

SYNOVUS FINANCIAL CORP

Form S-3ASR

September 06, 2011

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As filed with the Securities and Exchange Commission on September 6, 2011

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form S-3
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

SYNOVUS FINANCIAL CORP.

(Exact Name of Registrant as Specified in Its Governing Instruments)

Georgia
(State or Other Jurisdiction of

58-1134883
(I.R.S. Employer

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Incorporation or Organization)

Identification No.)

1111 Bay Avenue, Suite 500

P.O. Box 120

Columbus, Georgia 30319

Telephone: (706) 649-2311

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

Alana L. Griffin

Deputy General Counsel

Synovus Financial Corp.

1111 Bay Avenue, Suite 501

Columbus, Georgia 31901

Telephone: (706) 644-2485

(Name, Address, including Zip Code and Telephone Number including Area Code, of Agent For Service)

Copies to:

Approximate date of commencement of proposed sale to public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or reinvestment plans, please check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer x

Accelerated filer ..

Non-accelerated filer .. (Do not check if a smaller reporting company)

Smaller reporting company ..

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price per Share(4)	Proposed Maximum Aggregate Offering Price(4)	Amount of Registration Fee(3)
Common stock, par value \$1.00 per share(1)	3,000,000(2)(3)	\$1.405	\$4,215,000	\$139.19

- (1) Includes preferred stock purchase rights under the Shareholder Rights Plan, dated as of April 26, 2010, as amended, between Synovus Financial Corp. and American Stock Transfer & Trust Company, LLC, as Rights Agent.
- (2) If, prior to the completion of the distribution of the Synovus common stock covered by this registration statement, additional shares of such common stock are issued or issuable as a result of a stock split or stock dividend, this registration statement shall be deemed to cover such additional shares resulting from the stock split or stock dividend pursuant to Rule 416 under the Securities Act of 1933, as amended (the Securities Act).
- (3) Synovus filed a Registration Statement on Form S-3ASR (File No. 333-155694) (the Prior Registration Statement) on November 25, 2008, which registered an aggregate of 3,000,000 shares of Synovus common stock, 1,311,725 of which shares remain unsold. Pursuant to Rule 415(a)(6) under the Securities Act, the prospectus that forms a part of this Registration Statement relates to the 1,311,725 unsold shares of Synovus common stock registered under the Prior Registration Statement as well as the shares of Synovus common stock registered hereby. A registration fee of \$795.83 was previously paid in connection with such unsold shares of Synovus common stock.

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registered under the Prior Registration Statement. Accordingly, the previous registration fee of \$350.17 previously paid with respect to such unsold shares of Synovus common stock is being carried forward for application in connection with the offerings under this Registration Statement. The filing fee of \$139.19 being paid herewith relates to the 1,688,275 newly registered shares of Synovus common stock. The aggregate number of shares of Synovus common stock to be sold pursuant to this Registration Statement shall not exceed 3,000,000 shares.

- (4) Pursuant to Rule 457(c), the offering price is computed on the basis of the average high and low prices of the Synovus Financial Corp. common stock, as reported by the New York Stock Exchange on August 29, 2011.

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PROSPECTUS

Synovus Dividend Reinvestment and Direct Stock Purchase Plan

This Prospectus describes the Synovus Dividend Reinvestment and Direct Stock Purchase Plan, or the Plan. The Plan promotes long-term ownership in Synovus Financial Corp., or Synovus, by offering:

A simple, cost-effective method for purchasing shares of Synovus common stock directly from Synovus;

A way to increase your holdings in Synovus by reinvesting your cash dividends; and

The opportunity to purchase additional shares by making optional cash investments.

You do not have to be a current shareholder of Synovus to participate in the Plan. You can purchase your first shares of Synovus stock through the Plan by making an initial investment of \$250 or more.

This Prospectus relates to 3,000,000 shares of our common stock to be offered under the Plan. Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol SNV. On September 2, 2011, the closing price of our common stock was \$1.34 per share.

Investing in Synovus stock involves risks. You should carefully consider the risks discussed in this Prospectus and in our filings with the Securities and Exchange Commission before enrolling in the Plan.

The shares of Synovus stock offered under the Plan do not represent deposits, savings accounts or other obligations of any bank and are not insured by the Federal Deposit Insurance Corporation, or FDIC, or any other governmental agency or instrumentality.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 6, 2011.

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No dealer, salesman or any other person is authorized to give any information or to make any representations other than those contained or incorporated by reference in this Prospectus, and, if given or made such information or representation must not be relied upon as having been authorized by Synovus. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the financial condition and affairs of Synovus since the date of this Prospectus.

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Important Notice About this Prospectus

This Prospectus replaces and supersedes the Prospectus describing the Synovus Dividend Reinvestment and Direct Stock Purchase Plan dated November 24, 2008.

In this Prospectus, the words Synovus, we, us and our refer to Synovus Financial Corp. and its subsidiaries unless otherwise indicated or the context otherwise requires. You should rely only on the information contained or incorporated by reference in this Prospectus. Neither we nor American Stock Transfer & Trust Company, LLC, the Plan administrator, have authorized anyone else to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the securities offered in this Prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offering or solicitation. Neither the delivery of this Prospectus nor any sale made under this Prospectus of the securities described herein shall under any circumstances imply, and you should not assume, that the information contained in this Prospectus or any document incorporated by reference is accurate as of any date other than on the date on the front cover of the applicable document, regardless of the time of delivery of this Prospectus or of any sale of our securities. Our business, financial condition, results of operations and prospects may have changed since those dates.

About Synovus Financial Corp.

Synovus Financial Corp. is a diversified financial services company and a registered financial holding company headquartered in Columbus, Georgia. Synovus provides integrated financial services including commercial and retail banking, financial management, insurance and mortgage services to its customers through 30 locally-branded banking divisions of its wholly-owned subsidiary bank, Synovus Bank, and other offices in Georgia, Alabama, South Carolina, Florida, and Tennessee.

Our principal executive offices are located at 1111 Bay Avenue, Suite 501, Columbus, Georgia 31901, and our telephone number is (706) 649-2311.

Risk Factors

Investing in our stock involves risks. Please see the risk factors described in our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2010 (the 2010 Form 10-K) and our Quarterly Report on Form 10-Q for the period ended June 30, 2011, as filed with the Securities and Exchange Commission, or SEC , which are all incorporated by reference in this Prospectus. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this Prospectus.

Forward-Looking Statements

Certain statements made in the Prospectus or in the documents we file with the SEC that are incorporated by reference in this Prospectus are forward-looking statements within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements include statements with respect to Synovus' beliefs, plans, objectives, goals, targets, expectations, anticipations, assumptions, estimates, intentions, and future performance and involve known and unknown risks, many of which are beyond Synovus' control and which may cause Synovus' actual results, performance, or achievements or the commercial banking industry or economy generally, to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

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All statements other than statements of historical fact are forward-looking statements. You can identify these forward-looking statements through Synovus use of words such as believes, anticipates, expects, may, will, assumes, should, predicts, could, should, will, estimates, projects, plans, potential and other similar words and expressions of the future or otherwise regarding the outlook for Synovus future business and financial performance and/or the performance of the commercial banking industry and economy in general. Forward-looking statements are based on the current beliefs and expectations of Synovus management and are subject to significant risks and uncertainties. Actual results may differ materially from those contemplated by such forward-looking statements. A number of factors could cause actual results to differ materially from those contemplated by the forward-looking statements in this report. Many of these factors are beyond Synovus ability to control or predict. These factors include, but are not limited to:

- (1) deterioration in credit quality may result in increased non-performing assets and credit losses, which could adversely impact Synovus capital, financial condition, and results of operations;
- (2) continuing declines in the values of residential and commercial real estate may result in further write-downs of assets and realized losses on disposition of non-performing assets, which may increase credit losses and negatively affect Synovus financial results;
- (3) continuing weakness in the residential and commercial real estate environment, which may negatively impact Synovus ability to liquidate non-performing assets, and may result in continued elevated levels of non-performing assets and potential problem loans;
- (4) the impact on Synovus borrowing costs, capital costs, and liquidity due to further adverse changes in Synovus credit ratings;
- (5) the risk that Synovus allowance for loan losses may prove to be inadequate or may be negatively affected by credit risk exposures;
- (6) the concentration of Synovus non-performing assets by loan type, in certain geographic regions, and with affiliated borrowing groups;
- (7) changes in the interest rate environment and competition in our primary market area may result in increased funding costs or reduced earning assets yields, thus reducing margins and net interest income;
- (8) restrictions or limitations on access to funds from historical and alternative sources of liquidity, combined with additional subsidiary capital deployment, could adversely affect Synovus overall liquidity, which could restrict Synovus ability to make payments on its obligations or dividend payments on its common stock and Series A preferred stock and Synovus ability to support asset growth and sustain its operations and the operations of Synovus Bank;
- (9) future availability and cost of capital and liquidity on favorable terms;
- (10) the risks that Synovus may be required to undertake additional strategic initiatives or seek or deploy additional capital to satisfy applicable regulatory capital standards and pressures or supervisory actions or directives;
- (11) decreases in non-interest income and increases in non-interest expense due to, among other things, implementation of The Dodd Frank Wall Street Reform and Consumer Protection Act, or Dodd Frank Act, and other regulatory initiatives;

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- (12) changes in the cost and availability of funding due to changes in the deposit market and credit market, or the way in which Synovus is perceived in such markets, including a further reduction in Synovus debt ratings;

- (13) risks related to the timing of the recoverability of the deferred tax asset, which is subject to considerable judgment, and the risk that even after the recovery of the deferred tax asset balance under generally accepted accounting principles, or GAAP, there will remain limitations on the ability to include the deferred tax asset for regulatory capital purposes;

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- (14) the risk that Synovus could have an ownership change under Section 382 of the Internal Revenue Code, which could impair the ability to timely and fully utilize Synovus' net operating losses and built-in losses that may exist when such ownership change occurs;
- (15) the impact of our continued participation in the Troubled Asset Relief Program, the recently enacted Dodd-Frank Act and other recent and proposed changes in governmental policy, laws and regulations, including proposed and recently enacted changes in the regulation of banks and financial institutions, or the interpretation or application thereof, including restrictions, increased capital requirements, limitations and/or penalties arising from banking, securities and insurance laws, regulations and examinations and restrictions on compensation;
- (16) the impact on Synovus' financial results, reputation and business if Synovus is unable to comply with all applicable federal and state regulations and applicable memoranda of understanding, other supervisory actions or directives and any necessary capital initiatives;
- (17) the actual results achieved by our updated three-year strategic plan and the implementation of our efficiency and growth initiatives announced in January 2011, and the risk that we may not achieve the anticipated cost savings, revenue growth and other benefits from such initiatives;
- (18) the costs and effects of litigation, investigations, inquiries or similar matters, or adverse facts and developments related thereto;
- (19) the costs of services and products to Synovus by third parties, whether as a result of financial condition, credit ratings, the way Synovus is perceived by such parties, the economy or otherwise; and
- (20) other factors and other information contained in this Prospectus and in reports and filings that Synovus makes with the SEC under the Exchange Act, including, without limitation, under the caption "Risk Factors" of Synovus' periodic reports and filings with the SEC. For a discussion of these and other risks that may cause actual results to differ from expectations, refer to "Risk Factors" and other information contained in Synovus' periodic filings with the SEC, including Synovus' 2010 Form 10-K, quarterly report on Form 10-Q for the quarter ended June 30, 2011, and other quarterly reports on Form 10-Q and current reports on Form 8-K, that Synovus files with the SEC. All written or oral forward-looking statements that are made by or are attributable to Synovus are expressly qualified by this cautionary notice. Undue reliance on any forward-looking statements should not be placed given that those statements speak only as of the date on which the statements are made. Synovus undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of new information or unanticipated events, except as may otherwise be required by law.

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Summary of the Plan

ENROLLMENT:

Interested investors who are not already shareholders can purchase shares through the Plan by submitting a completed Enrollment Form and making an initial investment of at least \$250.

Shareholders with shares held in a brokerage account may participate by registering some or all of their shares directly in their own name and submitting a completed Enrollment Form. There is no fee for existing shareholders to join the Plan.

Existing registered shareholders can participate by submitting a completed Enrollment Form. There is no fee for existing shareholders to join the Plan.

The Enrollment Form may be submitted in hard copy or you can enroll online by visiting www.amstock.com.

REINVESTMENT OF DIVIDENDS: You can reinvest all or, if you own 100 shares or more of Synovus stock, a portion of your cash dividends, toward the purchase of additional shares of Synovus stock without paying trading fees. Full investment of your dividends is possible because Synovus will credit your account with both whole and fractional shares. Synovus pays dividends on both whole shares and fractional shares.

OPTIONAL CASH INVESTMENTS: After you are enrolled in the Plan, you can buy additional shares of Synovus stock for fees that are typically lower than those charged by stockbrokers. You can invest a minimum of \$50 at any one time, up to \$250,000 in the aggregate per calendar year. You can pay by check or have your payment automatically withdrawn from your bank account as an individual or ongoing monthly debit. Full investment of your cash contribution is possible because Synovus will credit your account with both whole and fractional shares. Synovus pays dividends on both whole shares and fractional shares.

SAFEKEEPING OF CERTIFICATES: You can deposit your Synovus stock certificates for safekeeping at no cost to you. A certificate for the shares held in safekeeping will be sent to you, free of charge, upon request.

SELL SHARES CONVENIENTLY: If you choose to sell the Synovus stock held in your Plan account, you will pay fees lower than those typically charged by stockbrokers.

GIFTS OR TRANSFERS OF SHARES: You can give or transfer your Synovus shares to others through the Plan at no charge.

TRACKING YOUR INVESTMENT: You will receive a Plan statement or a notification after each transaction. Statements provide the details of the transaction and show the share balance in your Plan account. You will also have access to your account online over the Internet. You can verify your account balance, change your dividend election, conduct purchase or sale transactions or request a statement at any time by visiting www.amstock.com.

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Administrator of the Plan

Synovus has designated American Stock Transfer and Trust Company, LLC, or AST or the Administrator, to administer the Plan and act as Agent for the participants. The Administrator may be contacted as detailed below.

Inquiries

For information about the Synovus Dividend Reinvestment and Direct Stock Purchase Plan:

Internet

You can obtain information about your Synovus account online at the internet address below. To gain access, you will need your Social Security number and your AST ten (10) digit account number. You may also apply for a personal identification number, or PIN, online. If you applied for a PIN and have forgotten what your PIN is, you can call 1-888-777-0322 to have it reset.

www.amstock.com

Telephone

The Administrator may be contacted at the following toll-free number within the United States and Canada:

1-888-777-0322

An automated voice response system is available 24 hours a day, 7 days a week. Customer service representatives are available from 8:00 a.m. to 7:00 p.m., Eastern Time, Monday through Friday (except holidays).

Written Inquiries

You may also write the Administrator at the following address:

American Stock Transfer and Trust Company, LLC

Attn: Shareholder Relations Department

6201 15th Avenue

Brooklyn, New York 11219

Transactions via Regular Mail

You may also make transactions by contacting the Administrator at the following address:

American Stock Transfer and Trust Company, LLC

Attn: Plan Administration Department

P.O. Box 922

Wall Street Station

New York, New York 10269-0560

Be sure to include your name, address, daytime phone number and a reference to Synovus on all correspondence.

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Commonly Asked Questions

Am I eligible to join the Plan?

You are eligible to participate in the Plan if you meet the requirements outlined below. If you live outside the U.S., you should first determine if there are any governmental regulations that would prohibit your participation in the Plan.

If you do not currently own any Synovus stock, you can join the Plan by making an initial investment of at least \$250, but not more than \$250,000. You can get started in the Plan by returning a completed Enrollment Form to the Administrator along with your check payable to Synovus/AST or by enrolling online through AST at www.amstock.com. You can also access the Plan enrollment process from the Synovus web site, www.synovus.com, and then click on the Direct Stock Purchase Plan section found under Investor Relations. Your initial investment can be made through AST's website at www.amstock.com by authorizing a one-time automatic deduction from your bank account or by authorizing the automatic monthly investment feature and initiating your investment with only \$50 and a commitment for at least five sequential monthly purchases. The Administrator will arrange for the purchase of shares for your Plan account but will not pay interest on amounts held pending investment. Please allow two weeks for your Plan account to be established, initial shares to be purchased and a statement mailed to you.

If you already own Synovus stock and the shares are held in a brokerage, bank or other intermediary account, and you wish to participate directly in the Plan, you should instruct your broker, bank, or trustee to register some or all of your Synovus shares directly in your name. You can then join the Plan by returning a completed Enrollment Form to the Administrator or by enrolling online through AST at www.amstock.com.

If you already own Synovus stock and the shares are registered in your name, you may join the Plan by returning a completed Enrollment Form to AST at the address noted on the form or by enrolling online through AST at www.amstock.com.

How do I enroll?

Complete and sign the Enrollment Form included with this Prospectus and mail it to the address shown on the form or enroll online through AST at www.amstock.com. AST's website can be accessed from the Synovus web site, www.synovus.com, by clicking on the Direct Stock Purchase Plan section found under Investor Relations or through AST's web site at www.amstock.com.

Will I receive dividends?

Synovus' Board of Directors may declare a dividend for distribution under Georgia law. Payment of dividends is a business decision made by our Board of Directors based primarily upon the results of operations, financial condition and capital requirements of Synovus. If and to the extent dividends are declared by our Board on the Synovus stock, you will receive such dividends on the shares of Synovus stock you own through the Plan. However, the amount and timing of dividends may be changed, or the payment of cash dividends may be terminated, at any time without notice. For additional information about Synovus' dividend policy, see the section captioned "Dividends" in Synovus' 2010 Form 10-K.

May I have my cash dividends electronically deposited into my bank or other financial account?

You may have your cash dividends deposited directly into your bank account instead of receiving a check by mail. Just complete the appropriate sections of the Enrollment Form and submit the form to the Administrator in hard copy or online at www.amstock.com. Direct deposit authorization requests will be processed as soon as possible after they are received. You can change your designated bank account for direct deposit or discontinue this feature by notifying the Administrator.

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May I reinvest some or all of my dividends in Synovus stock?

If you hold less than 100 shares of Synovus stock, you may choose to have all cash dividends reinvested in additional shares of stock without paying trading fees. If you own 100 shares or more of Synovus stock, you may choose to reinvest all or a portion of the cash dividends paid on your shares held in the Plan without paying trading fees. Under the provisions of the Emergency Economic Stabilization Act of 2008, the Administrator is required by law to report the cost basis in shares of Synovus stock owned by you under the Plan to participants in the Plan and to the Internal Revenue Service, or IRS. The IRS requires shareholders to reinvest a minimum of 10% of their dividend received on shares under the Plan each scheduled dividend payment date. You can make this election when you enroll in the Plan or at a later date. You can make or change your dividend reinvestment election at any time by notifying the Administrator. For a particular dividend to be reinvested, your notification must be received prior to the record date for that dividend. (The record date is normally at least approximately 10 days prior to the payment date.)

If you own 100 shares or more of Synovus stock and you elect to reinvest your dividends, you must choose one of the following options when completing the Dividend Reinvestment section of the Enrollment Form:

Full Dividend Reinvestment

Purchase additional shares by reinvesting all of your cash dividends.

Partial Dividend Reinvestment

If you choose to reinvest less than all of your dividends, you will receive a cash dividend payment based on the number of full shares you specify and reinvest the dividends on all remaining shares. This option allows you to receive a fixed amount of cash each quarter (assuming the dividend stays the same).

If you choose partial dividend reinvestment, you may have the remaining cash portion of your dividend deposited directly into your bank account instead of receiving a check by mail. Just complete the appropriate section of the Enrollment Form or notify the Administrator. Direct deposit authorization requests will be processed as soon as possible after they are received. You can change your designated bank account for direct deposit or discontinue this feature by notifying the Administrator.

May I discontinue reinvesting my dividends?

You may discontinue the reinvestment of your dividends at any time by giving notice to the Administrator. To be effective for a given dividend payment, your notification must be received three (3) days or more prior to the dividend payment date for that dividend to be paid out in cash. If your request to terminate participation in the Plan is received less than three (3) days prior to any dividend payment date then that dividend will be reinvested. However, all subsequent dividends will be paid out in cash on all balances. The Administrator will continue to hold your shares unless you request a certificate for any full shares and check for the fractional share. You may also request the sale of all or part of your shares or have your broker electronically transfer your shares to your brokerage account.

May I make additional cash investments when I want to?

You may purchase additional shares of Synovus stock by using the Plan's optional cash investment feature. You must invest at least \$50 each time and cannot invest more than \$250,000 in a calendar year. Interest will not be paid on amounts held pending investment. Trading fees of \$.05 per share will be deducted except when Synovus issues new shares.

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Check:

You may make optional cash investments by sending a check payable to Synovus/AST. Do not send cash. To facilitate processing of your investment, please use the transaction stub located on the bottom of your statement and mail your investment and transaction stub to the address specified on the statement. You may not sell or withdraw shares purchased by check for a period of 10 days from the receipt of the check. A \$35 fee will be assessed for a check that is returned for insufficient funds. The Administrator will deduct a processing fee of \$1.00 per check.

Additional shares may be sold from the participant's account if the sale of the shares purchased is not sufficient to cover the return check or direct debit and any fees charged for the return check or direct debit.

Automatic Withdrawal from your Bank Account:

You may authorize an individual automatic deduction from your bank account through AST online at www.amstock.com for each purchase. Funds will be deducted from your bank account upon authorization. Alternatively, you may choose to make regular monthly purchases by authorizing automatic monthly withdrawals from your bank account. This feature enables you to make ongoing investments without writing a check. Funds will be deducted from your account on the 15th day of each month. If this date falls on a bank holiday or weekend, funds will be deducted on the next business day. The investment will be made the next available investment date. You must notify the Administrator in writing to change or terminate automatic withdrawal. A \$35 fee will be assessed if your account has insufficient funds available for withdrawal. The Administrator will deduct a processing fee of \$1.00 per individual automatic investment. No processing fee is charged for automatic monthly deductions. Additional shares may be sold from your account to cover any return check or direct debit fees.

How are shares purchased?

The Administrator will make arrangements to use initial and optional cash investments to purchase Synovus shares after five business days and as often as daily. The Administrator will use reinvested dividends to purchase shares on a quarterly basis. Purchases may be made over a number of days to meet the requirements of the Plan.

Source and Pricing of Shares:

Source of shares: Stock needed to meet the requirements of the Plan will either be purchased in the open market or issued directly by Synovus from authorized but unissued shares or treasury shares.

Shares purchased in the open market: If the shares are purchased in the open market, your price per share will be the weighted average price of shares purchased to satisfy Plan requirements on the day the shares are purchased after the deduction of any applicable trading and service fees. All fractional shares are calculated to three decimals and are credited to your account. For quarterly reinvestment of dividends, your price per share will be the average of the daily high and low sale prices quoted on the NYSE for the three day period surrounding the dividend payment date. If there is no trading of Synovus stock on the NYSE for a substantial period of time during the pricing period, then Synovus will determine the price per share on the basis of such market quotations as it considers appropriate.

Shares purchased from Synovus: If the shares are purchased from Synovus, your price per share for initial and optional cash investments will be the average of the daily high and low sale prices quoted on the NYSE for the day the shares are purchased.

Timing and Control:

Because the Administrator will arrange for the purchase of shares on behalf of the Plan, neither Synovus nor any participant in the Plan has the authority or power to control either the timing or pricing of shares purchased or the selection of the broker making the purchases. Therefore, you will not be able to precisely time your

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purchases through the Plan and will bear the market risk associated with fluctuations in the price of Synovus stock. That is, if you send in an initial or optional cash investment, it is possible that the market price of Synovus stock could go up or down before the broker purchases stock with your funds. In addition, you will not earn interest on initial or optional cash investments for the period before the shares are purchased.

How are my Plan shares held?

Shares of Synovus stock that you buy under the Plan will be maintained in your Plan account in book entry form. You will receive a periodic Plan statement detailing the status of your holdings.

May I obtain a stock certificate if I want one?

You may certificate all or some of the book-entry shares in your Plan account by notifying the Administrator.

Certificates will be issued for whole shares only. In the event your request involves a fractional share, a check for the value of the fractional share (less any applicable fees) will be mailed to you. The Administrator will mail a certificate to you within two business days of the receipt of your request.

Certificates will be issued in the name(s) in which the account is registered, unless otherwise instructed. If the certificate is to be issued in a name other than your Plan account registration, you will be required to do a transfer of ownership before the certificate can be issued. The signature on the transfer instructions must be guaranteed by a financial institution participating in the Medallion Guarantee Program, as discussed under "What should I do if I want to transfer my Plan shares?" below.

Any Synovus shareholder may use the Plan's safekeeping service to deposit their Synovus stock certificates at no cost. Safekeeping is beneficial because you no longer bear the risk and cost associated with the loss, theft, or destruction of stock certificates. With safekeeping, you have the option of receiving cash dividends, reinvesting your dividends or taking advantage of the sale of shares feature of the Plan. Certificates will be issued upon request to the Administrator.

To use the safekeeping service, send your certificates to the Administrator by registered mail with written instructions to deposit them in safekeeping. Do not endorse the certificates or complete the assignment section.

How may I sell my shares?

You may sell any number of shares held in your Plan account by notifying AST. Requests for sales of Plan shares are processed daily. If a request is received via the Internet or the active voice response system before 4:00 p.m. Eastern Time or by mail by 12:00 p.m. Eastern Time, the sale will be processed the next business day shares are traded. If the request to sell shares is received via the Internet or the active voice response system after 4:00 p.m. Eastern Time and 12:00 p.m. Eastern Time, the sale of shares will be processed the following business day and shares sold the business day following the date the sale was processed. The sale price will be the weighted average price of all shares sold for the Plan participants during that period. You will receive the proceeds of sale, less a \$5.00 transaction fee, a \$0.12 per share trading fee, and any required tax withholding.

You may choose to sell your shares through a stockbroker of your choice by requesting a certificate for your shares from the Administrator and delivering it to your broker. If you wish to transfer shares electronically to your brokerage account, please contact your broker.

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Timing and Control:

Because the Administrator will sell the shares on behalf of the Plan, neither Synovus nor any participant in the Plan has the authority or power to control the timing or pricing of shares sold or the selection of the broker making the sales. Therefore, you will not be able to precisely time your sales through the Plan and will bear the market risk associated with fluctuation in the price of Synovus stock. That is, if you send in a request to sell shares, it is possible that the market price of Synovus stock could decrease or increase before the stock is sold. In addition, you will not earn interest on a sales transaction.

What should I do if I want to transfer my Plan shares?

You can transfer Synovus shares to anyone you choose. You must transfer a whole number of shares unless you transfer your entire account. You may transfer shares to new or existing shareholders. In order to transfer the ownership of all or part of the whole shares of Synovus stock held in your Plan account, you must mail the Administrator instructions along with a properly signed stock power. The stock power form can be obtained from the Administrator, a bank or a stockbroker. You must have your signature guaranteed by a financial institution participating in the Medallion Guarantee program. The Medallion Guarantee program ensures that the individual signing the certificate is in fact the registered owner as it appears on the stock certificate or stock power. The Administrator will automatically place such new accounts in full dividend reinvestment status. The recipients of gifts or transfers, at their discretion, may then elect another option. The Administrator will send recipients of gifts or transfers a notice of such transfer.

How can I track my investments?

If you hold 100 or more shares of Synovus stock and participate in dividend reinvestment, AST will mail you a quarterly statement showing all transactions (shares purchased, amounts invested, purchase prices) for your account including year-to-date share balance and other account information. If you hold less than 100 shares of Synovus stock, the Administrator will mail you an annual statement providing detail of each quarterly dividend reinvestment as well as any other transactions during the year. Supplemental statements or notices will be sent when you make an initial or optional cash investment, or a safekeeping deposit, transfer or withdrawal of shares. You may also view your Plan account and order duplicate statements through AST at www.amstock.com or by notifying AST at the address listed above under **Inquiries**.

If you do not participate in dividend reinvestment, the Administrator will mail you a statement or notice confirming any transactions you make. If you continue to be enrolled in the Plan, but have no transactions, the Administrator will provide information regarding your holdings on your quarterly dividend check stub or, if you participate in direct deposit of your dividend, on your deposit advice stub.

Please retain your statements to establish the cost basis of shares purchased under the Plan for income tax and other purposes.

You should notify the Administrator promptly of any change in address since all notices, statements and reports will be mailed to your address of record.

Am I protected against losses?

Your investment in the Plan is no different from any investment in shares held by you. If you choose to participate in the Plan, then you should recognize that none of us, our subsidiaries and affiliates, nor the Administrator can assure you of a profit or protect you against loss on the shares that you purchase under the Plan. You bear the risk of loss in value and enjoy the benefits of gains with respect to all your shares. You need to make your own independent investment and participation decisions consistent with your situation and needs. None of us, our subsidiaries and affiliates, nor the Administrator can guarantee liquidity in the markets, and the value and marketability of your shares may be adversely affected by market conditions.

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Plan accounts are not insured or protected by the Securities Investor Protection Corporation or any other entity and are not guaranteed by the FDIC or any government agency.

In addition, the purchase price for shares acquired through the Plan will vary and cannot be predicted. The purchase price may be different from (more or less than) the price of acquiring shares on the open market on the related dividend payment date. Your investment in Plan shares will be exposed to changes in market conditions and changes in the market value of the shares. Your ability to sell both as to timing and pricing terms and related expenses or otherwise liquidate shares under the Plan is subject to the terms of the Plan and the withdrawal procedures. Also, no interest will be paid on dividends, cash or other funds held by the Administrator pending investment.

What other risks will I face through my participation in the Plan?

The following summary identifies several of the most important risks that you may face by virtue of your participation in the Plan. There may be additional risks that are not listed below, and you should consult your financial, tax, legal and other advisors prior to determining whether to participate in the Plan.

There is no price protection for your shares in the Plan. Your investment in the shares held in the Plan will be exposed to changes in market conditions and changes in the market value of the shares. Your ability to liquidate or otherwise dispose of shares in the Plan is subject to the terms of the Plan and the withdrawal procedures thereunder. You may not be able to withdraw or sell your shares in the Plan in time to react to market conditions.

You have no control over the share price or timing of the sale or purchase of shares under the Plan. You cannot designate a specific price or date at which to sell or purchase Plan shares. As a result, if you send in an initial or optional cash payment, the market price of our common stock could either increase or decrease before your funds are used to purchase shares. In addition, you will not know the exact number of shares purchased until after the investment date. Similarly, the market price of our common stock could increase or decrease between the time you direct the Administrator to sell Plan shares and when the Administrator executes the sale on your behalf.

We may change our determination as to whether the Plan purchases shares directly from us, which could increase the fees you pay in connection with initial and optional cash investments under the Plan. Although we presently expect that most shares will be purchased directly from us in the form of either newly issued shares or treasury shares, we may, without giving you prior written notice, decide to instruct the Administrator to purchase shares of our common stock directly from third parties through open market transactions. Such purchases, with respect to initial and optional cash investments, will be subject to processing fees, which include any brokerage commission.

You will not earn any interest on your dividends or cash pending investment. No interest will be paid on dividends, cash or other funds held by the Administrator pending investment or disbursement.

The market price for our common stock varies, and you should purchase shares for long-term investment only. Although our common stock currently is traded on the NYSE, we cannot assure you that there will, at any time in the future, be an active trading market for our common stock. Even if there is an active trading market for our common stock, we cannot assure you that you will be able to sell all of your shares at one time or at a favorable price, if at all. As a result, you should participate in the Plan only if you are capable of, and seeking, to make a long-term investment in our common stock.

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Enrollment Fee For New Investors	No Charge
Purchase Of Shares	Trading fee \$0.05 per share
Sale Of Shares (partial or full):	
Transaction Fee	\$5.00 per sale transaction
Trading Fee	\$0.12 per share
Reinvestment Of Dividends	No Charge
Optional Cash Investments:	
Via Check	\$1.00 per investment
Via Individual Electronic Investment	\$1.00 per investment
Via Monthly Automatic Investment	No Charge
Trading Fee	\$0.05 per share
Gift Or Transfer Of Shares	No Charge
Safekeeping Of Stock Certificates	No Charge
Certificate Issuance	No Charge
Returned Checks Or Rejected	
Automatic Deductions	\$35.00 per check or deduction
Duplicate Statements:	
Current year	No Charge
Prior year(s)	\$20.00 flat fee per request

The Administrator will deduct the applicable fees from either the investments or proceeds from a sale. All fees set forth above are subject to change following appropriate notice to Plan part