

AMSOUTH BANCORPORATION
Form DEF 14A
March 18, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No. __)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

AmSouth Bancorporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

March 11, 2005

To our Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders of AmSouth Bancorporation scheduled for 11:00 A.M. on Thursday, April 21, 2005 at the auditorium of AmSouth Bank in the AmSouth-Harbert Plaza, 1901 Sixth Avenue North, in Birmingham, Alabama. The matters scheduled for consideration at the meeting are described in the attached Notice of Meeting of Shareholders and Proxy Statement.

Your vote is important to us, no matter how many shares you own. Shareholders have a choice of voting over the Internet, by telephone or by using a traditional proxy card. Check your proxy card forwarded by AmSouth or your broker or other holder of record to see the voting options available to you. If you do attend the Annual Meeting and desire to vote in person, you may do so even though you have previously voted your proxy.

Also enclosed is AmSouth's 2004 Annual Report to Shareholders which contains additional information about AmSouth, including our letter to shareholders and a detailed discussion of our financial performance during the past year. We believe that this information will be useful and informative regarding the current status of your company.

Sincerely,

C. Dowd Ritter

Chairman, President and Chief

Executive Officer

Post Office Box 11007

Birmingham, Alabama 35288

NOTICE OF MEETING OF SHAREHOLDERS

TO BE HELD ON APRIL 21, 2005

TO THE HOLDERS OF SHARES OF COMMON STOCK:

NOTICE IS HEREBY GIVEN that, pursuant to call of its Directors, the regular Annual Meeting of Shareholders of AMSOUTH BANCORPORATION will be held at the auditorium of AmSouth Bank in the AmSouth-Harbert Plaza, 1901 Sixth Avenue North in Birmingham, Alabama on Thursday, April 21, 2005 at 11:00 A.M., for the purpose of considering and voting upon the following matters:

1. An AmSouth proposal to elect three directors of Class II to serve for a term of three years until the Annual Meeting of Shareholders in 2008 or until their successors are elected and qualify.
2. An AmSouth proposal to ratify the appointment of Ernst & Young, LLP as independent registered public accounting firm of the Company to serve for the 2005 fiscal year.
3. Consideration of a shareholder proposal as set forth in the Proxy Statement, if presented to the meeting; and
4. The transaction of such other business as may properly come before the meeting or any adjournment thereof.

Your attention is directed to the accompanying Proxy Statement for further information with respect to the matters to be acted upon at the meeting.

All holders of record of shares of AmSouth common stock (NYSE: ASO) at the close of business on February 22, 2005 are entitled to receive notice of the meeting and to vote at the meeting.

March 11, 2005

BY ORDER OF THE BOARD OF DIRECTORS

John D. Buchanan
Secretary

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YOUR VOTE IS IMPORTANT

You can vote one of three ways:

- (a) Via the Internet: Visit the web site listed on your proxy card to vote via the Internet.
 - (b) By Telephone: Call the toll-free number listed on your proxy card to vote by phone.
 - (c) By Mail: Mark, sign, date and mail your proxy card in the enclosed postage-paid envelope.
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PROXY STATEMENT

DATED MARCH 11, 2005

AmSouth Bancorporation

P.O. Box 11007, Birmingham, Alabama 35288

For Annual Meeting of Shareholders

To be Held on April 21, 2005

GENERAL

We are delivering these proxy materials to solicit proxies on behalf of the Board of Directors of AmSouth Bancorporation (AmSouth or the Corporation or the Company) for the 2005 Annual Meeting of Shareholders to be held on April 21, 2005 and any adjournment or adjournments thereof.

We are mailing this Proxy Statement, together with a form of proxy and voting instruction card (proxy card) and the Company's annual report for the year ended December 31, 2004, or otherwise making them available through electronic delivery, starting on or about March 18, 2005, to shareholders entitled to vote at the meeting.

Shareholders Entitled to Vote at the Meeting

If you are a registered shareholder at the close of business on the record date, February 22, 2005, you are entitled to receive this notice and to vote at the meeting. There were 353,133,227 shares of common stock outstanding on the record date. You will have one vote on each matter properly brought before the meeting for each share of AmSouth common stock you own.

Electronic Access to Proxy Materials and Annual Report

Shareholders can elect to view future AmSouth Bancorporation proxy statements and annual reports over the Internet instead of receiving paper copies in the mail and thus can save AmSouth the cost of producing and mailing these documents. If you already have internet access, there will be no additional charge for you to have electronic access via the internet to our proxy materials and annual report.

If you are a registered shareholder, you can choose to receive future annual reports and proxy statements electronically by following the prompt if you choose to vote over the Internet. Registered shareholders, as well as most beneficial shareholders, can enroll to receive electronic delivery of materials by following the instructions on the Investor Relations Resource Center at our web site, www.amsouth.com, or by accessing www.icsdelivery.com/aso.

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Shareholders who choose to view future proxy statements and annual reports over the Internet will receive an e-mail with instructions containing the Internet address of those materials, as well as voting instructions, approximately four weeks before future meetings.

If you enroll to view AmSouth's future annual reports and proxy statements electronically and vote your proxy over the Internet, your enrollment will remain in effect for all future shareholders' meetings unless you cancel it. To cancel, registered shareholders should access www.icsdelivery.com/aso and follow the instructions to cancel your enrollment. If you hold your AmSouth stock in nominee name, check the information provided by your nominee for instructions on how to cancel your enrollment.

If at any time you would like to receive a paper copy of the annual report or proxy statement, please write to Investor Relations, AmSouth Bancorporation, P.O. Box 11007, Birmingham, Alabama 35288 or call us at 205-581-7890.

IMPORTANT NOTICE REGARDING DELIVERY OF SECURITY HOLDER DOCUMENTS

The Securities and Exchange Commission (SEC) has issued rules regarding the delivery of proxy statements and information statements to households. These rules spell out the conditions under which annual reports, information statements, proxy statements, prospectuses and other disclosure documents of a particular company that would otherwise be mailed in separate envelopes to more than one person at a shared address may be mailed as one copy in one envelope addressed to all holders at that address. In accordance with that rule, AmSouth began householding all annual reports and proxy and information statements effective June 1, 2001.

If you are a new registered shareholder since the record date for our 2004 Annual Meeting and you choose not to have your annual reports and proxy and information statements sent to a single household address as described above, you must opt out by marking the designated box on the enclosed proxy card. If you are a registered shareholder and if you choose to opt out of the householding program at a future date, please write to Investor Relations, AmSouth Bancorporation, P.O. Box 11007, Birmingham, Alabama 35288 or call us at 205-581-7890 or 1-800-542-1061, and we will cease householding your annual reports and proxy and information statements within 30 days. If we do not receive instructions to remove your account(s) from this service, your account(s) will continue to be householded until we notify you otherwise. However, if at any time you would like a separate copy of the annual report or proxy statement, please write or call us at the address or phone number shown above, and we will deliver it promptly.

If you own your AmSouth stock in nominee name (such as through a broker), information regarding householding of disclosure documents should be forwarded to you by your broker.

How to Vote Your Shares

Your vote is important. Your shares can be voted at the Annual Meeting only if you are present in person or represented by proxy. Even if you plan to attend the meeting, we urge you to vote in advance. If you own your shares in record name, you may cast your vote one of three ways:

Vote by Internet: You can choose to vote your shares over the Internet site listed on the proxy card. This site will give you the opportunity to make your selections and confirm that your instructions have been followed. To take advantage of the convenience of voting on the Internet, you must subscribe to one of the various commercial services that offers access to the World Wide Web. *If you vote via the Internet, you do not need to return the proxy card.*

Vote By Telephone: You can also vote by phone at any time by calling the toll-free number (for residents of the U.S.) listed on the proxy card. To vote by phone follow the simple recorded instructions. *If you vote by phone, you do not need to return the proxy card.*

Vote by Mail: If you choose to vote by mail, simply mark the proxy card, and then date, sign and return it in the postage-paid envelope provided.

Shareholders who hold their shares beneficially in street name through a nominee (such as a broker) may be able to vote by telephone or the Internet as well as by mail. You should follow the instructions you receive from your nominee to vote these shares.

How to Revoke Your Proxy

You may revoke your proxy at any time before it is voted at the meeting by:

Properly executing and delivering a later-dated proxy (including a telephone or Internet vote);

Voting by ballot at the meeting; or

Sending a written notice of revocation to the inspectors of election in care of the Corporate Secretary of AmSouth at the address shown on the cover of this proxy statement.

Cost of Proxy Solicitation

We will pay the expenses of soliciting proxies in connection with the Annual Meeting. Proxies may be solicited on our behalf through the mail, in person, by telephone, electronic transmission, or facsimile transmission. We have hired Morrow & Co., Inc. to assist with the solicitation of proxies for a fee of \$8,500 plus the reimbursement of any out-of-pocket expenses incurred. It is possible that Morrow & Co. may be paid additional fees depending upon the services rendered.

In accordance with the SEC and the New York Stock Exchange (NYSE) rules, AmSouth will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their expenses of sending proxies and proxy materials to the beneficial owners of AmSouth common stock.

Other Matters

The Board of Directors does not know of any matters that may be brought before the Annual Meeting other than as listed in the Notice of Meeting. If any other matters are properly introduced at the Annual Meeting for consideration, including consideration of a motion to adjourn the meeting to another time or place, the individuals named on the enclosed proxy will vote on such matters in accordance with their discretion.

The Board's Recommendations

If you send a properly executed proxy without specific voting instructions, your shares represented by that proxy will be voted as recommended by the Board of Directors:

FOR the election of the three nominees as directors (see Item 1),

FOR the ratification of Ernst & Young, LLP as independent registered public accounting firm (see Item 2), and

AGAINST the shareholder proposal (see Item 3).

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Shares of common stock, \$1.00 par value per share, are the only authorized securities of AmSouth entitled to vote, and each outstanding share is entitled to one vote. Only holders of record of common stock at the close of business on February 22, 2005 will be entitled to vote at the Annual Meeting. AmSouth is currently authorized to issue up to seven hundred and fifty million (750,000,000) shares of such common stock. As of February 22, 2005, there were 353,133,227 shares of common stock of AmSouth issued, outstanding and entitled to vote.

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Shareholders who are participants in AmSouth's Direct Stock Purchase and Dividend Reinvestment Plan (the "DRP") and/or are AmSouth employees who participate in the AmSouth Stock Fund of the AmSouth Thrift Plan will find that the enclosed proxy card or electronic voting instruction shows the total of the number of any shares held by them in their own names (but not in street name through a broker) as well as those shares, including fractions of shares, held on their behalf by the agent for the DRP and/or the trustee for the Thrift Plan.

Voting in one of the ways previously described will allow voting of all shares, including those held by the DRP agent and the trustee for the Thrift Plan. Except with respect to the election of directors, the trustee for the Thrift Plan may, in its discretion, under the terms of the Thrift Plan, vote shares for which no directions have been received.

STOCK OWNERSHIP

At December 31, 2004 no person was known to the management of AmSouth to be the beneficial owner of more than five percent of AmSouth's outstanding common stock. The following table reflects the number of shares of AmSouth common stock (rounded to the nearest whole number) beneficially owned by (i) each director and nominee for director of AmSouth, (ii) the five most highly compensated executive officers who are not also directors (listed in the table under the heading Certain Executive Officers) and (iii) the directors, nominees and executive officers of AmSouth as a group.

All of the directors of AmSouth have elected to defer receipt of some or all of the retainer and meeting fees they are paid for service on the Board of Directors and to receive shares of AmSouth stock instead of cash when the deferred amounts are paid. Therefore, the ultimate value of the amounts deferred will be tied to the performance of AmSouth stock. As of February 22, 2005, the directors as a group held 72,115 shares of such deferred stock. Certain executive officers of AmSouth have made similar elections to defer receipt of bonuses and to receive shares of AmSouth stock when the deferred amounts are paid. Such stock, whether attributable to deferrals by directors or by executive officers, is hereinafter referred to as Deferred Stock.

Person, Group or Entity	AmSouth Shares Beneficially Owned(1)			
	As of February 22, 2005			
	Sole Power(2)	Shared Power(3)	Aggregate	Percent of Total Outstanding
DIRECTORS AND NOMINEES				
Earnest W. Deavenport, Jr.	76,448		76,448	*
Martha R. Ingram	102,636		102,636	*
Ronald L. Kuehn, Jr.	70,234	240	70,474	*
James R. Malone	48,262	6,750	55,012	*
Charles D. McCrary	28,354		28,354	*
Claude B. Nielsen	60,350	3,536	63,886	*
C. Dowd Ritter	3,272,250(4)	19,333	3,291,583	*
Cleophus Thomas, Jr.	20,816	1,442	22,258	*
CERTAIN EXECUTIVE OFFICERS				
Candice W. Bagby	540,941(5)	3,300	544,241	*
O.B. Grayson Hall, Jr.	486,117(6)		486,117	*
W. Charles Mayer, III	705,522(7)	16,349	721,871	*
Beth E. Mooney	447,727(8)		447,727	*
E. W. Stephenson, Jr.	690,983(9)	64,000	754,983	*
Directors, Nominees and Executive Officers as a group (consisting of 18 persons)	7,828,198(10)	159,103	7,987,301	2.2%

* Less than one percent

Notes

- (1) The number of shares reflected are shares which under applicable regulations of the SEC are deemed to be beneficially owned. Shares deemed to be beneficially owned under such regulations include shares as to which, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, either voting power or investment power is held or shared. The total number of

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shares beneficially owned is divided, where applicable, into two categories: shares as to which voting/investment power is held solely, and shares as to which voting/investment power is shared.

- (2) Unless otherwise indicated in the following notes, if a beneficial owner is shown as having sole power, the owner has sole voting and sole investment power, and if a beneficial owner is shown as having shared power, the owner has shared voting power and shared investment power. If ownership of restricted stock is

shown, the individual has sole voting power, but no power of disposition. The amounts in this column include (a) shares of Deferred Stock held by the following directors in the amounts (rounded) shown: Deavenport 13,521; Ingram 5,935; Kuehn 19,602; Malone 9,870; McCrary 8,284; Nielsen 11,628; and Thomas 3,275; and (b) stock options for 32,839 shares for each of directors Kuehn, Malone and Nielsen, stock options for 31,152 shares for directors Deavenport and Ingram; stock options for 19,866 shares for director McCrary; and stock options for 9,066 shares for director Thomas. These are options that can be exercised within 60 days. Option information for director Ritter is in footnote (4). For directors and executive officers, shares of Deferred Stock are held under deferred compensation plans and have no voting rights. Some individuals are beneficial owners of shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan. The individual has sole voting power, but no direct power of disposition over the shares held in the Stock Fund, but can elect to move monies in and out of the Fund and/or change the amount of contributions, thereby affecting the individual's balance in the Fund.

- (3) This column may include shares held in the name of, among others, a spouse, minor children or certain other relatives sharing the same home as the director, nominee or executive officer, as to all of which beneficial ownership is disclaimed by the respective director, nominee and executive officer.
- (4) Includes 2,455,141 shares which could be acquired within 60 days pursuant to stock options, 320,000 shares of restricted stock and 97,716 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan.
- (5) Includes 408,557 shares which could be acquired within 60 days pursuant to stock options, 50,000 shares of restricted stock and 2,502 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan.
- (6) Includes 386,124 shares which could be acquired within 60 days pursuant to stock options, 50,000 shares of restricted stock and 8,158 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan.
- (7) Includes 514,849 shares which could be acquired within 60 days pursuant to stock options, 75,000 shares of restricted stock and 1,703 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan.
- (8) Includes 341,115 shares which could be acquired within 60 days pursuant to stock options, 75,000 shares of restricted stock, 1,032 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan and 17,240 shares of Deferred Stock.
- (9) Includes 514,849 shares that could be acquired within 60 days pursuant to stock options, 75,000 shares of restricted stock, 5,652 shares held by the AmSouth Stock Fund of the AmSouth Thrift Plan and 12,183 shares of Deferred Stock.
- (10) 141,850 of these shares are held by the AmSouth Stock Fund of the AmSouth Thrift Plan, 744,653 of these shares are restricted stock, 5,851,633 of these shares could be acquired within 60 days pursuant to stock options and 111,990 are shares of Deferred Stock.

As of February 22, 2005, AmSouth held 64,582,216 shares of its common stock as Treasury shares.

ITEM 1 ELECTION OF DIRECTORS

General

Under AmSouth's Restated Certificate of Incorporation, the Board of Directors is divided into three classes, with the term of office of each class expiring in successive years. AmSouth's Bylaws provide that the number of directors will be fixed from time to time by the vote of two-thirds of the directors then in office who have been elected by the shareholders. The current number of directors is eight. The terms of Class II Directors expire at this Annual Meeting. The terms of Class III and Class I Directors will expire in 2006 and 2007, respectively.

The Board of Directors is recommending the election to Class II of directors Earnest W. Deavenport, Jr., James R. Malone and Ronald L. Kuehn, Jr. Each of the Class II Directors elected at this Annual Meeting will serve three-year terms expiring at the 2008 Annual Meeting of Shareholders or until the director's respective successor is elected and qualified, except as provided in the Board Retirement Policy.

Proxies solicited by the Board of Directors will be voted for the election of the nominees named above, unless you withhold your vote. Management has no reason to believe that any nominee will be unable or unwilling to serve as a director if elected. However, if any one of them should become unavailable, the Board of Directors may reduce the size of the board or designate a substitute. If the board designates a substitute nominee, shares represented by proxies will be voted for the substitute nominee.

The names of the nominees and the directors who will continue to serve unexpired terms and certain information relating to them, including the business experience of each during the past five years, follow. The directorships shown are with corporations subject to the registration or reporting requirements of the Securities Exchange Act of 1934 or registered under the Investment Company Act of 1940. Each of the directors of AmSouth is also a director of AmSouth Bank, a wholly-owned subsidiary of AmSouth.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR EACH OF THE FOLLOWING THREE NOMINEES FOR ELECTION AS A DIRECTOR:

NOMINEES FOR TERMS EXPIRING IN 2008 (CLASS II)

Ernest W. Deavenport, Jr. Director since 1999

Mr. Deavenport, 66, was Chairman of the Board and Chief Executive Officer from 1994 through 2001 of Eastman Chemical Company, a manufacturer of plastic, chemical and fiber products. He also serves on the boards of Theragenics Corporation, King Pharmaceuticals, Inc. and Acuity Brands, Inc.

James R. Malone Director since 1994

During 2004, Mr. Malone, 62, was named Vice Chairman, President and Chief Executive Officer of Brown Jordan International, Inc., a manufacturer of retail and contract furnishings. He is the Founding and Managing Partner of Qorval LLC, a financial and business restructuring and consulting firm. He was Chairman of the Board 1996-2004 and Chief Executive Officer 1997-2004 of HMI Industries, Inc., a producer of cleaners for residential and commercial use and other industrial manufactured products. From 2000 to 2003 Mr. Malone was a Managing Director of Bridge Associates LLC, which engaged in activities similar to those of Qorval. Mr. Malone also serves on the boards of Ametek, Inc. and Brown Jordan International, Inc.

Ronald L. Kuehn, Jr. Director since 1986

Mr. Kuehn, 69, has been Chairman of the Board of El Paso Corporation, a diversified energy company, since March 2003, a position he also held from October 1999 to December 2000. From March 2003 to September 2003, Mr. Kuehn served as El Paso's Chief Executive Officer, and from September 2002 to March 2003, Mr. Kuehn was the Lead Director of El Paso. From January 2001 to March 2003, he was a business consultant. Mr. Kuehn served as President and Chief Executive Officer of Sonat Inc., a diversified energy company, from 1984 until his retirement in October 1999. He was Chairman of the board of directors of Sonat from 1986 until his retirement. He is a member of the board of directors of The Dun & Bradstreet Corporation, El Paso Corporation and Praxair, Inc.

DIRECTORS WHOSE TERMS EXPIRE IN 2006 (CLASS III)

Martha R. Ingram Director since 1999

Ms. Ingram, 69, is the Chairman of the Board of Ingram Industries Inc., a privately held company with diversified businesses in marine transportation, book distributing and insurance, a position she has held since 1995. She also serves on the board of directors of Ingram Micro, Inc. and Weyerhaeuser, Inc.

Charles D. McCrary Director since 2001

Mr. McCrary, 53, has been President and Chief Executive Officer of Alabama Power Company, a public utility, since October 2001. From April 2001 to October 2001, he served as President and Chief Operating Officer of Alabama Power. Mr. McCrary served as President of Southern Company Generation and Energy Marketing (and certain predecessor companies) (affiliate of public utility) from June 1998 to April 2001. He is a member of the board of directors of Alabama Power Company and Southern Power Company.

C. Dowd Ritter Director since 1993

Mr. Ritter, 57, has served as President and Chief Executive Officer of AmSouth and AmSouth Bank and Chairman of the Board of AmSouth Bank since 1996. He is also the Chairman of the Board of AmSouth, a position he held September 1996 to October 1999 and January 2001 to date. Mr. Ritter serves on the board of directors of Alabama Power Company.

DIRECTORS WHOSE TERMS EXPIRE IN 2007 (CLASS I)

Claude B. Nielsen Director since 1993

Mr. Nielsen, 54, has been the President and Chief Executive Officer of Coca-Cola Bottling Company United, Inc., a soft drink bottler, since 1991, and its Chairman since May 2003. Mr. Nielsen also serves on the board of Colonial Properties Trust.

Cleophus Thomas, Jr. Director since 2002

Since January 2002, Mr. Thomas, 48, has been the Chairman and Chief Executive Officer of A.G. Gaston Company, the holding company of Booker T. Washington Insurance Company and subsidiaries. Between 1992 and 2002, he held various positions, including Vice President, Senior Vice President and Senior Executive Vice President, of Booker T. Washington Insurance Company. He was Of Counsel at the law firm Lange, Simpson, Robinson & Somerville from 1998 through 2002, and at its successor, Adams and Reese LLP, until November 2003. Mr. Thomas serves on the board of Protective Investment Company.

The Board of Directors

The full Board of Directors met eight times during 2004. To assist it in carrying out its work, the Board of Directors has the following standing committees: Audit; Corporate Governance; Human Resources; and an Executive Committee. AmSouth's Corporate Governance Guidelines, Code of Conduct and the charters for each of the Company's standing Board committees are available on AmSouth's website at www.amsouth.com in the Corporate Governance section of the Investor Relations Resource Center, and are available in print to any shareholder who requests them.

Audit Committee

The Audit Committee currently consists of Directors Charles D. McCrary (Chairman), Earnest W. Deavenport, Jr., Ronald L. Kuehn, Jr., Claude B. Nielsen and Cleophus Thomas, Jr. This committee is charged by the Board of Directors with several major functions, including to oversee the audit and examination of the financial condition of AmSouth and to consider and review AmSouth's policies addressing various internal control matters. In performing these functions, the committee met nine times during 2004.

Human Resources Committee

This committee is composed of Directors Claude B. Nielsen (Chairman), Martha R. Ingram and James R. Malone and met four times during 2004. The committee is charged with the oversight of AmSouth's compensation plans and determining the compensation of senior management.

Corporate Governance Committee

The Corporate Governance Committee is charged with setting the corporate governance policies of AmSouth. The members of this committee are Directors Earnest W. Deavenport, Jr. (Chairman), Ronald L. Kuehn, Jr., Charles D. McCrary and Cleophus Thomas, Jr. The committee is also charged with reviewing potential nominees and recommending new directors, and reviewing the structure of the Board and its operation and recommending changes where appropriate. Procedures whereby individual shareholders can submit recommendations of persons to be considered for nomination as a director of AmSouth and AmSouth's process for nominating directors are described below in the Miscellaneous Information Director Nomination Process section of this Proxy Statement. The committee met three times during 2004.

Executive Committee

This committee has the power to exercise all of the authority of the Board of Directors, to the extent allowed by law, and is specifically given the authority, among other things, to declare dividends. The current members of the committee are Directors C. Dowd Ritter (Chairman), Earnest W. Deavenport, Jr., Charles D. McCrary and Claude B. Nielsen. The committee did not meet during 2004.

Risk Committee

The Board of Directors has also approved the establishment of a Risk Committee. It is expected to be formed in the second quarter of 2005, at which time the members of the committee will be designated. Generally, the committee will be responsible for overseeing AmSouth's risk management process with a focus on the Company's major risks, including emerging risks.

Audit Committee Report

The Board of Directors, in its business judgment, has determined that all members of the Audit Committee are independent, as required by applicable SEC rules and the listing standards of the NYSE. The Audit Committee operates pursuant to a charter that was last amended and restated by the Board on July 15, 2004, a copy of which is attached as Appendix A. The Audit Committee has also adopted procedures for handling complaints regarding accounting or auditing matters, including procedures for the confidential, anonymous submission by employees of related concerns.

In the performance of its oversight function, the Audit Committee has reviewed and discussed the audited financial statements, including a discussion of the quality, not just the acceptability of the accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the financial statements, with management and Ernst & Young, LLP, AmSouth's independent registered public accounting firm. The Audit Committee has also discussed with Ernst & Young the matters required to be discussed by Statement on Auditing Standards No. 61, *Communication with Audit Committees*, as amended by Statement on Auditing Standards No. 90, *Audit Committee Communications*, as currently in effect. Finally, the Audit Committee has received the written disclosures and the letter from Ernst & Young required by Independence Standards Board Standard No. 1, *Independence Discussions with Audit Committees*, as currently in effect, has considered whether the provision of non-audit services by the independent registered public accounting firm to the Company is compatible with maintaining the firm's independence and has discussed with Ernst & Young the firm's independence. See the discussion under Independent Registered Public Accounting Firm on page 27.

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Based upon the review, discussions and reports described in this report, the Audit Committee recommended to the Board that the audited financial statements be included in AmSouth's Annual Report on Form 10-K for the year ended December 31, 2004 to be filed with the SEC.

Submitted by the Audit Committee:

Charles D. McCrary, Chairman

Earnest W. Deavenport, Jr.

Ronald L. Kuehn, Jr.

Claude B. Nielsen

Cleophus Thomas, Jr.

Audit Committee Financial Experts

The Board of Directors believes that the following members of the Audit Committee qualify as Audit Committee Financial Experts under applicable SEC regulations: Messrs. Deavenport, Kuehn, McCrary and Nielsen. As noted below, the Board of Directors has determined that all of these individuals are independent under applicable SEC and NYSE rules.

Code of Ethics for Senior Financial Officers

AmSouth has adopted a Code of Ethics for Senior Financial Officers. It may be found on AmSouth's website (www.amsouth.com) in the Corporate Governance section of the Investor Relations Resource Center.

Director Attendance

During 2004, all incumbent directors of AmSouth attended at least 75 percent of the total number of meetings of the Board of Directors and meetings of the committees of which they were members.

Section 16(a) Beneficial Ownership Reporting Compliance

AmSouth is not aware of any instance during 2004 in which directors or executive officers of AmSouth failed to make timely filings required by Section 16(a) of the Securities Exchange Act of 1934 other than one late report filed by Director Deavenport. AmSouth has relied on written representations of its directors and executive officers and copies of the reports that have been filed in making required disclosures concerning beneficial ownership reporting.

Director Independence

It is the judgment of the Board of Directors that the directors listed below, being all members of the Board of Directors other than the Chief Executive Officer, Mr. Ritter, are independent under the rules of the NYSE and the categorical standards adopted by the Board. These standards are attached as Appendix B to this Proxy Statement.

Earnest W. Deavenport, Jr.

Martha R. Ingram

Ronald L. Kuehn, Jr.

James R. Malone

Charles D. McCrary

Claude B. Nielsen

Cleophus Thomas, Jr.

Certain Relationships, Related Transactions and Legal Proceedings

Certain directors and executive officers of AmSouth and AmSouth Bank, and certain associates and members of the immediate families of these individuals, were customers of, and had loan transactions with, AmSouth Bank in the ordinary course of business during 2004. In addition, certain of the foregoing are or have

been executive officers or 10 percent or more shareholders in corporations, or members of partnerships, which are customers of AmSouth Bank and which have had loan transactions with AmSouth Bank in the ordinary course of business. In the opinion of the management of AmSouth, all such transactions were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and corporations and did not involve more than the normal risk of collectibility or present other unfavorable features. Transactions of a similar nature will, in all probability, occur in the future in the ordinary course of business.

Director James R. Malone is and has been a principal of financial and business restructuring and consulting firms. Through his association with these firms, Mr. Malone has occasionally served as an executive officer of companies that retain the firm to assist in their financial restructuring, and as part of the restructuring strategy some of these companies file for bankruptcy. AmSouth does not believe that Mr. Malone's service as an executive officer with such companies, which arises solely because of his affiliation with the consulting firms, is material to an evaluation of the ability or integrity of Mr. Malone to serve as a Director of AmSouth. Mr. Malone also served as Chairman of the Board and Chief Executive Officer of Bliss Manufacturing Company (renamed Bliss Technologies Inc. after its sale in 1998), a former subsidiary of HMI Industries, Inc., from 1997 until March 1998. He served as Chairman of the Board of Bliss Technologies Inc. from March 1998 until February 1999. In January 2000, Bliss Technologies, Inc. filed a petition in the United States Bankruptcy Court in Detroit, Michigan under Chapter 11 of the Bankruptcy Act.

EXECUTIVE COMPENSATION

Summary of Cash and Certain Other Compensation

The following table provides summary information concerning compensation paid by AmSouth and its subsidiaries to its Chief Executive Officer and each of the five other most highly compensated executive officers of AmSouth at December 31, 2004 (hereinafter referred to as the named executive officers), for the fiscal years ended December 31, 2004, 2003 and 2002.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation		Long Term Compensation			All Other Compensation(\$)	
		Salary(\$)	Bonus(\$)	Other Annual Compensation (\$)(1)	Awards Restricted Stock Award(s) (\$)(2)	Securities underlying Options (#)		Payouts LTIP Payouts(\$)
C. Dowd Ritter	2004	\$ 995,000	\$ 1,636,775	\$ 281,324	\$ 0	582,400	\$ 1,779,960	\$ 209,851(3)
Chairman, President &	2003	\$ 995,000	\$ 1,865,000	\$ 210,713	\$ 0	602,000	\$ 0	