5 MS. JILL MONUM: Good afternoon, I'm Jill Monum, Senior
6 Director of Corporate Partnerships at Grameen America. I am
7 pleased to be here today on behalf of Grameen America, standing
8 in support of SunTrust Bank and its merger with BB&T. Grameen
9 America is a nonprofit microfinance organization empowering
10 women who live in poverty to build small businesses to create
11 better lives for themselves and their families. A national
12 CDFI, Grameen America provides affordable capital, credit
13 building, free savings accounts and financial education to
14 enable program participants to boost their income, build assets
15 into the mainstream financial system and create jobs in their
16 communities. The fastest growing nonprofit microfinance
17 organization in the U.S., Grameen has provided more than one
18 billion dollars in small business loans and engaged more than
19 110,000 low income women in our program. These women have
20 repaid their loans at a rate of 99% and are helping to transform
21 the lives of their families and their communities. Grameen
22 America uses the group lending model developed and successfully

1 refined over 30 years by Nobel Peace Prize recipient, Muhammad
2 Yunus and the Grameen Bank in Bangladesh in which members
3 encourage, support, and learn from each other. The group model
4 is the cornerstone of Grameen America's approach to
5 microfinance. It sets us apart from other CDFIs and drives our
6 success. Its atypical underwriting makes it affordable and
7 efficient to disperse large numbers of small loans, our maximum
8 first-time loan is \$2000, our average loan size nationally is
9 about \$3200, and allows us to reach the most vulnerable
10 populations with reasonable access to financial services. We
11 are in 14 cities across the U.S. including here in Charlotte.

12 SunTrust has been a valuable partner for Grameen America
13 since 2016. A true partner, they listen to our needs and work
14 with us to ensure our success. A leader in community
15 reinvestment and a champion of financial well-being for all, the
16 SunTrust Foundation has contributed a quarter of a million
17 dollars in grant funding and SunTrust bank has provided 1.5
18 million in loans towards Grameen America's microlending branch
19 here in Charlotte. Additionally, an important pillar of our
20 program is asset building, through which we help members open
21 no-fee, no minimum balance, personal savings accounts with
22 partner banks to foster the habit of saving. SunTrust is our

1 asset building partner at one of our newest branches in Miami,
2 offering members the possibility to invest in their futures.
3 SunTrust's partnership and generosity have created a notable
4 positive impact on communities in Charlotte and Miami. Since
5 opening in December 2012, the Grameen America program in
6 Charlotte has served over 7800 women entrepreneurs through over
7 30,000 loans totaling 83 million dollars. This includes nearly
8 two thousand new low income women entrepreneurs in Charlotte
9 over the past two years with support from SunTrust and providing
10 them with not only microloans but financial education to support
11 their overall financial health. And in just one year in
12 partnership in Miami we have helped 438 low income women in
13 Miami open and contribute to SunTrust savings accounts.

14 In my career, I've been at the intersection of nonprofits
15 and corporations for over ten years, both on the corporate and
16 on the nonprofit side. It's my firm belief that issues and
17 problems of our society and communities that we face will not be
18 solved by one single sector solutions. It take partnerships
19 such as the multifaceted partnership we have created with
20 SunTrust to create real change and community impact. Today, one
21 in eight women live in poverty and more than half of low income
22 children live in female headed households. Leveraging our

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1 strengths and competencies we can create impact. I have seen
2 personally that SunTrust has demonstrated its commitment to
3 communities starting at the top of its leadership. We look
4 forward to continued and expanded partnership with SunTrust Bank
5 and BB&T after the merger to further improve the financial well
6 being and economic status of those living in communities in
7 which the banks operate. For this reason and others, Grameen
8 America fully supports both institutions during this intended
9 merger. I extend my appreciation to the Federal Reserve Bank of
10 Richmond and its Charlotte branch for the opportunity to express
11 my opinion on behalf of Grameen America. Thank you.

12 MR. THOMAS JACKSON: Good afternoon. My name is Tom
13 Jackson and I am the Senior Director and Manager of Training for
14 The National Development Council. We're on the agenda under our
15 legal name, the National Counsel for Community Development but
16 we've been doing business as the National Development Council
17 for all but a few months of our 50 years as a national nonprofit
18 working in the community development sphere. I have a brief
19 statement to read on behalf of our president and CEO, Dan Marsh,
20 regarding the merger, and I'll just go ahead and jump in. BB&T
21 and SunTrust have been immensely important partners for the
22 National Development Council for more than 20 years. During

1 this period, BB&T and SunTrust have both invested in the
2 National Development Council's training, technical assistance
3 and financing tools to further our nonprofit mission to increase
4 the flow of capital to low and moderate income individuals and
5 communities. It's not an overstatement to say that without BB&T
6 and SunTrust's financial support, many economically
7 disadvantaged communities in their respective assessment areas
8 would have been underserved or unserved, both lacking in
9 community development financing tools and capacity building
10 training. During the many years that we worked with both
11 institutions they have supported our efforts through grants,
12 loans and investments with a brief summary of those investments
13 being over the last ten years they've provided grants totaling
14 over 2.3 million to sponsor NDC training, to build the capacity
15 of community development corporations and provide them and their
16 development partners with the tools needed to revitalize low and
17 moderate income communities. BB&T has been an especially strong
18 partner with NDC in supporting capacity building training and
19 development finance to improve the success of nonprofits working
20 to provide affordable housing, small business startup support
21 and financing, small business expansion services and financing,
22 community facility financing and other essential social

1 infrastructure. The classes that the banks have supported over
2 this period have trained over 3000 participants, again primarily
3 CDFIs, CDCs working in low and moderate income communities, and
4 their development partners from local government foundations and
5 other groups that are supportive of necessary development in low
6 and moderate income communities.

7 Both institutions are investors in various NDC sponsored
8 low income housing tax credit funds, were a relatively small
9 syndicator of equity through these funds, combined they provided
10 over 74 million in equity investments that support our efforts
11 to fund affordable housing for families, seniors, formerly
12 homeless individuals and other special needs populations
13 including very hard to find investors for assisted living
14 facilities, especially small assisted living facilities often in
15 rural or exurban areas in their banking footprint. These funds
16 that they've invested in all together have allowed NDC to
17 support the development, both through financing, technical
18 assistance and long term asset management of just over 10,000
19 affordable housing units. Through their partnership utilizing
20 NDC's new market tax credit allocations from the CDFI fund of
21 the U.S. Treasury, they've invested a combined 27.7 million over
22 the past 13 years. These investments bring capital to

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1 distressed communities across their footprint, delivering much
2 needed employment opportunities and expanded services to low and
3 moderate income communities. Again, some of these investments
4 have been especially creative and recognized by the CDFI fund,
5 the Severn Peanut Factory facility here in the state of North
6 Carolina was exactly the type of investment that Congress
7 envisioned with the new markets tax credit program and that was
8 a SunTrust investment that provided jobs in very low income,
9 rural county that far exceeded the average pay and availability
10 of jobs in that particular area.

11 Based on the long term relationship we've developed with
12 both BB&T and SunTrust, NDC looks forward to working with the
13 merged bank to continue to serve low and moderate income
14 communities. Again, thank you for this opportunity to address
15 the joint committee and I'll answer any questions you have
16 regarding this testimony.

17 MS. BARBARA GOLDBERG GOLDMAN: Thank you very much. I'm
18 Barbara Goldberg Goldman and I co-chair and founded the
19 Affordable Housing Conference of Montgomery County. It is
20 indeed a pleasure to get out of Washington and also to come
21 before you and express our support for the bank merger. The
22 Affordable Housing Conference of Montgomery County will focus on

1 the long and productive relationship with SunTrust and the
2 Conference and the vital role that SunTrust plays in helping our
3 organization promote the creation, preservation, and improvement
4 of affordable housing in our own community and region. The
5 Affordable Housing Conference is a bipartisan
6 501(c)(3) charitable organization with well over 6500 members
7 alone just in our region. We believe that decent, safe and
8 affordable housing is a right and not a privilege for every
9 American. For nearly 30 years, we a nonprofit, nonpartisan
10 organization, have tackled challenges and impacts of affordable
11 housing policies and programs at the local, regional, state and
12 national levels. We form coalitions of people from all walks of
13 life and all sectors of public and private enterprise to
14 identify and address issues including: Workforce housing, mixed
15 use and mixed income development, inclusionary zoning, rental
16 housing, home ownership creation and preservation, fair lending,
17 public/private partnerships and housing for all community
18 members including those of our most vulnerable populations. We
19 shine a light on the housing challenges and provide a voice for
20 the underserved. The Affordable Housing Conference of
21 Montgomery County is a best practices model that was replicated
22 by housing groups across the region and even in 2004, then

1 government Robert Erlich, created the Maryland Governor's
2 Housing Conference and it still exists today. We have been
3 asked to provide technical assistance to other locales, looking
4 to duplicate our model. We're often called upon to provide
5 advice, insight and technical assistance to law and policy
6 makers from across the region. We provide advocacy and
7 testimony at local, state, and national levels. Montgomery
8 County, as well as the state of Maryland, has had multiple
9 administrations and elected officials throughout the 29 year
10 history of the Affordable Housing Conference, yet throughout our
11 transitions we've remained the trusted voice for progressive,
12 affordable housing policies. Our honorary chairs, who always
13 attend all of our events, include former Senator Paul Sarbanes,
14 Senator Ben Cardin, Senator Chris Van Hollen, Congressman Jamie
15 Raskin, and Congressman David Trone. Our annual Affordable
16 Housing Summit has been held for 29 consecutive years, we
17 attract hundreds from all across the region and, really, the
18 country to hear from renowned and prominent housing and economic
19 experts and the latest and most important issues we face. We
20 highlight excellence in community service, public service and
21 building. Our AIA sanctioned architectural excellence awards
22 give recognition to excellence in the design and renovation of

1 affordable buildings and attract architect and design students
2 from across the region. Our panel discussions feature the most
3 important topics of the moment; for example, opportunity zones,
4 senior and millennial housing, housing discrimination faced by
5 minority groups including LGBTQ and disability communities, and
6 preserving existing affordable housing as part of our upcoming
7 Summit this May 17th, and I happened to bring with me many
8 invitations for anybody who might be interested, we'd love to
9 have you. We have brought housing leaders and health providers
10 to explore ways to connect housing and public health
11 initiatives. This past winter we explored the barriers faced by
12 millennials looking to become renters and homeowners and we
13 identify opportunities to promote and expand opportunities for
14 them. SunTrust Mortgage Senior Vice President of the greater
15 Washington Maryland Division Manager, J.C. Sterling, was an
16 invaluable asset as he discussed mortgage and credit challenges.
17 And just a few weeks ago our Bricks, or Bureaucracy Roundtable,
18 discussed the cost of hard and soft regulatory barriers that
19 limit the production for the badly needed affordable housing.
20 Steve Smith, Senior Vice President at SunTrust Community Capital
21 provided expert moderation as well as insightful insights on
22 financing, housing affordability, and construction, and he will

1 be returning on May 17th. I want to point out that under the
2 great leadership of board member Muriel Garr, we have held
3 financial literacy workshops, our Break the Barrier to Home
4 Ownership closing cost assistance, provided grants to enable
5 essay contest winners to purchase their first time home. From
6 decorated military service members to immigrants fleeing the
7 terror in their homelands, this initiative has helped families
8 secure their dream of owning a home in our community. To date
9 we have given away \$300,000 to 38 families who are now part of
10 our extended affordable housing family.

11 MR. JONATHAN MILLER: Can you wrap up, please?

12 MS. BARBARA GOLDBERG GOLDMAN: Yes, so I want to point out
13 that SunTrust for the last 20 years has been an invaluable
14 partner to the Affordable Housing Conference and we value Muriel
15 Garr, the SunTrust representative on our board. Without her,
16 I'm not sure how we could continue to be quite frank. Thank
17 you.

18 MR. JONATHAN MILLER: Any questions anybody? (No
19 response).

20 MR. BRENT JONAS: Thank you for the opportunity to speak
21 this afternoon on behalf of my President and CEO, David Gann,
22 who was unable to attend today. My name is Brent Jonas. I am

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1 the Director of Stakeholder Relations for the Charleston
2 Regional Development Alliance in Charleston, South Carolina.
3 The Charleston Regional Development Alliance is a 25-year-old
4 public/private partnership. We are a 501(c)(6) that was formed
5 after the closure of our naval base in the early 90s to promote
6 economic development in the region. Our three-county region has
7 grown, prospered and developed mightily under the different
8 changes that have come about, be it the naval base closure,
9 through different political tides, through different hurricanes
10 and natural disasters, things that have hit our market, but now
11 we are a vibrant market of over three quarters of a million
12 people globally connected through trade, technology and travel
13 and locally engaged to craft a legacy for the future. We
14 represent almost 800,000 people in the counties of Charleston,
15 Berkley and Dorchester, South Carolina. We represent 90 miles
16 of coastline and 50 miles inland to I-95. We are an
17 organization of 14 employees with 3.8 million dollar budget of
18 which 52% is private sector investment. It's why I sit before
19 you today as both SunTrust and BB&T have been long time
20 supporters of our organization and my role as Director of
21 Stakeholder Relations, it is my job to go out into the market
22 and work with our companies both on the private sector and our

1 three-county and local municipal governments to encourage
2 support for our organization. The support that is given to us
3 is not only in the form of financial assistance, which provides
4 the jet fuel for us to do what we do, but more importantly the
5 leadership that both SunTrust and BB&T have provided, the
6 leadership that our market needs by providing and allowing their
7 local head of market to sit on our board of directors over the
8 years and they have done an admirable job in setting the table
9 for companies such as Volvo, Boeing, Mercedes Benz, Vans,
10 Google, and many, many others to come into our market. In fact,
11 our market over the last eight years has been one of the fastest
12 growing in the United States of America. We are the 76th
13 largest MSA in the country, yet we've created jobs at a level
14 that is 16th fastest in the country. So, we believe that over
15 that period we've been very successful and that is based in part
16 on the leadership of folks that help us such as Mark Lattanzio
17 from SunTrust who is our local representative and David Hamilton
18 who is our local representative from BB&T, both of whom have
19 done a wonderful job in supporting our efforts. We are thrilled
20 to have the opportunity to support this merger and we look
21 forward to their continued support in the future as a new entity
22 and we will look forward to the results in the coming months, so

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1 we appreciate the opportunity to appear before you today and
2 wholeheartedly support the merger. Thank you.

3 MS. ANITA WARD: Good afternoon everybody. And again,
4 like everybody else, I want to thank you for hosting this
5 convening. My name is Anita Ward. I'm President of Operation
6 Hope and I am here today on behalf of my organization and the
7 3.2 million clients from LMI communities whose lives we've
8 impacted for 27 years. Operation Hope is a 501(c)(3) nonprofit
9 dedicated to economic inclusion and community uplift, mostly
10 through financial literacy, home ownership, small business
11 development and economic recovery. Since 1992, Operation Hope
12 has served urban and rural communities by providing programs
13 supporting financial literacy, empowerment, and most importantly
14 financial dignity. In 2018 alone, in LMI communities, we
15 provided 130,000 financial well-being coaching sessions,
16 facilitated 150 million dollars in mortgage loans, launched 6000
17 small businesses and assisted 11,000 individuals who were
18 impacted by natural disasters. I'm here today to actually
19 express my support and the support of the organization for the
20 merger between SunTrust and BB&T. Both of these institutions
21 have been strong, strong supporters of Operation Hope
22 programming in underserved communities and both of these banks

1 and their leaders understand and embrace the needs of the
2 unbanked, the underbanked and the invisible individuals in
3 communities themselves.

4 At the core of our programming and core of Operation Hope
5 programming is financial empowerment and we deliver that through
6 a Hope Inside model. The Hope Inside model provides financial
7 well-being coaching, counseling and education through a
8 certified coach. Because of the bank's support we are able to
9 offer that free of charge to anyone in the community. Both BB&T
10 and SunTrust have embraced this Hope Inside model and they've
11 provided financial support, volunteer hours and even space
12 inside of their branches and community locations in their
13 footprints themselves for the delivery of our services. Each
14 bank also supports Operation Hope so we can assist underserved
15 communities outside of their geographies. These banks and their
16 leaders are committed to helping people no matter where they
17 live and where they're located. They've even funded the
18 development of a digital platform that we can send out to
19 anybody, anywhere, anytime to build a small business. So, it's
20 ubiquitous, and their support, in fact, is ubiquitous. SunTrust
21 has supported Operation Hope since 2007. That year together we
22 launched a youth financial literacy program called Banking on

1 Our Future for underserved youth in Atlanta.

2 Since then, Operation Hope and SunTrust opened the first
3 Hope Inside location for adults at Ebenezer Community Center in
4 Atlanta to provide credit and money management skills, home
5 ownership education and small business development in an
6 underserved Atlanta community. We now have opened 18 SunTrust
7 Hope Inside locations supporting 176 communities and nearly
8 40,000 individuals. In 2019, we'll open an additional four
9 locations with an ultimate goal of assisting 200 underserved
10 communities. Not only are we focused on the communities but
11 SunTrust additionally supported the dedicated Hope Inside for
12 Atlanta Public Schools to help provide financial well-being and
13 counseling to teachers and bus drivers and maintenance workers
14 and administrators as well as a dedicated Hope Inside for the
15 Atlanta Police Department. So, the support goes far beyond
16 underserved communities but also provides services to our unsung
17 heroes.

18 BB&T has supported Operation Hope since 2010, when
19 together we recognized the need for financial literacy to
20 educate and inspire urban underserved youth. Their bankers
21 volunteered and joined forces with Hope to deliver education and
22 mentorship and since then we've expanded the youth programming

1 at other BB&T locations. BB&T and Operation Hope also opened
2 Hope Inside locations for adults recognizing that poverty is a
3 generational problem and we are now located together in Houston,
4 Atlanta, Columbia and Baltimore and on the heels of devastating
5 disasters in 2017 one call to Sharon Jeffries Jones helped BB&T
6 recognize that underserved communities are disproportionately
7 affected when it comes to a natural disaster and immediately we
8 opened locations in Houston. And the best part of this, at
9 least for me, is that when the waters receded and the TV cameras
10 went on to the next sensational thing, BB&T continued its
11 support and we're still in those communities recognizing that
12 economic recovery just takes a bit of time.

13 I have an Italian mother who always told me to do the
14 right thing when nobody was looking and so I feel like these two
15 banks have an Italian mother, because they are leaders and these
16 banks just do the right thing when nobody is looking, so I feel
17 very strongly that this message gets out. Our impact numbers
18 really do speak for themselves. With the bank's supporting
19 we've grown 500% in the last three years and we have now been
20 focusing on uplifting both rural and urban communities. We
21 serve about 2500 LMI communities through 135 locations and BB&T
22 and SunTrust have provided significant funding to support our

1 efforts and the needs of these underserved communities. Most
2 importantly, our Hope Inside clients who, as they get this
3 financial well-being support, are moving their credit scores by
4 about 43 points in five and a quarter months. Now, what happens
5 with that, and the importance of that, is that with that
6 improvement there is access to credit and we're
7 dis-intermediating lenders and alternative financial services,
8 so we strongly support the merger between these two
9 organizations and we're grateful for their support.

10 MS. TWANA WELLMAN ROEBUCK: Good afternoon, I'm Twana
11 Wellman Roebuck, Executive Director of Experiment in Self
12 Reliance and I'm so pleased to be here today to lend my support
13 for SunTrust Bank as well as BB&T. I'm excited to be here today
14 to share with you some of the vision in regards to Experiment in
15 Self Reliance. I also want to highlight the importance of
16 volunteerism from both of those banks. First of all Experiment
17 in Self Reliance is an organization that was started in 1964
18 across the country and in North Carolina we're known as a
19 community action agency. The mission of Experiment in Self
20 Reliance is to empower social and economic self reliance for the
21 working, low-income and homeless. One might think, "well, how
22 in the world do you do that?" Well, we do that in a variety of

1 ways. I know all day today we've talked about the importance of
2 economic literacy and financial stability, and one of those
3 things that we do both with BB&T and SunTrust is to talk about
4 not only budgeting but what does it mean for a family to budget?

5 So, in our programs we launch budgeting programs as part of our
6 IDA -- IDA stands for Individual Development Account, wherein we
7 work in concert with Habitat and many other agencies to help
8 people become first-time homeowners. The greatness around the
9 IDA program is more than specific, it deals with generational
10 poverty and encouraging the head of the household to become a
11 homeowner but also passing down that knowledge to the children
12 within the household. We also have a wonderful program called
13 Self Sufficiency. There is a great book that talks about self
14 sufficiency and self reliance. What does that really, really
15 mean? Well, it really means that we need each other and through
16 education and certainly perhaps getting a trade skill or
17 education that will help empower the family over the long haul,
18 really, really helps a person and a family to sustain itself.
19 We also have housing services. Now housing services, what in
20 the world is housing services? At our place, we're dealing
21 specifically with the homeless, chronically homeless and those
22 that have been homeless a long time. Now, amongst us, when we

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1 think about chronically homeless, actually it's that uncle that
2 comes and stays on your couch from time to time -- we all might
3 have one of those. Well, we're the ones that would help those
4 individuals find hope around homelessness and become permanently
5 home. When we worked with BB&T, BB&T helped us launch an effort
6 called the Ten Year Plan to End Homelessness. Chris Henson was
7 very active in our community. We went to Atlanta to look at the
8 wonderful program that's there in the Atlanta area in terms of
9 addressing issues associated with homelessness. So, that's just
10 one great example. Let's talk about the intellectual capital.
11 When you think about intellectual capital, really it's
12 volunteerism. So, we think about volunteerism, both SunTrust
13 and BB&T have helped our community through volunteerism, both
14 being engaged in our United Way campaign and a variety of other
15 things that happen. In our community, ESR last year did 4500
16 free taxes. Did you all hear the word about "free?" Well, free
17 with SunTrust and BB&T, they help us through providing
18 volunteers to help us prepare the taxes. Now, guys, I'm a
19 former school teacher, so I'm going to leave you with three
20 points in my closing. Three points that I want you to write and
21 make a note about. First of all, I talked about the
22 philanthropic giving that makes a difference in the dollars that

1 are given to agencies, both United Way funded and federally
2 funded, and a number of agencies in Winston, Salem and
3 throughout the community wherein those philanthropic dollars
4 make a difference in our organization. The second point I want
5 you to remember is the intellectual capital known as
6 volunteerism. We could not exist without the volunteer
7 leadership that's provided to us and with us from both SunTrust
8 Bank as well as BB&T. You know, it's folk that keep the things
9 going in our community and that's what's important, with us
10 walking hand in hand and making a difference out in the
11 community, as well as the wonderful leadership and the pride
12 that we have from BB&T and SunTrust. So, if nothing else, let
13 us remember the intellectual capital that's given to us each and
14 every day from volunteers that make a difference in our
15 organization. Now, the final, third point, deals specifically
16 with economic development. We find that both of these banks are
17 very strong in aiding the community in developing economics as
18 it relates to small businesses as well as empowering our
19 residents to understand the importance of not only money
20 management, but establishing those businesses that really keep
21 our small towns and our rural areas going. So, on behalf of all
22 of the people that are benefitting from SunTrust and BB&T I want

1 to personally pause to thank you. I want to thank you for your
2 efforts. I want to thank those on this committee that are
3 making a fantastic and phenomenal decision to keep these people
4 going. Thank you very much and thank you for allowing me to be
5 here.

6 MR. GILBERT BLAND: I think I was told that because I'm
7 the last speaker there is no five minute limit.

8 MR. JONATHAN MILLER: That might be true, but you're not
9 the last speaker.

10 MR. GILBERT BLAND: Thank you for the opportunity to
11 comment regarding the proposed merger between SunTrust and BB&T.
12 I want to speak today and share my experiences with SunTrust in
13 particular and express our support for the merger. My name is
14 Gil Bland and I'm a CEO and entrepreneur and employer for the
15 past 35 years. I've owned over 70 restaurants, employed over
16 2000 people. I began my career as a commercial lender with
17 Continental Bank in Chicago, which was once the sixth largest
18 bank in the country. I would also be considered a civic leader
19 locally in Hampton Roads and statewide through Virginia. I only
20 share this background because I believe it provides context and
21 hopefully some credibility to my comments. I do understand
22 community engagement and today my comments will largely be

1 focused on the African-American community and the need for
2 further community engagement. For the past 18 months, I have
3 served as a volunteer CEO of the Urban League of Hampton Roads.
4 We are the oldest civil rights organization in America. For 100
5 years the National Urban League and for over 40 years a local
6 affiliate has served our communities of African-American
7 citizens with a focus on four pillars: Education, workforce,
8 financial literacy, housing and healthcare. I also serve on
9 many of the boards of significant nonprofits in our area and my
10 role as a board member of the Hampton Roads Community Foundation
11 and with Centerra Hospital, which is one of the larger hospital
12 organizations in the country, I've watched the continued support
13 of SunTrust with the nonprofits in our region and our mission,
14 both with volunteers and with funds. Similarly, SunTrust has
15 been a valued partner with Centerra, the 30th largest health
16 organization in the country, as we try to invest in efforts that
17 promote community wellness. It's critical because clinical
18 intervention only accounts for 20% of the length and quality of
19 life. Community factors such as crime, stress, housing and
20 transportation matter much more. The zip code by far is the
21 most significant determinate in the length of life and quality
22 of life.

1 The Urban League of Hampton Roads is entirely dedicated to
2 servicing the needs of the African-American citizens of our
3 region. Hampton Roads, where we are located, has 1.8 million
4 residents and is the second largest metropolitan region of
5 Virginia. Virginia is also the home to the ninth largest
6 concentration of African-American residents in the nation and
7 Hampton Roads, our region, is home to the 13th largest
8 African-American population in America and we represent 33% of
9 the population. However, we have a variety of social ills
10 relative to dropout rates, evictions, recidivism, incarceration,
11 health issues and in several of these metrics we are among the
12 worst in the nation. It is imperative for my fellow
13 African-American citizens to continue to benefit from the
14 support of nonprofit service agencies and the African-American
15 churches. Our churches and nonprofit organizations can only be
16 assured to continue to exist with the help of community partners
17 -- community partners that are willing to invest with capacity
18 building grants. A valued partner for years in this effort has
19 been SunTrust. In particular, I know Charity Baldwin, the CEO
20 of the local SunTrust operation and Mark Johnson, the social
21 responsibility representative, both care and invest time and
22 resources. For the past year before the announcement of this

1 potential merger Charity and Mark have worked with the Urban
2 League to bring a national financial literacy program sponsored
3 by LISC, who spoke this morning, into our area. I am involved
4 in numerous conversations with regional leaders as the city of
5 Norfolk embarks upon the demolition of 200 acres of public
6 housing and the displacement of thousands of residents in the
7 project that's known as the Saint Paul Quadrant. These Saint
8 Paul residents are poor, with 47% unemployment rate, the great
9 depression only had 24%. Further, their neighborhood has 10% of
10 its residents incarcerated which is top ten in the nation, and
11 clearly these residents are among our most vulnerable members of
12 society. To punctuate my point, the neighborhood has the 15th
13 lowest life expectancy in the country. The relocation and
14 development of these residences will be monumental and SunTrust
15 president, Charity, has been fully engaged in assisting.
16 Charity has earned the confidence of my fellow community leaders
17 with her active participation and the bank's investment.

18 One final thought. I have been impressed with the support
19 of SunTrust with minority-led nonprofits. These agencies,
20 nonprofits, and African-American charities seldom qualify for
21 foundation support or bank financing because of their small
22 size. Yet, these nonprofits in our African-American churches

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1 are there every day in their communities attempting to make a
2 difference. Again, SunTrust has been supportive and they've
3 pledged to us continued greater support with a new and bigger
4 bank. I'll just have one final comment and I think I would be
5 remiss if I did not share my opinion. I've been an employer of
6 low wage employees, and I see my employees don't have bank
7 relationships or checking accounts and accordingly are prey to
8 predatory lenders. We are hopeful that this new bank, as well
9 as others, will seek alternatives for low wage employees to
10 avoid these predators and allow them to gain access to
11 traditional bank practices. Thank you.

12 MS. ALICE LEE: Good afternoon, my name is Alice Lee and
13 I'm Vice President of EVERFI. EVERFI is an education technology
14 company that brings digital courses to schools across the
15 nation. They all focus on the essential life skills our
16 students need. EVERFI partners with organizations to fund the
17 costs of the program so that schools and districts do not have
18 to pay a dime for this education. For the last nine years, BB&T
19 has partnered with EVERFI to bring a financial education program
20 to high school students across BB&T's 15-state footprint
21 including Washington, D.C. Since 2010, the BB&T financial
22 foundation's program has grown from sponsoring 35 schools in

1 North Carolina to reach more than 830,000 students from 1480
2 high schools today. While service communities where over 50% of
3 students are enrolled in the free and reduced program, it is a
4 priority and BB&T focuses on reaching all students from low to
5 high income communities in both public and private schools. The
6 financial foundation's program focuses on all the financial
7 skills our students need, from investing to financing higher
8 education, savings, banking, taxes, insurance, all of these
9 topics. As a former elementary and middle school teacher, like
10 you said, it's so important that our students need this. In the
11 2017-18 school year, students showed significant gains in both
12 saving and financing higher education where they failed at the
13 start of the program and finished the lessons with a B average.
14 And in regards to what the students think, one student shared:
15 "I'm not sure how much actual money I'll be making in the
16 future, but because of BB&T I know I will be financially stable
17 because I'll know what to do with my money and how to make smart
18 financial choices. The knowledge I have gained through this
19 course is indispensable." The BB&T financial foundation's
20 program has grown each year impacting more schools and more
21 students. In 2018 BB&T yet again committed to expand the
22 program to reach 1800 high schools by 2022 throughout their

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1 footprint with major growth in Texas, Florida and Pennsylvania.
2 BB&T's program goes well beyond the digital course. BB&T
3 associates bring the course to life for students, volunteering
4 in over 500 classrooms over the last four years to reinforce the
5 topics the students have learned. In addition to sponsoring the
6 program for schools, financial education has also been offered
7 at no cost to students in colleges and universities, primarily,
8 historically Black colleges and universities, throughout the
9 footprint as well as adult learners needing Just in Time
10 education in financial topics. BB&T has a deep commitment to
11 the communities they serve and people they serve and EVERFI
12 believes strongly that this commitment will continue to develop
13 and deepen with the SunTrust merger. Thank you.

14 MS. SUZANNE KILLIAN: Could we have the following people
15 come to the table, please? John McMahon John Gray, Michael
16 Marsicano, Ivory Johnson and William Council. Thank you for
17 coming.

18 MR. JOHN MCMAHON: Thank you for the opportunity to talk
19 to you guys today. My name is John McMahon and I am Chairman
20 Emeritus of Miller and Long Construction Company. We're a
21 concrete construction company. We build structures. You can
22 right over here to see Panther's Stadium and that's one of the

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1 structures that I built. If you land at Reagan Airport you're
2 walking on my concrete. In the process, my company, and my term
3 as chairman and president of the company, we've built over 500
4 million square feet of structure consisting of about 1300
5 highrise buildings. Right now we have 19 under construction.
6 Some of them are thirty-story buildings. I've got 12 in the
7 pipeline. Why am I telling you this? Because I was a walk-on
8 laborer in 1963, and because in my high school they had
9 vocational training, along with regular academics, I was exposed
10 to metal shop, wood shop, mechanical drawing, all the trades
11 that had life skills and high schools had that at the time. I
12 wasn't a good student but I aced trigonometry and I remember
13 every one of my shop teachers. So, in '63 I walked on a job
14 site in downtown, big hole in the ground, noise, had no idea
15 what's going on. Two months later I was the chief engineer on
16 the job, taking the top [inaudible]. So, I said: "wow, if this
17 is an industry that advances you this quick, this is where I've
18 gotta be." By the time I was president of the company and we
19 doubled the business every year for ten years and became the
20 largest concrete construction company in the nation.

21 In my career, we were always harassed by the city council
22 for not hiring D.C. residents. Why was that? And I always

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1 went back and: "You've got to produce employable people." What
2 we found out is 40 years ago they abandoned all vocation
3 training in the school system. They're concentrating on only
4 academics and I would urge you to buy a book called The Once and
5 Future Worker by Orin Cash, and in chapter 6 he explains that
6 because of this trend toward academics only, only about 15 to
7 20% of the students are served by that and even if they get good
8 enough grades to get into college they can't afford it. The
9 other 80% of the students traditionally would go into trades or
10 work in trades and then go to college and so on. By the time
11 they're in 8th or 9th grade they're bored. The rubber met the
12 road for me. We had a young African-American, a nice young man,
13 had a high school diploma from the D.C. public schools system.
14 We put him in an apprenticeship program and they found him in
15 the closet desperately trying to read the material. We found
16 out that he could neither read nor write. Checking a little
17 farther we found out he was legally blind. I thought, this and
18 the council is blaming the contractors for not hiring people.
19 That's when I got a group of business people and we founded the
20 D.C. Students Construction Trades Foundation. The 12 founding
21 members, all the top developers, general contractors, specialty
22 contractors, and some advisors, they're still -- not one of them

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1 turned me down. They all recognized instantly that this had a
2 very important mission and they've been with me for 15 years and
3 we have 12 founding members and 17 people have joined an
4 executive council supporting this effort, and we still have a
5 long way to go. Well, where is the achilles heel in the system?

6 The achilles heel in the system is the lack of vocational
7 training. When we took this program to the school board in
8 Washington, first of all I got in a tussle in the hallway
9 because the guy in Ward 8 didn't want me in there, and then we
10 sat and waited to testify but they went all the way, after we
11 testified, the school board went all the way around, morphed
12 into why this wouldn't work --

13 MR. JONATHAN MILLER: If you could wrap up please?

14 MR. JOHN MCMAHON: Yes, I will. A 17-year-old kid got up
15 and said "we just talked for 45 minutes about truancy, and maybe
16 if we made school more interesting we wouldn't be talking about
17 truancy." I said we're doing this, we've been doing this for
18 14 years, I need the help from the Federal and the banking
19 industry. We have to change the high school policy because the
20 decay in these communities is because the school is not
21 interesting. They quit in 8th grade. We just took in a group
22 of 9th graders that have a reading skill of first grade but

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1 they're expected to make performance standards. It just can't
2 happen. We need your help. Thank you.

3 MR. JOHN GRAY: Thank you for giving me the opportunity to
4 speak on behalf of this merger and in support of the merger
5 between SunTrust and BB&T. My name is John Gray and I serve
6 with the local ministry in Norfolk, Virginia, called the Union
7 Mission Ministries. It's been around since 1892 and it does
8 many of the things that you've heard from these other fine
9 organizations throughout the day to serve some of the most
10 vulnerable, most needy in our community. The Mission's been
11 around since 1892 and it has had lots of moves and things and
12 lots of changes as we've gone through the time, but what I have
13 seen is what doesn't change is that people need hope and we
14 provide that through some of the programs that we do there and
15 some of the practical things but also just expressing very
16 practically the love of God and the promise and the power of
17 Jesus Christ. And so it's a very gratifying work for me to be a
18 part of for these last 28 years and then to see who would be
19 drawn to something like this, and you'd have to have been
20 through some of these public meetings when you're trying to move
21 a homeless shelter that serves 400 men, women and children each
22 night, to say that they love you, they love what you do, but

1 could you do it somewhere else? And we've gone through that a
2 number of times but what really stands out for me, and I'll get
3 right to it, with SunTrust and with BB&T, is, I think about
4 their consistency in support. When they began to support us is
5 when we began to need to move again. The city was making way
6 for progress and we stood in the way of that progress and so I
7 think about a bank like SunTrust and their public stature
8 standing with a homeless shelter, a homeless provider, but they
9 did and they have continued and I appreciate that consistent
10 support that they have provided for us and, you know, the folks
11 mentioned Charity and Mark have been great to work with in
12 leading us along the way, but I think about their consistent
13 support in standing with us, but then I also think about their
14 critical support and here it is: When it's time to move a
15 shelter like this, and it doesn't really matter what city, it's
16 a challenge and really the scope and size of it doesn't really
17 matter either, but I think about the timing of that and them
18 standing with us through that. We're a small organization,
19 comparatively speaking, but we're completely privately funded.
20 We're funded by the goodwill and the generosity of people in the
21 community and throughout. And again we serve the Hampton Roads
22 community, the state, and even those outside of the Commonwealth

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1 of Virginia, but to see them stand with us through all of that,
2 and then, you know, I'm in the business of sharing what we do
3 and talking about those things, but I can't help but think that
4 some of the purest of charity, and this is what really gets to
5 the heart of the story of the good Samaritan, is when you give
6 to someone or you help someone who in no way can repay you, who
7 cannot respond in kind, and so I'm thankful for great partners
8 and great community partner and stakeholders like SunTrust and
9 BB&T. Thank you for your time.

10 MR. MICHAEL MARSICANO: Good afternoon, my name is Michael
11 Marsicano, and I am here today representing Foundation for the
12 Carolinas. I am speaking in support of the SunTrust and BB&T
13 merger application with great enthusiasm. As President of the
14 foundation, I can attest to our longstanding relationship with
15 BB&T and to our philanthropic partnership with SunTrust. Both
16 banks have proven their charitable commitment to our community
17 and to our region through their generosity, support and
18 partnership over the years. The Foundation for the Carolinas is
19 the sixth largest community foundation in the United States with
20 assets in excess of 2.5 billion dollars. With more than 2800
21 different fund holders the foundation serves donors in a broad
22 range of charitable purposes in a 13 county region in both North

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1 and South Carolina. We've been doing that since '58. For more
2 than 25 years the foundation has been a client of BB&T and they
3 have given us superior service. We are currently expanding our
4 headquarters facility with the renovation of an historic theater
5 in uptown Charlotte. BB&T has not only been supportive of the
6 project with philanthropic giving, they've also offered to help
7 us with a bridge loan for the construction. SunTrust is well
8 known in philanthropic circles in our community through the work
9 of its SunTrust Foundation. Our organizations have shared
10 interest in supporting charities such as the United Way and
11 local groups like Classroom Central which works to equip
12 students in need with free classroom supplies. Multiple fund
13 holders of the foundation and the SunTrust foundation itself,
14 are enthusiastic supporters of this initiative amongst others.
15 The civic commitment toward our citizens and neighbors by BB&T
16 and SunTrust was particularly evident in their recent combined
17 30 million dollar commitment announcement to affordable housing.

18 Last year the foundation I direct launched a multimillion
19 dollar campaign to raise funds from the private sector with the
20 goal of increasing access to affordable housing. This is a dire
21 need in Mecklenburg County as nearly half our residents are cost
22 burdened and we face a deficit of more than 30,000 affordable

1 housing units. When asked to help support the campaign, the
2 banks not only agreed to a combined 10 million dollar gift to
3 the Charlotte Housing Opportunity Investment Fund we created but
4 they also offered 20 million dollars on top of that in
5 additional support. I can honesty say it was one of the few
6 times in my career that I have been offered more than I asked
7 for. Now, I have been raising funds for over 30 years and
8 nobody gives you more than you have asked for. So, the
9 generosity of these two financial enterprises cannot be
10 overstated. This civic commitment starts at the top. CEOs
11 Kelly King and Bill Rogers are corporate leaders and innovative
12 thinkers with proven track records of success in the financial
13 field but they've shown they place just as high a value on
14 charitable, good, philanthropic giving and civic involvement.
15 The Foundation for the Carolinas is focused on improving upward
16 mobility, education and affordable housing among other
17 initiatives. BB&T and SunTrust have proven to be eager partners
18 in these endeavors. Give both organizations' philanthropic
19 spirit, enthusiasm for the community, and generosity toward
20 causes that matter, this merger would be a clear benefit to
21 Charlotte, Mecklenburg and the Carolinas that I'm committed to
22 in my profession. BB&T and SunTrust have shown that they

1 support our foundation's mission and this community and we
2 enthusiastically support this merger application and thank you
3 for the time and attention enabling me to say so.

4 MR. IVORY JOHNSON: Like those who have spoken before me,
5 I'd like to express my thanks and gratitude for allowing me to
6 support the merger between BB&T and SunTrust. My name is Ivory
7 Johnson. I'm the immediate past president of the 100 Black Men
8 of Greater Washington D.C. serving as President for three years,
9 Treasurer for two years before that, and working directly with
10 Muriel Garr at SunTrust Bank. As many of you know, the 100
11 Black Men is an all volunteer nonprofit 501(c)(3) organization
12 whose purpose is to mentor young men of color, young men and
13 women of color, especially those who are trying to get over
14 anything low enough to hurdle and worth getting over on. We've
15 been in existence on a national level for over 50 years. The
16 Washington D.C. chapter has been in existence for going on 25
17 years. The role that SunTrust and Muriel Garr has played in
18 helping the 100 Black Men of D.C. fulfill its mission of
19 stabilizing the community, has been invaluable as we implement
20 our financial literacy program and our STEM the 100 Way program,
21 particularly in downtrodden neighborhoods, suffice it to say
22 that the bank has to fulfill Community Reinvestment Act

1 obligations and I like to think that we've been an integral
2 partner in that regard as well, helping them meet that
3 responsibility by going in some of the neighborhoods in D.C.,
4 particularly Ward 7 and Ward 8 in Washington, D.C. This is the
5 type of place where the predominant business model is
6 pharmaceutical in nature where a disproportionate number of
7 citizens have some experience with the criminal justice system.
8 This might strike you as odd and it's even improbable to suggest
9 that 90% of the students in these neighborhoods are not
10 proficient in English and math until you look back and know that
11 until the mid 2000s these kids didn't get textbooks. Instead
12 they got xeroxed pieces of paper that masqueraded as a textbook.
13 If they were lucky, they split one textbook, one getting it
14 Monday, Wednesday and Friday and the other kid getting it
15 Tuesdays and Thursdays. Even today in some of the schools where
16 we mentor the computers that they have were manufactured during
17 the Bush administration. Not George W. Bush, George H. Bush.
18 So, in light of these circumstances we think it's important to
19 partner with organizations that don't just talk the talk but
20 walk the walk and we've found that Muriel Garr and SunTrust fit
21 that description not only with financial assistance but serving
22 as a consultant with vision and technical assistance as well.

1 One of the things we decided to do was got to a high school in
2 Washington D.C. where the kids come into the 9th grade reading
3 on a 4th and 5th grade reading level. If they read on a 7th
4 grade reading level they put them in an honors class. And I'd
5 love to stand here and boast that all of our kids in the program
6 got a 1300 on SATs but as somebody who manages money for a
7 living I pay a lot of attention to the rate of change and not
8 just a static value, not just one number. So, if you go from
9 10 to 12 to 14 you're going from great to good and in my world
10 that's bad so with that said one of the things that we found
11 with the support of Muriel is that these kids' grades increased
12 by 5%, their standardized test scores increased by 20% and part
13 of that is because they can't practice on the computer. The
14 first time they see the test is on the computer because the
15 computers aren't up to speed so they increased their test
16 scores. There are kids on college campus right now as a direct
17 consequence of the support that we receive from SunTrust. As
18 96% of the kids that came through our program or were admitted
19 to an accredited four-year institution, and it's a big reason
20 why the chamber of commerce in D.C. gave us Nonprofit of the
21 Year. And to put that into perspective, there are more
22 nonprofits in D.C. than anywhere else in the country. And if I

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1 could just finish with one thing if I may, when I'm not doing
2 community service, I'm told that I own a wealth management firm
3 and I'm on CNBC's financial advisory council and suffice it to
4 say the financial services industry is becoming commoditized,
5 and I have to believe without [inaudible] is about creating
6 disruption that when you have differentiators it reinforces your
7 business model and you do that by having partners on the ground.

8 So, the next Bill Gates might be in a public housing project
9 and so we want to give that person opportunity so that they can
10 be on the bank's bottom line not at the bottom of somebody
11 else's barrel. And all of this is possible with Muriel Garr who
12 helped reach out to low-to-moderate-income kids and we'd like to
13 see these actions continue because the support is not just to
14 the community or mentees or the programs, but the bank is well.
15 Thank you for your time.

16 MR. WILLIAM COUNCIL: Thank you for having me here today,
17 my name is Bill Council. I'm with Omega Psi Fraternity in Queen
18 City Omega foundation. I'm here in support of SunTrust BB&T
19 merger for one reason and one reason only, is that SunTrust has
20 been an advocate for us in terms of providing scholarships to
21 people who otherwise wouldn't go to college. When you go to
22 college and you have peers that basically \$2000 or \$1500 \$500,

1 \$3000 may be the reason why they don't go to college and the
2 SunTrust Foundation has been providing funding for us to reach
3 out to these folks and provide the money they need to go to
4 college. Today, like I say, we have eight kids that have gone
5 on to college and graduated and, trust me, they would have never
6 gone to college without this help and continued funding from
7 SunTrust. Also, in my minority-owned business and SunTrust has
8 supported my business for the last six years and it's not as big
9 as I'd like for it to be but they're there. So, I don't have a
10 whole lot to say about it other than what's right is right and
11 SunTrust is right and this merger is right. Thank you.

12 MS. KILLIAN: We don't have any more walk-ins at this
13 time; however, the session is open until 5:00 so if you want to
14 stay close in case we have others from the public that want to
15 come in and talk with us, please do.

16 MR. CHESTER ELLSWORTH: My name is Chester Ellsworth
17 [inaudible]. I'm talking in support of the continued
18 investigation into the merger. Expanding a little bit on the
19 experiences of another Florida man that talked earlier today,
20 Mr. Alghita. And I wanted to start off by saying that there's
21 no surprise here about why this merger is taking place and why
22 it's such a big situation. The recognition that profits are in

1 loans and servicing to people is declining in response to the
2 value of the information that's being gained in the monitoring
3 of the systems and that "monification" of the monitoring a la
4 Bill Gates, the Buffets and social mediums and all that have
5 placed the information that the banks have in a weaponized
6 situation. In other words you're looking at putting together a
7 large, bigger company now, of possibly mass destruction, and
8 it's your responsibility to make sure that doesn't happen. That
9 information, starting out back when the police would call up the
10 bank and say "I've got a bank robbery here I'd like to get the
11 check numbers of all the people there that robbed the bank" and
12 the banks would give that information out, okay? The privacy
13 policy there has been switched to bank privilege. As this goes
14 on and you give this information out to people it spreads around
15 and that becomes valuable. As banks have grown, the bigger the
16 banking system, the bigger the network system is, the more
17 privilege is gained. The profits from that monitoring are
18 staggering compared to loans to us little guys and so it's a
19 big, big thing politically. They investigation that this man
20 was talking about, in my situation goes to consideration of, for
21 instance, now when Mr. Scalia died there wasn't anybody that
22 came forward with any checks or telephone numbers or tracking

1 and all that but the information was kept absolutely quiet.

2 Same thing with Mr. Obama when he paid his [inaudible] over to

3 Iran, \$400,000 in cash. You're not getting any information from

4 anybody published. And now, just recently, the Perkins Coie

5 checks from the Mueller situation. Whoever has that information

6 is invaluable and it's being leveraged, so when you put together

7 two big, big companies like this that are the mainstay, they

8 have the information on all of it -- who wrote the checks, who

9 was involved, who actually paid who, what lawsuits were

10 performed in another part of the country that brought the money

11 in to pay for that campaign financing. So, you're looking at an

12 extremely serious situation of the power you're giving to these

13 people.

14 I have a situation where I'm in litigation and the

15 agreement that you have in this case has been violated already,

16 don't need to embellish any of that, and 2014 consent judgment

17 agreement is being violated today. That was the one that was

18 signed by Mary Ann Collier, the FISA judge. She knows about it,

19 she knows it now. SunTrust knows about it. The IRS knows about

20 it. Mr. Alvarez knows about it.

21 MR. JONATHAN MILLER: Sir, if you could wrap up please,

22 the five minutes is up.

1 MR. WILLIAM COUNCIL: Yeah, and more knows about it. The
2 reason for the unexplained, untimely is the concealment of
3 information and I know you guy know about it, that's how
4 important it is. I'd like to see further investigation. Thank
5 you.

6 MR. JONATHAN MILLER: Thank you. So, I guess we'll just
7 be in sort of a recess until we have other people who may want
8 to come up. So, hang around if you want, or not.

9 (Whereupon the meeting was in recess until 5pm, at which
10 time it was adjourned.)

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