

HUNTINGTON BANCSHARES INC/MD

Form 10-K

February 24, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-K**

(Mark One)

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the fiscal year ended December 31, 2008**

**or**

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
Commission File Number 1-34073  
Huntington Bancshares Incorporated  
(Exact name of registrant as specified in its charter)**

**Maryland** **31-0724920**  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

**41 S. High Street, Columbus, Ohio** **43287**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(614) 480-8300**  
Securities registered pursuant to Section 12(b) of the Act:

<b>Title of class</b>	<b>Name of exchange on which registered</b>
8.50% Series A non-voting, perpetual convertible preferred stock	NASDAQ
Common Stock Par Value \$0.01 per Share	NASDAQ

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Exchange Act. ☒ Yes ☐ No

☐ No  
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐ o

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):

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
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(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) ☐ Yes ☒ No

The aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2008, determined by using a per share closing price of \$5.77, as quoted by NASDAQ on that date, was \$2,046,310,882. As of January 31, 2009, there were 366,141,961 shares of common stock with a par value of \$0.01 outstanding.

### Documents Incorporated By Reference

Parts I and II of this Form 10-K incorporate by reference certain information from the registrant's Annual Report to shareholders for the period ended December 31, 2008.

Part III of this Form 10-K incorporates by reference certain information from the registrant's definitive Proxy Statement for the 2009 Annual Shareholders Meeting

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**Huntington Bancshares Incorporated**

**PART I**

When we refer to we, our, and us in this report, we mean Huntington Bancshares Incorporated and our consolidated subsidiaries, unless the context indicates that we refer only to the parent company, Huntington Bancshares Incorporated. When we refer to the Bank in this report, we mean our only bank subsidiary The Huntington National Bank, and its subsidiaries.

**Item 1: Business**

We are a multi-state diversified financial holding company organized under Maryland law in 1966 and headquartered in Columbus, Ohio. Through our subsidiaries, we provide full-service commercial and consumer banking services, mortgage banking services, automobile financing, equipment leasing, investment management, trust services, brokerage services, customized insurance service programs, and other financial products and services. The Bank, organized in 1866, is our only bank subsidiary. At December 31, 2008, the Bank had:

345 banking offices in Ohio

115 banking offices in Michigan

57 banking offices in Pennsylvania

51 banking offices in Indiana

28 banking offices in West Virginia

13 banking offices in Kentucky

4 private banking offices in Florida

one foreign office in the Cayman Islands

one foreign office in Hong Kong

We conduct certain activities in other states including Arizona, Florida, Maryland, New Jersey, Tennessee, Texas, and Virginia. Our foreign banking activities, in total or with any individual country, are not significant. At December 31, 2008, we had 10,951 full-time equivalent employees.

Our lines of business are discussed in our Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statement results for each of our lines of business can be found in Note 24 of the Notes to Consolidated Financial Statements, both are included in our Annual Report to shareholders, which is incorporated into this report by reference.

**Competition**

Competition is intense in most of our markets. We compete on price and service with other banks and financial services companies such as savings and loans, credit unions, finance companies, mortgage banking companies, insurance companies, and brokerage firms. Competition could intensify in the future as a result of industry consolidation, the increasing availability of products and services from non-banks, greater technological developments in the industry, and banking reform.

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**Regulatory Matters**

***General***

We are a bank holding company and are qualified as a financial holding company with the Federal Reserve. We are subject to examination and supervision by the Federal Reserve pursuant to the Bank Holding Company Act. We are required to file reports and other information regarding our business operations and the business operations of our subsidiaries with the Federal Reserve.

Because we are a public company, we are also subject to regulation by the Securities and Exchange Commission (SEC). The SEC has established three categories of issuers for the purpose of filing periodic and annual reports. Under these regulations, we are considered to be a large accelerated filer and, as such, must comply with SEC accelerated reporting requirements.

The Bank is subject to examination and supervision by the Office of the Comptroller of the Currency (OCC). Its domestic deposits are insured by the Deposit Insurance Fund (DIF) of the Federal Deposit Insurance Corporation (FDIC), which also has certain regulatory and supervisory authority over it. Our non-bank subsidiaries are also subject to examination and supervision by the Federal Reserve or, in the case of non-bank subsidiaries of the Bank, by the OCC. Our subsidiaries are also subject to examination by other federal and state agencies, including, in the case of certain securities and investment management activities, regulation by the SEC and the Financial Industry Regulatory Authority.

In connection with emergency economic stabilization programs adopted in late 2008 as described below under Recent Regulatory Developments, we are also subject for the foreseeable future to certain direct oversight by the U.S. Treasury Department and to certain non-traditional oversight by our normal banking regulators.

In addition to the impact of federal and state regulation, the Bank and our non-bank subsidiaries are affected significantly by the actions of the Federal Reserve as it attempts to control the money supply and credit availability in order to influence the economy.

***Holding Company Structure***

We have one national bank subsidiary and numerous non-bank subsidiaries. Exhibit 21.1 of this report lists all of our subsidiaries.

The Bank is subject to affiliate transaction restrictions under federal laws, which limit the transfer of funds by a subsidiary bank or its subsidiaries to its parent corporation or any non-bank subsidiary of its parent corporation, whether in the form of loans, extensions of credit, investments, or asset purchases. Such transfers by a subsidiary bank are limited to:

10% of the subsidiary bank's capital and surplus for transfers to its parent corporation or to any individual non-bank subsidiary of the parent, and

An aggregate of 20% of the subsidiary bank's capital and surplus for transfers to such parent together with all such non-bank subsidiaries of the parent.

Furthermore, such loans and extensions of credit must be secured within specified amounts. In addition, all affiliate transactions must be conducted on terms and under circumstances that are substantially the same as such transactions with unaffiliated entities.

As a matter of policy, the Federal Reserve expects a bank holding company to act as a source of financial and managerial strength to each of its subsidiary banks and to commit resources to support each such subsidiary bank. Under this source of strength doctrine, the Federal Reserve may require a bank holding company to make capital injections into a troubled subsidiary bank. They may charge the bank holding company with engaging in unsafe and unsound practices if it fails to commit resources to such a subsidiary bank or if it undertakes actions that the Federal Reserve believes might jeopardize its ability to commit resources to such subsidiary bank. A capital injection may be required at times when the holding company does not have the resources to provide it.

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Any loans by a holding company to a subsidiary bank are subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary bank. In the event of a bank holding company's bankruptcy, the bankruptcy trustee will assume any commitment by the holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, the bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of the institution's general unsecured creditors, including the holders of its note obligations.

Federal law permits the OCC to order the pro rata assessment of shareholders of a national bank whose capital stock has become impaired, by losses or otherwise, to relieve a deficiency in such national bank's capital stock. This statute also provides for the enforcement of any such pro rata assessment of shareholders of such national bank to cover such impairment of capital stock by sale, to the extent necessary, of the capital stock owned by any assessed shareholder failing to pay the assessment. As the sole shareholder of the Bank, we are subject to such provisions.

Moreover, the claims of a receiver of an insured depository institution for administrative expenses and the claims of holders of deposit liabilities of such an institution are accorded priority over the claims of general unsecured creditors of such an institution, including the holders of the institution's note obligations, in the event of liquidation or other resolution of such institution. Claims of a receiver for administrative expenses and claims of holders of deposit liabilities of the Bank, including the FDIC as the insurer of such holders, would receive priority over the holders of notes and other senior debt of the Bank in the event of liquidation or other resolution and over our interests as sole shareholder of the Bank.

The Federal Reserve maintains a bank holding company rating system that emphasizes risk management, introduces a framework for analyzing and rating financial factors, and provides a framework for assessing and rating the potential impact of non-depository entities of a holding company on its subsidiary depository institution(s).

A composite rating is assigned based on the foregoing three components, but a fourth component is also rated, reflecting generally the assessment of depository institution subsidiaries by their principal regulators. Ratings are made on a scale of 1 to 5 (1 highest) and are not made public. The bank holding company rating system, which became effective in 2005, applies to us. The composite ratings assigned to us, like those assigned to other financial institutions, are confidential and may not be directly disclosed, except to the extent required by law.

***Emergency Economic Stabilization Act of 2008, Federal Deposit Insurance Corporation, Financial Stability Plan, American Recovery and Reinvestment Act of 2009, Homeowner Affordability and Stability Plan, and Other Regulatory Developments***

### **Emergency Economic Stabilization Act of 2008**

On October 3, 2008, the Emergency Economic Stabilization Act of 2008 (EESA) was enacted. EESA enables the federal government, under terms and conditions to be developed by the Secretary of the Treasury, to insure troubled assets, including mortgage-backed securities, and collect premiums from participating financial institutions. EESA includes, among other provisions: (a) the \$700 billion Troubled Assets Relief Program (TARP), under which the Secretary of the Treasury is authorized to purchase, insure, hold, and sell a wide variety of financial instruments, particularly those that are based on or related to residential or commercial mortgages originated or issued on or before March 14, 2008; and (b) an increase in the amount of deposit insurance provided by the Federal Deposit Insurance Corporation (FDIC). Both of these specific provisions are discussed in the below sections.

#### ***Troubled Assets Relief Program (TARP)***

Under the TARP, the Department of Treasury authorized a voluntary capital purchase program (CPP) to purchase up to \$250 billion of senior preferred shares of qualifying financial institutions that elected to participate by November 14, 2008. Participating companies must adopt certain standards for executive compensation, including (a) prohibiting "golden parachute" payments as defined in EESA to senior Executive Officers; (b) requiring recovery of any compensation paid to senior Executive Officers based on criteria that is later proven to be materially inaccurate; and (c) prohibiting incentive compensation that encourages unnecessary and excessive risks that threaten the value of the financial institution. The terms of the CPP also limit certain uses of capital by the issuer, including repurchases of company stock, and increases in dividends.



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On November 14, 2008, we participated in the CPP and issued approximately \$1.4 billion in capital in the form of non-voting cumulative preferred stock that pays cash dividends at the rate of 5% per annum for the first five years, and then pays cash dividends at the rate of 9% per annum thereafter. In addition, the Department of Treasury received warrants to purchase shares of our common stock having an aggregate market price equal to 15% of the preferred stock amount. The proceeds of the \$1.4 billion have been credited to the preferred stock and additional paid-in-capital. The difference between the par value of the preferred stock and the amount credited to the preferred stock account is amortized against retained earnings and is reflected in our income statement as dividends on preferred shares, resulting in additional dilution to our common stock. The exercise price for the warrant of \$8.90, and the market price for determining the number of shares of common stock subject to the warrants, was determined on the date of the preferred investment (calculated on a 20-trading day trailing average). The warrants are immediately exercisable, in whole or in part, over a term of 10 years. The warrants are included in our diluted average common shares outstanding in periods when the effect of their inclusion is dilutive to earnings per share.

### **Federal Deposit Insurance Corporation (FDIC)**

EESA temporarily raised the limit on federal deposit insurance coverage from \$100,000 to \$250,000 per depositor. Separate from EESA, in October 2008, the FDIC also announced the Temporary Liquidity Guarantee Program. Under one component of this program, the FDIC temporarily provides unlimited coverage for noninterest bearing transaction deposit accounts through December 31, 2009. The limits are scheduled to return to \$100,000 on January 1, 2010.

In addition, on February 3, 2009, the Bank completed the issuance and sale of \$600 million of Floating Rate Senior Bank Notes with a variable rate of three month LIBOR plus 40 basis points, due June 1, 2012 (the Notes). The Notes are guaranteed by the FDIC under the FDIC's Temporary Liquidity Guarantee Program and are backed by the full faith and credit of the United States. The FDIC's guarantee cost \$20 million, which will be amortized over the term of the notes.

(See Bank Liquidity discussion for additional details regarding the Temporary Liquidity Guarantee Program.)

### **Financial Stability Plan**

On February 10, 2009, the Financial Stability Plan (FSP) was announced by the U.S. Treasury Department. The FSP is a comprehensive set of measures intended to shore up the financial system. The core elements of the plan include making bank capital injections, creating a public-private investment fund to buy troubled assets, establishing guidelines for loan modification programs and expanding the Federal Reserve lending program. The U.S. Treasury Department has indicated more details regarding the FSP are to be announced on a newly created government website, FinancialStability.gov, in the next several weeks. We continue to monitor these developments and assess their potential impact on our business.

### **American Recovery and Reinvestment Act of 2009**

On February 17, 2009, the American Recovery and Reinvestment Act of 2009 (ARRA) was enacted. ARRA is intended to provide a stimulus to the U.S. economy in the wake of the economic downturn brought about by the subprime mortgage crisis and the resulting credit crunch. The bill includes federal tax cuts, expansion of unemployment benefits and other social welfare provisions, and domestic spending in education, healthcare, and infrastructure, including the energy structure. The new law also includes numerous non-economic recovery related items, including a limitation on executive compensation in federally aided banks.

Under ARRA, an institution will be subject to the following restrictions and standards through out the period in which any obligation arising from financial assistance provided under TARP remains outstanding:

Limits on compensation incentives for risk taking by senior executive officers.

Requirement of recovery of any compensation paid based on inaccurate financial information.

Prohibition on Golden Parachute Payments .

Prohibition on compensation plans that would encourage manipulation of reported earnings to enhance the compensation of employees.

Publicly registered TARP recipients must establish a board compensation committee comprised entirely of independent directors, for the purpose of reviewing employee compensation plans.

Prohibition on bonus, retention award, or incentive compensation, except for payments of long term restricted stock.

Limitation on luxury expenditures.

TARP recipients are required to permit a separate shareholder vote to approve the compensation of executives, as disclosed pursuant to the SEC's compensation disclosure rules.

The chief executive officer and chief financial officer of each TARP recipient will be required to provide a written certification of compliance with these standards to the SEC.

The foregoing is a summary of requirements to be included in standards to be established by the Secretary of the U.S. Treasury Department.

#### **Homeowner Affordability and Stability Plan**

On February 18, 2009, the Homeowner Affordability and Stability Plan (HASP) was announced by the President of the United States. HASP is intended to support a recovery in the housing market and ensure that workers can continue to pay off their mortgages through the following elements:

Provide access to low-cost refinancing for responsible homeowners suffering from falling home prices.

A \$75 billion homeowner stability initiative to prevent foreclosure and help responsible families stay in their homes.

Support low mortgage rates by strengthening confidence in Fannie Mae and Freddie Mac.

More details regarding HASP are to be announced on March 4, 2009. We continue to monitor these developments and assess their potential impact on our business

#### **Other Regulatory Developments**

The Basel Committee on Banking Supervision's Basel II regulatory capital guidelines originally published in June 2004 and adopted in final form by U.S. regulatory agencies in November 2007 are designed to promote improved risk measurement and management processes and better align minimum capital requirements with risk. The Basel II guidelines became operational in April 2008, but are mandatory only for core banks, i.e., banks with consolidated total assets of \$250 billion or more. They are thus not applicable to the Bank, which continues to operate under U.S. risk-based capital guidelines consistent with Basel I guidelines published in 1988.

Federal regulators issued for public comment in December 2006 proposed rules (designated as Basel IA rules) applicable to non-core banks that would have modified the existing U.S. Basel I-based capital framework. In July 2008, however, these regulators issued, instead of the Basel IA proposals, a new rulemaking involving a standardized approach that would implement some of the simpler approaches for both credit risk and operational risk from the more advanced Basel II framework. Non-core U.S. depository institutions would be allowed to opt in to the standardized approach or elect to remain under the existing Basel I-based regulatory capital framework. The new rulemaking remained pending at the end of 2008.

#### **Dividend Restrictions**

Dividends from the Bank are the primary source of funds for payment of dividends to our shareholders. However, there are statutory limits on the amount of dividends that the Bank can pay to us without regulatory approval. The Bank may not, without prior regulatory approval, pay a dividend in an amount greater than its undivided profits. In addition, the prior approval of the OCC is required for the payment of a dividend by a national bank if the total of all dividends declared in a calendar year would exceed the total of its net income for the year combined with its retained net income for the two preceding years. As a result, for the year ended December 31, 2008, the Bank did not pay any cash dividends to Huntington. At December 31, 2008, the Bank could not have declared and paid any additional dividends to the parent company without regulatory approval.

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If, in the opinion of the applicable regulatory authority, a bank under its jurisdiction is engaged in or is about to engage in an unsafe or unsound practice, such authority may require, after notice and hearing, that such bank cease and desist from such practice. Depending on the financial condition of the Bank, the applicable regulatory authority might deem us to be engaged in an unsafe or unsound practice if the Bank were to pay dividends. The Federal Reserve and the OCC have issued policy statements that provide that insured banks and bank holding companies should generally only pay dividends out of current operating earnings. As previously described, the CPP limits our ability to increase dividends to shareholders.

### ***FDIC Insurance***

With the enactment in February 2006 of the Federal Deposit Insurance Reform Act of 2005 and related legislation, and the adoption by the FDIC of implementing regulations in November 2006, major changes were introduced in FDIC deposit insurance, effective January 1, 2007.

Under the reformed deposit insurance regime, the FDIC designates annually a target reserve ratio for the DIF within the range of 1.15 percent and 1.5 percent, instead of the prior fixed requirement to manage the DIF so as to maintain a designated reserve ratio of 1.25 percent.

In addition, the FDIC adopted a new risk-based system for assessment of deposit insurance premiums on depository institutions, under which all such institutions would pay at least a minimum level of premiums. The new system is based on an institution's probability of causing a loss to the DIF, and requires that each depository institution be placed in one of four risk categories, depending on a combination of its capitalization and its supervisory ratings. Under the base rate schedule adopted in late 2006, institutions in Risk Category I would be assessed between 2 and 4 basis points, while institutions in Risk Category IV could be assessed a maximum of 40 basis points.

The FDIC set 2007 assessment rates at three basis points above the base schedule rates, i.e., between 5 and 7 basis points for Risk Category I institutions and up to 43 basis points for Risk Category IV institutions. To assist the transition to the new system requiring assessment payments by all insured institutions, the Bank and other depository institutions that were in existence on and paid deposit insurance assessments prior to December 31, 1996, were made eligible for a one-time assessment credit based on their shares of the aggregate 1996 assessment base. The Bank's assessment rate, like that of other financial institutions, is confidential and may not be directly disclosed, except to the extent required by law.

For 2008, the FDIC resolved to maintain the designated reserve ratio at 1.25 percent, and to leave risk-based assessments at the same rates as in 2007, that is between 5 and 43 basis points, depending upon an institution's risk category.

As a participating FDIC insured bank, we were assessed deposit insurance premiums totaling \$24.1 million during 2008. However, the one-time assessment credit described above was fully utilized to substantially offset our 2008 deposit insurance premium and, therefore, only \$7.6 million of deposit insurance premium expense was recognized during 2008.

In late 2008, the FDIC raised assessment rates for the first quarter of 2009 by a uniform 7 basis points, resulting in a range between 12 and 50 basis points, depending upon the risk category. At the same time, the FDIC proposed further changes in the assessment system beginning in the second quarter of 2009. These changes commencing April 1, 2009, would set base assessment rates between 10 and 45 basis points, depending on the risk category, but would apply adjustments (relating to unsecured debt, secured liabilities, and brokered deposits) to individual institutions that could result in assessment rates between 8 and 21 basis points for institutions in the lowest risk category and 43 to 77.5 basis points for institutions in the highest risk category. A final rule to be issued in early 2009 could adjust these assessment rates further in the light of developing conditions. The purpose of the April 1, 2009, changes is to ensure that riskier institutions will bear a greater share of the proposed increase in assessments, and will be subsidized to a lesser degree by less risky institutions. The changes are also part of an FDIC plan to restore the designated reserve ratio to 1.25% by 2013. That ratio was expected to fall to 0.65 to 0.70 percent during the course of 2009.

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The Bank continues to be required to make payments for the servicing of obligations of the Financing Corporation (FICO) that were issued in connection with the resolution of savings and loan associations, so long as such obligations remain outstanding.

### ***Capital Requirements***

The Federal Reserve has issued risk-based capital ratio and leverage ratio guidelines for bank holding companies. The risk-based capital ratio guidelines establish a systematic analytical framework that:

makes regulatory capital requirements sensitive to differences in risk profiles among banking organizations,

takes off-balance sheet exposures into explicit account in assessing capital adequacy, and

minimizes disincentives to holding liquid, low-risk assets.

Under the guidelines and related policies, bank holding companies must maintain capital sufficient to meet both a risk-based asset ratio test and a leverage ratio test on a consolidated basis. The risk-based ratio is determined by allocating assets and specified off-balance sheet commitments into four weighted categories, with higher weighting assigned to categories perceived as representing greater risk. The risk-based ratio represents capital divided by total risk weighted assets. The leverage ratio is core capital divided by total assets adjusted as specified in the guidelines. The Bank is subject to substantially similar capital requirements.

Generally, under the applicable guidelines, a financial institution's capital is divided into two tiers. Institutions that must incorporate market risk exposure into their risk-based capital requirements may also have a third tier of capital in the form of restricted short-term subordinated debt. These tiers are:

Tier 1, or core capital, includes total equity plus qualifying capital securities and minority interests, excluding unrealized gains and losses accumulated in other comprehensive income, and non-qualifying intangible and servicing assets.

Tier 2, or supplementary capital, includes, among other things, cumulative and limited-life preferred stock, mandatory convertible securities, qualifying subordinated debt, and the allowance for credit losses, up to 1.25% of risk-weighted assets.

Total capital is Tier 1 plus Tier 2 capital.

The Federal Reserve and the other federal banking regulators require that all intangible assets (net of deferred tax), except originated or purchased mortgage-servicing rights, non-mortgage servicing assets, and purchased credit card relationships, be deducted from Tier 1 capital. However, the total amount of these items included in capital cannot exceed 100% of its Tier 1 capital.

Under the risk-based guidelines, financial institutions are required to maintain a risk-based ratio of 8%, with 4% being Tier 1 capital. The appropriate regulatory authority may set higher capital requirements when they believe an institution's circumstances warrant.

Under the leverage guidelines, financial institutions are required to maintain a leverage ratio of at least 3%. The minimum ratio is applicable only to financial institutions that meet certain specified criteria, including excellent asset quality, high liquidity, low interest rate risk exposure, and the highest regulatory rating. Financial institutions not meeting these criteria are required to maintain a minimum Tier 1 leverage ratio of 4%.

Special minimum capital requirements apply to equity investments in non-financial companies. The requirements consist of a series of deductions from Tier 1 capital that increase within a range from 8% to 25% of the adjusted carrying value of the investment.

Failure to meet applicable capital guidelines could subject the financial institution to a variety of enforcement remedies available to the federal regulatory authorities. These include limitations on the ability to pay dividends, the issuance by the regulatory authority of a capital directive to increase capital, and the termination of deposit insurance by the FDIC. In addition, the financial institution could be subject to the measures described below under Prompt Corrective Action as applicable to under-capitalized institutions.



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The risk-based capital standards of the Federal Reserve, the OCC, and the FDIC specify that evaluations by the banking agencies of a bank's capital adequacy will include an assessment of the exposure to declines in the economic value of the bank's capital due to changes in interest rates. These banking agencies issued a joint policy statement on interest rate risk describing prudent methods for monitoring such risk that rely principally on internal measures of exposure and active oversight of risk management activities by senior management.

**Prompt Corrective Action**

The Federal Deposit Insurance Corporation Improvement Act of 1991, known as FDICIA, requires federal banking regulatory authorities to take prompt corrective action with respect to depository institutions that do not meet minimum capital requirements. For these purposes, FDICIA establishes five capital tiers: well-capitalized, adequately-capitalized, under-capitalized, significantly under-capitalized, and critically under-capitalized.

An institution is deemed to be:

well-capitalized if it has a total risk-based capital ratio of 10% or greater, a Tier 1 risk-based capital ratio of 6% or greater, and a Tier 1 leverage ratio of 5% or greater and is not subject to a regulatory order, agreement, or directive to meet and maintain a specific capital level for any capital measure;

adequately-capitalized if it has a total risk-based capital ratio of 8% or greater, a Tier 1 risk-based capital ratio of 4% or greater, and, generally, a Tier 1 leverage ratio of 4% or greater and the institution does not meet the definition of a well-capitalized institution;

under-capitalized if it does not meet one or more of the adequately-capitalized tests;

significantly under-capitalized if it has a total risk-based capital ratio that is less than 6%, a Tier 1 risk-based capital ratio that is less than 3%, or a Tier 1 leverage ratio that is less than 3%; and

critically under-capitalized if it has a ratio of tangible equity, as defined in the regulations, to total assets that is equal to or less than 2%.

Throughout 2008, our regulatory capital ratios and those of the Bank were in excess of the levels established for well-capitalized institutions.

<i>(in billions of dollars)</i>		Well- Capitalized Minimums	At December 31, 2008	
		Actual	Excess Capital	
Ratios:				
Tier 1 leverage ratio	Consolidated	5.00%	<b>9.82%</b>	<b>\$ 2.5</b>
	Bank	5.00	<b>5.99</b>	<b>0.5</b>
Tier 1 risk-based capital ratio	Consolidated	6.00	<b>10.72</b>	<b>2.2</b>
	Bank	6.00	<b>6.44</b>	<b>0.2</b>
Total risk-based capital ratio	Consolidated	10.00	<b>13.91</b>	<b>1.8</b>
	Bank	10.00	<b>10.71</b>	<b>0.3</b>

FDICIA generally prohibits a depository institution from making any capital distribution, including payment of a cash dividend or paying any management fee to its holding company, if the depository institution would be under-capitalized after such payment. Under-capitalized institutions are subject to growth limitations and are required by the appropriate federal banking agency to submit a capital restoration plan. If any depository institution subsidiary of a holding company is required to submit a capital restoration plan, the holding company would be required to provide a limited guarantee regarding compliance with the plan as a condition of approval of such plan.

If an under-capitalized institution fails to submit an acceptable plan, it is treated as if it is significantly under-capitalized. Significantly under-capitalized institutions may be subject to a number of requirements and

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restrictions, including orders to sell sufficient voting stock to become adequately-capitalized, requirements to reduce total assets, and cessation of receipt of deposits from correspondent banks.

Critically under-capitalized institutions may not, beginning 60 days after becoming critically under-capitalized, make any payment of principal or interest on their subordinated debt. In addition, critically under-capitalized institutions are subject to appointment of a receiver or conservator within 90 days of becoming so classified.

Under FDICIA, a depository institution that is not well-capitalized is generally prohibited from accepting brokered deposits and offering interest rates on deposits higher than the prevailing rate in its market. As previously stated, the Bank is well-capitalized and the FDICIA brokered deposit rule did not adversely affect its ability to accept brokered deposits. The Bank had \$3.4 billion of such brokered deposits at December 31, 2008.

***Financial Holding Company Status***

In order to maintain its status as a financial holding company, a bank holding company's depository subsidiaries must all be both well capitalized and well managed, and must meet their Community Reinvestment Act obligations.

Financial holding company powers relate to financial activities that are determined by the Federal Reserve, in coordination with the Secretary of the Treasury, to be financial in nature, incidental to an activity that is financial in nature, or complementary to a financial activity, provided that the complementary activity does not pose a safety and soundness risk. The Gramm-Leach-Bliley Act designates certain activities as financial in nature, including:

underwriting insurance or annuities;

providing financial or investment advice;

underwriting, dealing in, or making markets in securities;

merchant banking, subject to significant limitations;

insurance company portfolio investing, subject to significant limitations; and

any activities previously found by the Federal Reserve to be closely related to banking.

The Gramm-Leach-Bliley Act also authorizes the Federal Reserve, in coordination with the Secretary of the Treasury, to determine that additional activities are financial in nature or incidental to activities that are financial in nature.

We are required by the Bank Holding Company Act to obtain Federal Reserve approval prior to acquiring, directly or indirectly, ownership or control of voting shares of any bank, if, after such acquisition, we would own or control more than 5% of its voting stock. However, as a financial holding company, we may commence any new financial activity, except for the acquisition of a savings association, with notice to the Federal Reserve within 30 days after the commencement of the new financial activity.

***USA Patriot Act***

The USA Patriot Act of 2001 and its related regulations require insured depository institutions, broker-dealers, and certain other financial institutions to have policies, procedures, and controls to detect, prevent, and report money laundering and terrorist financing. The statute and its regulations also provide for information sharing, subject to conditions, between federal law enforcement agencies and financial institutions, as well as among financial institutions, for counter-terrorism purposes. Federal banking regulators are required, when reviewing bank holding company acquisition and bank merger applications, to take into account the effectiveness of the anti-money laundering activities of the applicants.

***Customer Privacy and Other Consumer Protections***

Pursuant to the Gramm-Leach-Bliley Act, we, like all other financial institutions, are required to:  
provide notice to our customers regarding privacy policies and practices,

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inform our customers regarding the conditions under which their non-public personal information may be disclosed to non-affiliated third parties, and

give our customers an option to prevent disclosure of such information to non-affiliated third parties.

Under the Fair and Accurate Credit Transactions Act of 2003, our customers may also opt out of information sharing between and among us and our affiliates. We are also subject, in connection with our lending and leasing activities, to numerous federal and state laws aimed at protecting consumers, including the Home Mortgage Disclosure Act, the Real Estate Settlement Procedures Act, the Equal Credit Opportunity Act, the Truth in Lending Act, and the Fair Credit Reporting Act.

### **Sarbanes-Oxley Act of 2002**

The Sarbanes-Oxley Act of 2002 imposed new or revised corporate governance, accounting, and reporting requirements on us and all other companies having securities registered with the SEC. In addition to a requirement that chief executive officers and chief financial officers certify financial statements in writing, the statute imposed requirements affecting, among other matters, the composition and activities of audit committees, disclosures relating to corporate insiders and insider transactions, codes of ethics, and the effectiveness of internal controls over financial reporting.

### **Guide 3 Information**

Information required by Industry Guide 3 relating to statistical disclosure by bank holding companies is contained in the information incorporated by reference in response to Items 7 and 8 of this report.

### **Available Information**

We make available free of charge on our internet website, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and, if applicable, amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after those reports have been electronically filed or submitted to the SEC. These filings can be accessed under the Investor Relations link found on the homepage of our website at [www.huntington.com](http://www.huntington.com). These filings are also accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

### **Item 1A: Risk Factors**

We, like other financial companies, are subject to a number of risks that may adversely affect our financial condition or results of operation, many of which are outside of our direct control, though efforts are made to manage those risks while optimizing returns. Among the risks assumed are: (1) credit risk, which is the risk of loss due to loan and lease customers or other counterparties not being able to meet their financial obligations under agreed upon terms, (2) market risk, which is the risk of loss due to changes in the market value of assets and liabilities due to changes in market interest rates, foreign exchange rates, equity prices, and credit spreads, (3) liquidity risk, which is the risk of loss due to the possibility that funds may not be available to satisfy current or future commitments based on external macro market issues, investor and customer perception of financial strength, and events unrelated to the Company such as war, terrorism, or financial institution market specific issues, and (4) operational risk, which is the risk of loss due to human error, inadequate or failed internal systems and controls, violations of, or noncompliance with, laws, rules, regulations, prescribed practices, or ethical standards, and external influences such as market conditions, fraudulent activities, disasters, and security risks.

In addition to the other information included or incorporated by reference into this report, readers should carefully consider that the following important factors, among others, could materially impact our business, future results of operations, and future cash flows.



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***(1) Credit Risks:***

**The allowance for loan losses may prove inadequate or be negatively affected by credit risk exposures.**

Our business depends on the creditworthiness of our customers. We periodically review the allowance for loan and lease losses for adequacy considering economic conditions and trends, collateral values and credit quality indicators, including past charge-off experience and levels of past due loans and nonperforming assets. There is no certainty that the allowance for loan losses will be adequate over time to cover credit losses in the portfolio because of unanticipated adverse changes in the economy, market conditions or events adversely affecting specific customers, industries or markets. If the credit quality of the customer base materially decreases, if the risk profile of a market, industry or group of customers changes materially, or if the allowance for loan losses is not adequate, our business, financial condition, liquidity, capital, and results of operations could be materially adversely affected.

**The largest single contributor to our net loss in the fourth quarter of 2008, and our reduced net income in 2008, was \$438.0 million of provision expense relating to our credit relationship with Franklin Credit Management Corporation (Franklin). This charge represents our best estimate of the inherent loss within this credit relationship. However, there can be no assurance that we will not incur further losses relating to the Franklin relationship.**

We have a significant loan relationship with Franklin. Franklin describes itself as a specialty consumer finance company primarily engaged in the servicing and resolution of performing, re-performing, and nonperforming residential mortgage loans. Franklin's portfolio consists of loans secured by 1-4 family residential real estate that generally fall outside the underwriting standards of Fannie Mae and Freddie Mac and involve elevated credit risk as a result of the nature or absence of income documentation, limited credit histories, higher levels of consumer debt or past credit difficulties. Franklin purchased these loan portfolios at a discount to the unpaid principal balances and originated loans with interest rates and fees calculated to provide a rate of return adjusted to reflect the elevated credit risk inherent in these types of loans. Franklin originated non-prime loans through its wholly-owned subsidiary, Tribeca Lending Corp., and has generally held for investment the loans acquired and a significant portion of the loans originated.

Through the 2008 third quarter, the Franklin relationship continued to perform and accrue interest. While the cash flow generated by the underlying collateral declined slightly, it continued to exceed the requirements of the restructuring agreement. However, during the 2008 fourth quarter the cash flows deteriorated significantly, reflecting a more severe than expected deterioration in the overall economy. Principal payments associated with the first mortgage portfolios contracted significantly as the availability of credit was further reduced. An important source of principal reductions had been proceeds from the sale of properties in foreclosure, so the tightening of credit standards had a direct negative impact on the cash flows during the quarter. In addition, interest collections declined in the Franklin second mortgage portfolio as delinquencies continued to increase. These factors, coupled with the significant economic downturn in the 2008 fourth quarter, further weakened Franklin's borrowers' ability to pay, which resulted in significant deterioration in the cash flow that we expected to receive from these loans. As such, the changes in our estimates of the future expected cash flows led to the following 2008 fourth quarter actions:

\$423.3 million of our loans to Franklin were charged-off,

\$9.0 million of interest income was reversed as the remaining loans were put on nonaccrual,

\$7.3 million of interest swap exposure was written off, and

\$438.0 million of provision expense was recorded to replenish and increase the remaining specific loan loss reserve.

As a result of these actions, at December 31, 2008, total loans outstanding to Franklin were \$650.2 million, down \$444.3 million, or 41%, from \$1.095 billion at September 30, 2008. The specific allowance for loan losses on the Franklin exposure at December 31, 2008, was \$130.0 million, up from \$115.3 million at September 30, 2008, and represented 20% of the remaining loans outstanding. Subtracting the specific reserve from total loans outstanding, our total net exposure to Franklin at December 31, 2008, was \$520.2 million.

For further discussion concerning our exposure to Franklin, see the Significant Items Influencing Financial Performance and Comparisons section included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

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If Franklin's financial or operating condition were to deteriorate further, we have established alternatives for loan servicing. In the event of default by Franklin, we can terminate servicing responsibilities and appoint a successor servicer. Franklin would be contractually obligated to cooperate with us and incur the costs of transferring all documents, files, and balances to the successor.

We do not control Franklin, and Franklin's ability to collect payments of principal and interest on its loans and other recoveries from its real estate assets depends upon the efforts of its own employees and third-party servicers hired by it. Franklin, like other residential mortgage lenders, is likely to be materially adversely affected by further declines in home prices and disruptions in credit markets in many locales across the United States.

**A sustained weakness or weakening in business and economic conditions generally or specifically in the markets in which we do business could adversely affect our business and operating results.**

Our business could be adversely affected to the extent that weaknesses in business and economic conditions have direct or indirect impacts on us or on our customers and counterparties. These conditions could lead, for example, to one or more of the following:

A decrease in the demand for loans and other products and services offered by us;

A decrease in customer savings generally and in the demand for savings and investment products offered by us; and

An increase in the number of customers and counterparties who become delinquent, file for protection under bankruptcy laws, or default on their loans or other obligations to us.

An increase in the number of delinquencies, bankruptcies or defaults could result in a higher level of nonperforming assets, net charge-offs, provision for credit losses, and valuation adjustments on loans held for sale. The markets we serve are dependent, indirectly, on industrial businesses and thus particularly vulnerable to adverse changes in economic conditions in these regions.

**Our commercial real estate loan portfolio has and will continue to be affected by the on-going correction in residential real estate prices and reduced levels of home sales.**

At December 31, 2008, we had \$10.1 billion of commercial real estate loans, including \$1.6 billion of loans to builders of single family homes. There continues to be a general slowdown in the housing market across our geographic footprint, reflecting declining prices and excess inventories of houses to be sold. As a result, home builders have shown signs of financial deterioration. We expect the home builder market to continue to be volatile and anticipate continued pressure on the home builder segment in the coming months. As we continue our on-going portfolio monitoring, we will make credit and reserve decisions based on the current conditions of the borrower or project combined with our expectations for the future. If the slow down in the housing market continues, we could experience higher charge-offs and delinquencies in this portfolio.

**Declines in home values and reduced levels of home sales in our markets could continue to adversely affect us.**

Like all banks, we are subject to the effects of any economic downturn. There has been a slowdown in the housing market across our geographic footprint, reflecting declining prices and excess inventories of houses to be sold. These developments have had, and further declines may continue to have, a negative effect on our financial conditions and results of operations. At December 31, 2008, we had:

\$7.6 billion of home equity loans and lines, representing 18% of total loans and leases.

\$4.8 billion in residential real estate loans, representing 12% of total loans and leases. Adjustable-rate mortgages, primarily mortgages that have a fixed rate for the first 3 to 5 years and then adjust annually, comprised 63% of this portfolio.

\$1.6 billion of loans to single family home builders, including loans made to both middle market and small business home builders. These loans represented 4% of total loans and leases.

\$0.7 billion of loans to Franklin, net of amounts charged-off, substantially all of which is secured by and ultimately reflects exposures to residential real estate loans. These loans represented 2% of total loans and leases.

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\$2.1 billion of mortgage-backed securities, including \$1.6 billion of Federal Agency mortgage-backed securities, \$0.5 billion of private label collateralized mortgage obligations, \$0.3 billion of Alt-A mortgage backed securities, and \$0.1 billion of pooled trust preferred securities that could be negatively affected by a decline in home values.

### **Adverse economic conditions in the automobile manufacturing and related service industries may impact our banking business.**

Many of the banking markets we serve are dependent, directly or indirectly, on the automobile manufacturing industry. We do not have any direct credit exposure to automobile manufacturers. However, we do have \$288 million of exposure to companies that derive more than 25% of their revenues from contracts with the automobile manufacturing companies. Also, these automobile manufacturers or their suppliers employ many of our consumer customers. The automobile manufacturing industry has experienced significant economic difficulties over the past five years, which, in turn, has adversely impacted a number of related industries that serve the automobile manufacturing industry, including automobile parts suppliers and other indirect businesses. We cannot provide assurance that the economic conditions in the automobile manufacturing and related service industries will improve at any time in the foreseeable future or that adverse economic conditions in these industries will not impact the Bank.

### **We could experience losses on residual values related to our automobile lease portfolio.**

Inherently, automobile lease portfolios are subject to residual risk, which arises when the market price of the leased vehicle at the end of the lease term is below the estimated residual value at the time the lease is originated. This situation arises due to a decline in used car market values. A reduction in the expected proceeds from the residual values of our direct financing leases would result in an immediate recognition of impairment on the lease whereas a reduction in the expected proceeds from the residual values of our operating leases would result in an increase in the depreciation of our operating lease assets over the remaining term of the lease. For further discussion about our management of lease residual risk, see the Lease Residual Risk section of Management's Discussion and Analysis of our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

### ***(2) Market Risks:***

### **If our stock price declines from levels at December 31, 2008, we will evaluate our goodwill balances for impairment, and if the values of our businesses have declined, we could recognize an impairment charge for our goodwill.**

We performed interim evaluations of our goodwill balances at June 30, 2008, and December 31, 2008, and an annual goodwill impairment assessment as of October 1, 2008. Based on our analyses, we concluded that the fair value of our reporting units exceeded the fair value of our assets and liabilities and, therefore, goodwill was not considered impaired at any of those dates. The valuation of each of these lines of business included determining the value of the assets and liabilities we currently own, as well as an estimate of the future earnings that we expect from each line of business. To validate our evaluation of the values of our businesses, we reconcile the aggregate values of our lines of business to our total market capitalization, allowing for an appropriate control premium, typically in a range of 20% to 50%. The estimated control premium was determined by a review of premiums paid for similar companies over the past five years. It is possible that our assumptions and conclusions regarding the valuation of our lines of business could change adversely, which could result in the recognition of impairment for our goodwill, which could have a material effect on our financial position and future results of operations.

### **The value of certain investment securities is volatile and future declines or other-than-temporary impairments could materially adversely affect our future earnings and regulatory capital.**

Continued volatility in the market value for certain of our investment securities, whether caused by changes in market perceptions of credit risk, as reflected in the expected market yield of the security, or actual defaults in the portfolio could result in significant fluctuations in the value of the securities. This could have a material adverse impact on our accumulated other comprehensive loss and shareholders' equity depending on the direction of the fluctuations. Furthermore, future downgrades or defaults in these securities could result in future classifications as other than temporarily impaired. This could have a material impact on our future earnings, although the impact on shareholders' equity will be offset by any amount already included in other comprehensive income for securities where

we have recorded temporary impairment.

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**Changes in interest rates could negatively impact our financial condition and results of operations.**

Our results of operations depend substantially on net interest income, which is the difference between interest earned on interest-earning assets (such as investments, loans, and direct financing leases) and interest paid on interest-bearing liabilities (such as deposits and borrowings). Interest rates are highly sensitive to many factors, including governmental monetary policies and domestic and international economic and political conditions. Conditions such as inflation, recession, unemployment, money supply, and other factors beyond our control may also affect interest rates. If our interest-earning assets mature or reprice more quickly than interest-bearing liabilities in a declining interest rate environment, net interest income could be adversely impacted. Likewise, if interest-bearing liabilities mature or reprice more quickly than interest-earnings assets in a rising interest rate environment, net interest income could be adversely impacted.

Changes in interest rates also can affect the value of loans, securities, and other assets, including retained interests in securitizations, mortgage and non-mortgage servicing rights and assets under management. A portion of our earnings results from transactional income. Examples of transactional income include trust income, brokerage income, gain on sales of loans and other real estate owned. This type of income can vary significantly from quarter-to-quarter and year-to-year based on a number of different factors, including the interest rate environment. An increase in interest rates that adversely affects the ability of borrowers to pay the principal or interest on loans and leases may lead to an increase in nonperforming assets and a reduction of income recognized, which could have a material, adverse effect on our results of operations and cash flows. When we decide to stop accruing interest on a loan, we reverse any accrued but unpaid interest receivable, which decreases interest income. Subsequently, we continue to have a cost to fund the loan, which is reflected as interest expense, without any interest income to offset the associated funding expense. Thus, an increase in the amount of loans on nonaccrual status could have an adverse impact on net interest income.

Although fluctuations in market interest rates are neither completely predictable nor controllable, our Market Risk Committee (MRC) meets periodically to monitor our interest rate sensitivity position and oversee our financial risk management by establishing policies and operating limits. For further discussion, see the Market Risk Interest Rate Risk section included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference. If short-term interest rates remain at their historically low levels for a prolonged period, and assuming longer-term interest rates fall further, we could experience net interest margin compression as our interest-earning assets would continue to reprice downward while our interest-bearing liability rates, especially customer deposit rates, could remain at current levels.

***(3) Liquidity Risks:***

**If the Bank or holding company were unable to borrow funds through access to capital markets, we may not be able to meet the cash flow requirements of our depositors, creditors, and borrowers, or the operating cash needed to fund corporate expansion and other corporate activities.**

Liquidity is the ability to meet cash flow needs on a timely basis at a reasonable cost. The liquidity of the Bank is used to make loans and leases and to repay deposit liabilities as they become due or are demanded by customers. Liquidity policies and limits are established by the board of directors, with operating limits set by MRC, based upon the ratio of loans to deposits and percentage of assets funded with non-core or wholesale funding. The Bank's MRC regularly monitors the overall liquidity position of the Bank and the parent company to ensure that various alternative strategies exist to cover unanticipated events that could affect liquidity. MRC also establishes policies and monitors guidelines to diversify the Bank's wholesale funding sources to avoid concentrations in any one market source. Wholesale funding sources include Federal funds purchased, securities sold under repurchase agreements, non-core deposits, and medium- and long-term debt, which includes a domestic bank note program and a Euronote program. The Bank is also a member of the Federal Home Loan Bank of Cincinnati, Ohio (FHLB), which provides funding through advances to members that are collateralized with mortgage-related assets.

We maintain a portfolio of securities that can be used as a secondary source of liquidity. There are other sources of liquidity available to us should they be needed. These sources include the sale or securitization of loans, the ability to acquire additional national market, non-core deposits, issuance of additional collateralized borrowings such as FHLB advances, the issuance of debt securities, and the issuance of preferred or common securities in public or private

transactions. The Bank also can borrow from the Federal Reserve's discount window.



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Starting in the middle of 2007, there has been significant turmoil and volatility in worldwide financial markets which is, at present, ongoing. These conditions have resulted in a disruption in the liquidity of financial markets, and could directly impact us to the extent we need to access capital markets to raise funds to support our business and overall liquidity position. This situation could affect the cost of such funds or our ability to raise such funds. If we were unable to access any of these funding sources when needed, we might be unable to meet customers' needs, which could adversely impact our financial condition, results of operations, cash flows, and level of regulatory-qualifying capital. We may, from time to time, consider opportunistically retiring our outstanding securities, including our subordinated debt, trust preferred securities and preferred shares in privately negotiated or open market transactions for cash or common shares. For further discussion, see the Liquidity Risk section included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

**If our credit ratings were downgraded, the ability to access funding sources may be negatively impacted or eliminated, and our liquidity and the market price of our common stock could be adversely impacted. The Bank has issued letters of credit that support \$500 million of notes and bonds issued by our customers. The majority of the bonds have been sold by The Huntington Investment Company, our broker-dealer subsidiary. A downgrade in the Bank's short term rating might influence some of the bond investors to put the bonds back to the remarketing agent. A failure to remarket would require the Bank to obtain funding for the amount of notes and bonds that cannot be remarketed.**

Credit ratings by the three major credit rating agencies are an important component of our liquidity profile. Among other factors, the credit ratings are based on the financial strength, credit quality and concentrations in the loan portfolio, the level and volatility of earnings, capital adequacy, the quality of Management, the liquidity of the balance sheet, the availability of a significant base of core retail and commercial deposits, and the ability to access a broad array of wholesale funding sources. Adverse changes in these factors could result in a negative change in credit ratings and impact not only the ability to raise funds in the capital markets, but also the cost of these funds. In addition, certain financial on- and off-balance sheet arrangements contain credit rating triggers that could increase funding needs should a negative rating change occur. Letter of credit commitments for marketable securities, interest rate swap collateral agreements, and certain asset securitization transactions contain credit rating provisions.

Credit ratings as of February 13, 2009, for the parent company and the Bank can be found in Table 40 of Management's Discussion and Analysis of our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

We rely on certain funding sources such as large corporate deposits, public fund deposits, federal funds, Euro deposits, FHLB advances, and bank notes. Although not contractually tied to credit ratings, our ability to access these funding sources may be impacted by negative changes in credit ratings. In the case of public funds or FHLB advances, a credit downgrade may also trigger a requirement that we pledge additional collateral against outstanding borrowings. Credit rating downgrades could result in a loss of equity investor confidence.

**The OCC may impose dividend payment and other restrictions on the Bank, which could impact our ability to pay dividends to shareholders or repurchase stock. Due to the significant loss that the Bank incurred in the fourth quarter of 2008, at December 31, 2008, the Bank could not declare and pay dividends to the holding company without regulatory approval.**

The OCC is the primary regulatory agency that examines the Bank, its subsidiaries, and their respective activities. Under certain circumstances, including any determination that the activities of the Bank or its subsidiaries constitute an unsafe and unsound banking practice, the OCC has the authority by statute to restrict the Bank's ability to transfer assets, make shareholder distributions, and redeem preferred securities.

Under applicable statutes and regulations, dividends by a national bank may be paid out of current or retained net profits, but a national bank is prohibited from declaring a cash dividend on shares of its common stock out of net profits until the surplus fund equals the amount of capital stock or, if the surplus fund does not equal the amount of capital stock, until certain amounts from net profits are transferred to the surplus fund. Moreover, the prior approval of the OCC is required for the payment of a dividend if the total of all dividends declared by a national bank in any calendar year would exceed the total of its net profits for the year combined with its net profits for the two preceding years, less any required transfers to surplus or a fund for the retirement of any preferred securities.



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We do not anticipate that the holding company will receive dividends from the Bank during 2009, as we build the Bank's regulatory capital levels above our already well-capitalized level.

Payment of dividends could also be subject to regulatory limitations if the Bank became under-capitalized for purposes of the OCC prompt corrective action regulations. Under-capitalized is currently defined as having a total risk-based capital ratio of less than 8.0%, a Tier 1 risk-based capital ratio of less than 4.0%, or a core capital, or leverage, ratio of less than 4.0%. If the Bank were unable to pay dividends to the parent company, it could impact our ability to pay dividends to shareholders or repurchase stock. Throughout 2008, the Bank was in compliance with all regulatory capital requirements and considered to be well-capitalized.

For further discussion, see the Parent Company Liquidity section included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

### **(4) Operational Risks:**

**If our regulators deem it appropriate, they can take regulatory actions that could impact our ability to compete for new business, constrain our ability to fund our liquidity needs, and increase the cost of our services.**

Huntington and its subsidiaries are subject to the supervision and regulation of various State and Federal regulators, including the Office of the Comptroller of the Currency, the Federal Reserve, the FDIC, SEC, FINRA, and various state regulatory agencies. As such, Huntington is subject to a wide variety of laws and regulations, many of which are discussed in the Regulatory Matters section. As part of their supervisory process, which includes periodic examinations and continuous monitoring, the regulators have the authority to impose restrictions or conditions on our activities and the manner in which we manage the organization. These actions could impact the organization in a variety of ways, including subjecting us to monetary fines, restricting our ability to pay dividends, precluding mergers or acquisitions, limiting our ability to offer certain products or services, or imposing additional capital requirements.

**The resolution of significant pending litigation, if unfavorable, could have a material adverse effect on our results of operations for a particular period.**

Huntington faces legal risks in its businesses, and the volume of claims and amount of damages and penalties claimed in litigation and regulatory proceedings against financial institutions remain high. Substantial legal liability or significant regulatory action against Huntington could have material adverse financial effects or cause significant reputational harm to Huntington, which in turn could seriously harm Huntington's business prospects. As more fully described in Note 21 of the Notes to Consolidated Financial Statements included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference, three putative class actions and three shareholder derivative action were filed against Huntington, certain affiliated committees, and / or certain of its current or former officers and directors from December 2007 through February 2008 related to Huntington's transactions with Franklin and the financial disclosures relating to such transactions and, in one case, Huntington stock being offered as an investment in a Huntington employee benefit plan. At this time, it is not possible for management to assess the probability of an adverse outcome, or reasonably estimate the amount of any potential loss in connection with these lawsuits. Although no assurance can be given, based on information currently available, consultation with counsel, and available insurance coverage, management believes that the eventual outcome of these claims against us will not, individually or in the aggregate, have a material adverse effect on our consolidated financial position or results of operations. However, it is possible that the ultimate resolution of these matters, if unfavorable, may be material to the results of operations for a particular period.

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**Huntington faces significant operational risk.**

Huntington is exposed to many types of operational risk, including reputational risk, legal and compliance risk, the risk of fraud or theft by employees or outsiders, unauthorized transactions by employees or operational errors, including clerical or record-keeping errors or those resulting from faulty or disabled computer or telecommunications systems. Negative public opinion can result from Huntington's actual or alleged conduct in any number of activities, including lending practices, corporate governance and acquisitions and from actions taken by government regulators and community organizations in response to those activities. Negative public opinion can adversely affect Huntington's ability to attract and keep customers and can expose it to litigation and regulatory action.

We establish and maintain systems of internal operational controls that provide us with timely and accurate information about our level of operational risk. While not foolproof, these systems have been designed to manage operational risk at appropriate, cost-effective levels. Procedures exist that are designed to ensure that policies relating to conduct, ethics, and business practices are followed. While we continually monitor and improve the system of internal controls, data processing systems, and corporate-wide processes and procedures, there can be no assurance that future losses will not occur.

**Failure to maintain effective internal controls over financial reporting in the future could impair our ability to accurately and timely report its financial results or prevent fraud, resulting in loss of investor confidence and adversely affecting our business and stock price.**

Effective internal controls over financial reporting are necessary to provide reliable financial reports and prevent fraud. As a financial holding company, we are subject to regulation that focuses on effective internal controls and procedures. Management continually seeks to improve these controls and procedures.

Management believes that our key internal controls over financial reporting are currently effective; however, such controls and procedures will be modified, supplemented, and changed from time to time as necessitated by our growth and in reaction to external events and developments. While Management will continue to assess our controls and procedures and take immediate action to remediate any future perceived gaps, there can be no guarantee of the effectiveness of these controls and procedures on an on-going basis. Any failure to maintain in the future an effective internal control environment could impact our ability to report its financial results on an accurate and timely basis, which could result in regulatory actions, loss of investor confidence, and adversely impact its business and stock price.

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**Item 1B: Unresolved Staff Comments**

None.

**Item 2: Properties**

Our headquarters, as well as the Bank's, are located in the Huntington Center, a thirty-seven-story office building located in Columbus, Ohio. Of the building's total office space available, we lease approximately 40%. The lease term expires in 2015, with nine five-year renewal options for up to 45 years but with no purchase option. The Bank has an indirect minority equity interest of 18.4% in the building.

Our other major properties consist of:

- a thirteen-story and a twelve-story office building, both of which are located adjacent to the Huntington Center;

- a twenty-one story office building, known as the Huntington Building, located in Cleveland, Ohio;

- an eighteen-story office building in Charleston, West Virginia;

- a three-story office building located in Holland, Michigan;

- a Business Service Center in Columbus, Ohio;

- The Crosswoods building, located in the greater Columbus area;

- a twelve story office building in Youngstown, Ohio

- a ten story office building in Warren, Ohio

- an office complex located in Troy, Michigan; and

- three data processing and operations centers (Easton and Northland) located in Ohio and one in Indianapolis.

The office buildings above serve as regional administrative offices occupied predominantly by our Regional Banking and Private Financial, Capital Markets, and Insurance Group lines of business. The Auto Finance and Dealer Services line of business is located in the Northland operations center.

Of these properties, we own the thirteen-story and twelve-story office buildings, and the Business Service Center in Columbus and the twelve-story office building in Youngstown, Ohio. All of the other major properties are held under long-term leases. In 1998, we entered into a sale/leaseback agreement that included the sale of 59 of our locations. The transaction included a mix of branch banking offices, regional offices, and operational facilities, including certain properties described above, which we will continue to operate under a long-term lease.

**Item 3: Legal Proceedings**

Information required by this item is set forth in Note 21 of the Notes to Consolidated Financial Statements included in our 2008 Annual Report to Shareholders, portions of which are filed as Exhibit 13.1 to this report, and incorporated herein by reference.

**Item 4: Submission of Matters to a Vote of Security Holders**

Not Applicable.

**PART II**

**Item 5: Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities**

The common stock of Huntington Bancshares Incorporated is traded on the NASDAQ Stock Market under the symbol HBAN. The stock is listed as HuntgBcshr or HuntBanc in most newspapers. As of January 31, 2009, we had 41,153 shareholders of record.



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Information regarding the high and low sale prices of our common stock and cash dividends declared on such shares, as required by this item, is set forth in Table 52 entitled Quarterly Stock Summary, Key Ratios and Statistics, and Capital Data included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference. Information regarding restrictions on dividends, as required by this item, is set forth in Item 1 Business-Regulatory Matters-Dividend Restrictions and in Note 22 of the Notes to Consolidated Financial Statements included in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

Huntington did not repurchase any shares under the 2006 Repurchase Program for the three-month period ended December 31, 2008. At the end of the period, 3,850,000 shares may be purchased under the 2006 Repurchase Program.

The line graph below compares the yearly percentage change in cumulative total shareholder return on Huntington common stock and the cumulative total return of the S&P 500 Index and the KBW 50 Bank Index for the period December 31, 2003, through December 31, 2008. The KBW 50 Bank Index is a market capitalization-weighted bank stock index published by Keefe, Bruyette & Woods. The index is composed of the 50 largest banking companies and includes all money-center banks and most major regional banks. An investment of \$100 on December 31, 2003, and the reinvestment of all dividends are assumed.

**Item 6: Selected Financial Data**

Information required by this item is set forth in Table 1 in our 2008 Annual Report to Shareholders, portions of which are filed as exhibit 13.1 to this report, and incorporated by reference.

**Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations**

Information required by this item is set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations included in the 2008 Annual Report to Shareholders, portions of which are filed as Exhibit 13.1 to this report, and incorporated herein by reference.

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**Item 7a: Quantitative and Qualitative Disclosures About Market Risk**

Information required by this item is set forth in the caption "Market Risk" included in the 2008 Annual Report to Shareholders, portions of which are filed as Exhibit 13.1 to this report, and incorporated herein by reference.

**Item 8: Financial Statements and Supplementary Data**

Information required by this item is set forth in the Report of Independent Registered Public Accounting Firm, Consolidated Financial Statements and Notes, and Selected Quarterly Income Statements included in the 2008 Annual Report to Shareholders, portions of which are filed as Exhibit 13.1 to this report, and incorporated herein by reference.

**Item 9: Changes In and Disagreements With Accountants on Accounting and Financial Disclosure**

None.

**Item 9A: Controls and Procedures**

**Disclosure Controls and Procedures**

Huntington maintains disclosure controls and procedures designed to ensure that the information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, are recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Huntington's Management, with the participation of its Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of Huntington's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon such evaluation, Huntington's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, Huntington's disclosure controls and procedures were effective.

There have not been any significant changes in Huntington's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, Huntington's internal control over financial reporting.

**Internal Control Over Financial Reporting**

Information required by this item is set forth in "Report of Management" and "Report of Independent Registered Public Accounting Firm" included in the 2008 Annual Report to Shareholders, portions of which are filed as Exhibit 13.1 to this report, and incorporated herein by reference.

**Changes in Internal Control Over Financial Reporting**

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2008 to which this report relates that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

**Item 9A(T): Controls and Procedures**

Not applicable.



**Table of Contents****Item 9B: Other Information**

Not applicable.

**PART III**

We refer in Part III of this report to relevant sections of our 2009 Proxy Statement for the 2009 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the close of our 2008 fiscal year. Portions of our 2009 Proxy Statement, including the sections we refer to in this report, are incorporated by reference into this report.

**Item 10: Directors and Executive Officers and Corporate Governance**

Information required by this item is set forth under the captions Election of Directors , Corporate Governance , Executive Officers of Huntington , Board Committees , Report of the Audit Committee , Involvement in Certain Legal Proceedings and Section 16(a) Beneficial Ownership Reporting Compliance of our 2009 Proxy Statement.

**Item 11: Executive Compensation**

Information required by this item is set forth under the captions Executive Compensation and Director Compensation of our 2009 Proxy Statement.

**Item 12: Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters****Equity Compensation Plan Information**

The following table sets forth information about Huntington common stock authorized for issuance under Huntington's existing equity compensation plans as of December 31, 2008.

<b>Plan category <sup>(1)</sup></b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants, and rights <sup>(3)</sup> (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants, and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(4)</sup> (c)</b>
Equity compensation plans approved by security holders	20,297,317	\$ 24.40	3,865,385
Equity compensation not approved by security holders <sup>(2)</sup>	7,814,021	18.37	438,341
<b>Total</b>	<b>28,111,338</b>	<b>\$ 22.73</b>	<b>4,303,726</b>

<sup>(1)</sup> All equity compensation plan authorizations for shares of common stock

provide for the number of shares to be adjusted for stock splits, stock dividends, and other changes in capitalization. The Huntington Investment and Tax Savings Plan, a broad-based plan qualified under Code Section 401(a) which includes Huntington common stock as one of a number of investment options available to participants, is excluded from the table.

- (2) This category includes the Employee Stock Incentive Plan, a broad-based stock option plan under which active employees, excluding executive officers, have received grants of stock options, and the Executive Deferred Compensation Plan, which provides senior officers designated by

the  
Compensation  
Committee the  
opportunity to  
defer up to 90%  
of base salary,  
annual bonus  
compensation  
and certain  
equity awards,  
and up to 100%  
of long-term  
incentive  
awards.

- (3) The figures in  
this column  
reflect shares of  
common stock  
subject to stock  
option grants  
outstanding as  
of December 31,  
2008.

**Table of Contents**

- (4) The figures in this column reflect shares reserved as of December 31, 2008 for future issuance under employee benefit plans, including shares available for future grants of stock options but excluding shares subject to outstanding options. Of these amounts, shares of common stock available for future issuance other than upon exercise of options, warrants or rights are as follows:

438,341 shares reserved for the Executive Deferred Compensation Plan;

No shares reserved for the Supplemental Plan under which voluntary participant contributions made by payroll deduction are used to purchase shares;

No shares reserved for the Deferred Compensation Plan for Huntington directors under which directors may defer their director compensation and such amounts may be invested in shares of Huntington common stock; and

78,481 shares reserved for a similar plan (now inactive), the Deferred Compensation Plan for Directors, under which directors of selected subsidiaries of Huntington may defer their director compensation and such amounts may be invested in shares of Huntington common stock.

**Other Information**

The other information required by this item is set forth under the caption Ownership of Voting Stock of our 2009 Proxy Statement.

**Item 13: Certain Relationships and Related Transactions, and Director Independence**

Information required by this item is set forth under the caption Transactions With Directors and Executive Officers of our 2009 Proxy Statement.

**Item 14: Principal Accounting Fees and Services**

Information required by this item is set forth under the caption Proposal to Ratify the Appointment of Independent Registered Public Accounting Firm of our 2009 Proxy Statement.

**PART IV**

**Item 15: Exhibits, Financial Statement Schedules**

(a) The following documents are filed as part of this report:

The report of independent registered public accounting firm and consolidated financial statements appearing in our 2008 Annual Report on the pages indicated below are incorporated by reference in Item 8.

	Annual Report Page
Report of Independent Registered Public Accounting Firm	81
Consolidated Balance Sheets as of December 31, 2008 and 2007	82
Consolidated Statements of Income for the years ended December 31, 2008, 2007 and 2006	83
Consolidated Statements of Changes in Shareholders Equity for the years ended December 31, 2008, 2007 and 2006	84
Consolidated Statements of Cash Flows for the years ended December 31, 2008, 2007 and 2006	85
Notes to Consolidated Financial Statements	86-129

(1) We are not filing separately financial statement schedules because of the absence of conditions under which they are required or because the required information is included in the consolidated financial statements or the related notes.

(2) The exhibits required by this item are listed in the Exhibit Index of this Form 10-K. The management contracts and compensation plans or arrangements required to be filed as exhibits to this Form

10-K are listed  
as Exhibits 10.1  
through 10.39 in  
the  
Exhibit Index.

(b) The exhibits to this Form 10-K begin on page 28 of this report.

(c) See Item 15(a)(2) above.

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**Signatures**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 23rd day of February 2009.

HUNTINGTON BANCSHARES INCORPORATED  
(Registrant)

By: /s/ Stephen D. Steinour

Stephen D. Steinour  
Chairman, President, Chief Executive  
Officer, and Director (Principal  
Executive Officer)

By: /s/ Donald R. Kimble

Donald R. Kimble  
Executive Vice President  
Chief Financial Officer  
(Principal Financial Officer)

By: /s/ Thomas P. Reed

Thomas P. Reed  
Senior Vice President and Controller  
(Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on the 23rd day of February, 2009.

Raymond J. Biggs \*

Raymond J. Biggs  
Director

Jonathan A. Levy \*

Jonathan A. Levy  
Director

Don M. Casto III \*

Don M. Casto III  
Director

Wm. J. Lhota \*

Wm. J. Lhota  
Director

Michael J. Endres \*

Michael J. Endres  
Director

Gene E. Little \*

Gene E. Little  
Director

Marylouise Fennell \*

Marylouise Fennell  
Director

Gerard P. Mastroianni \*

Gerard P. Mastroianni  
Director

John B. Gerlach, Jr. \*

John B. Gerlach, Jr.  
Director

David L. Porteous \*

David L. Porteous  
Director

D. James Hilliker \*

Kathleen H. Ransier \*

D. James Hilliker  
Director

Kathleen H. Ransier  
Director

David P. Lauer \*

\* /s/ Donald R. Kimble

David P. Lauer  
Director

Donald R. Kimble  
Attorney-in-fact for each of the persons  
indicated



**Table of Contents****Exhibit Index**

This report incorporates by reference the documents listed below that we have previously filed with the SEC. The SEC allows us to incorporate by reference information in this document. The information incorporated by reference is considered to be a part of this document, except for any information that is superseded by information that is included directly in this document.

This information may be read and copied at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. The SEC also maintains an Internet web site that contains reports, proxy statements, and other information about issuers, like us, who file electronically with the SEC. The address of the site is <http://www.sec.gov>. The reports and other information filed by us with the SEC are also available at our Internet web site. The address of the site is <http://www.huntington.com>. Except as specifically incorporated by reference into this Annual Report on Form 10-K, information on those web sites is not part of this report. You also should be able to inspect reports, proxy statements, and other information about us at the offices of the NASDAQ National Market at 33 Whitehall Street, New York, New York.

<b>Exhibit Number</b>	<b>Document Description</b>	<b>Report or Registration Statement</b>	<b>SEC File or Registration Number</b>	<b>Exhibit Reference</b>
2.1	Agreement and Plan of Merger, dated December 20, 2006 by and among Huntington Bancshares Incorporated, Penguin Acquisition, LLC and Sky Financial Group, Inc.	Current Report on Form 8-K dated December 22, 2006.	000-02525	2.1
3.1	Articles of Restatement of Charter.	Annual Report on Form 10-K for the year ended December 31, 1993.	000-02525	3(i)
3.2	Articles of Amendment to Articles of Restatement of Charter.	Current Report on Form 8-K dated May 31, 2007	000-02525	3.1
3.3	Articles of Amendment to Articles of Restatement of Charter	Current Report on Form 8-K dated May 7, 2008	000-02525	3.1
3.4	Articles Supplementary of Huntington Bancshares Incorporated, as of April 22, 2008.	Current Report on Form 8-K dated April 22, 2008	000-02525	3.1
3.5	Articles Supplementary of Huntington Bancshares Incorporated, as of April 22, 2008.	Current Report on Form 8-K dated April 22, 2008	000-02525	3.2
3.6	Articles Supplementary of Huntington Bancshares Incorporated, as of November 12, 2008.	Current Report on Form 8-K dated November 12, 2008	001-34073	3.1
3.7	Articles Supplementary of Huntington Bancshares Incorporated, as of December 31, 2006.	Annual Report on Form 10-K for the year ended December 31, 2006.	000-02525	3.4

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3.8	Bylaws of Huntington Bancshares Incorporated, as amended and restated, as of January 21, 2009.	Current Report on Form 8-K dated January 23, 2009.	001-34073	3.1
4.1	Instruments defining the Rights of Security Holders reference is made to Articles Fifth, Eighth, and Tenth of Articles of Restatement of Charter, as amended and supplemented. Instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission upon request.			
10.1	* Form of Executive Agreement for certain executive officers.	Current Report on Form 8-K dated November 21, 2005.	000-02525	99.1
10.2	* Form of Executive Agreement for certain executive officers.	Current Report on Form 8-K dated November 21, 2005.	000-02525	99.2
10.3	* Form of Executive Agreement for certain executive officers.	Current Report on Form 8-K dated November 21, 2005.	000-02525	99.3
10.4	Amendment to the Huntington Bancshares Incorporated Executive Agreements.	Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.	001-34073	10.1
10.5	* Huntington Bancshares Incorporated Management Incentive Plan, as amended and restated effective for plan years beginning on or after January 1, 2004.	Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.	000-02525	10(a)
10.6	First Amendment to the Huntington Bancshares Incorporated 2004 Management Incentive Plan	Definitive Proxy Statement for the 2007 Annual Meeting of Stockholders	000-02525	H
10.7	Second Amendment to the Huntington Bancshares Incorporated 2004 Management Incentive Plan	Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.	001-34073	10.2
10.8	* Huntington Supplemental Retirement Income Plan, amended and restated, effective October 15, 2008.	Quarterly Report on Form 10-Q for the quarter ended September 30, 2008	001-34073	10.3

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10.9	* Deferred Compensation Plan and Trust for Directors	Post-Effective Amendment No. 2 to Registration Statement on Form S-8 filed on January 28, 1991.	33-10546	4(a)
10.10	* Deferred Compensation Plan and Trust for Huntington Bancshares Incorporated Directors	Registration Statement on Form S-8 filed on July 19, 1991.	33-41774	4(a)
10.11	* First Amendment to Huntington Bancshares Incorporated Deferred Compensation Plan and Trust for Huntington Bancshares Incorporated Directors	Quarterly Report 10-Q for the quarter ended March 31, 2001	000-02525	10(q)
10.12	* Executive Deferred Compensation Plan, as amended and restated on October 15, 2008.	Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.	001-34073	10.4

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<b>Exhibit Number</b>	<b>Document Description</b>	<b>Report or Registration Statement</b>	<b>SEC File or Registration Number</b>	<b>Exhibit Reference</b>
10.13	* The Huntington Supplemental Stock Purchase and Tax Savings Plan and Trust, amended and restated, effective January 1, 2005	Quarterly Report on Form 10-Q for the quarter ended September 30, 2007	000-02525	10.5
10.14	* Amended and Restated 1994 Stock Option Plan	Annual Report on Form 10-K for the year ended December 31, 1996	000-02525	10(r)
10.15	* First Amendment to Huntington Bancshares Incorporated 1994 Stock Option Plan	Quarterly Report on Form 10-Q for the quarter ended June 30, 2000	000-02525	10(a)
10.16	* First Amendment to Huntington Bancshares Incorporated Amended and Restated 1994 Stock Option Plan	Quarterly Report on Form 10-Q for the quarter ended March 31, 2002	000-02525	10(c)
10.17	* Second Amendment to Huntington Bancshares Incorporated Amended and Restated 1994 Stock Option Plan	Quarterly Report on Form 10-Q for the quarter ended March 31, 2002	000-02525	10(d)
10.18	* Third Amendment to Huntington Bancshares Incorporated Amended and Restated 1994 Stock Option Plan	Quarterly Report on Form 10-Q for the quarter ended March 31, 2002	000-02525	10(e)
10.19	* Huntington Bancshares Incorporated 2001 Stock and Long-Term Incentive Plan	Quarterly Report 10-Q for the quarter ended March 31, 2001	000-02525	10(r)
10.20	* First Amendment to the Huntington Bancshares Incorporated 2001 Stock and Long-Term Incentive Plan	Quarterly Report 10-Q for the quarter ended March 31, 2002	000-02525	10(h)
10.21	* Second Amendment to the Huntington Bancshares Incorporated 2001 Stock and Long-Term Incentive Plan	Quarterly Report 10-Q for the quarter ended March 31, 2002	000-02525	10(i)
10.22	* Huntington Bancshares Incorporated 2004 Stock and Long-Term Incentive Plan	Quarterly Report on Form 10-Q for the quarter ended June 30, 2004	000-02525	10(b)

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10.23	* First Amendment to the 2004 Stock and Long-Term Incentive Plan	Quarterly Report on Form 10-Q for the quarter ended March 31, 2006	000-02525	10(e)
10.24	* Huntington Bancshares Incorporated Employee Stock Incentive Plan (incorporating changes made by first amendment to Plan)	Registration Statement on Form S-8 filed on December 13, 2001.	333-75032	4(a)
10.25	* Second Amendment to Huntington Bancshares Incorporated Employee Stock Incentive Plan	Annual Report on Form 10-K for the year ended December 31, 2002	000-02525	10(s)
10.26	* Employment Agreement, dated January 14, 2009, between Huntington Bancshares Incorporated and Stephen D. Steinour.	Current Report on Form 8-K dated January 16, 2009.	001-34073	10.1
10.27	* Executive Agreement, dated January 14, 2009, between Huntington Bancshares Incorporated and Stephen D. Steinour.	Current Report on Form 8-K dated January 16, 2009.	001-34073	10.2
10.28	* Employment Agreement, dated December 20, 2006, between Huntington Bancshares Incorporated and Thomas E. Hoaglin	Registration Statement on Form S-4 filed February 26, 2007	333-140897	10.1

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<b>Exhibit Number</b>	<b>Document Description</b>	<b>Report or Registration Statement</b>	<b>SEC File or Registration Number</b>	<b>Exhibit Reference</b>
10.29	* Letter Agreement between Huntington Bancshares Incorporated and Raymond J. Biggs, acknowledged and agreed to by Mr. Biggs on May 1, 2005	Annual Report on Form 10-K for the year ended December 31, 2005	000-02525	10(t)
10.30	Schedule identifying material details of Executive Agreements 2006	Annual Report on Form 10-K for the year ended December 31, 2006	000-02525	10.34
10.31	Letter Agreement including Securities Purchase Agreement Standard Terms, dated November 14, 2008, between Huntington Bancshares Incorporated and the United States Department of the Treasury.	Current Report on Form 8-K dated November 14, 2008.	001-34073	10.1
10.32	* Performance criteria and potential awards for executive officers for fiscal year 2006 under the Management Incentive Plan and for a long-term incentive award cycle beginning on January 1, 2006 and ending on December 31, 2008 under the 2004 Stock and Long-Term Incentive Plan	Current Report on Form 8-K dated February 21, 2006	000-02525	99.1
10.33	* Restricted Stock Unit Grant Notice with three year vesting	Current Report on Form 8-K dated July 24, 2006	000-02525	99.1
10.34	* Restricted Stock Unit Grant Notice with six month vesting	Current Report on Form 8-K dated July 24, 2006	000-02525	99.2
10.35	* Restricted Stock Unit Deferral Agreement	Current Report on Form 8-K dated July 24, 2006	000-02525	99.3
10.36	* Director Deferred Stock Award Notice	Current Report on Form 8-K dated July 24, 2006	000-02525	99.4
10.37	* Huntington Bancshares Incorporated 2007 Stock and Long-Term Incentive Plan	Definitive Proxy Statement for the 2007 Annual Meeting of Stockholders	000-02525	G
10.38	* First Amendment to the 2007 Stock and Long-Term Incentive Plan	Quarterly report on Form 10-Q for the quarter ended September 30, 2007	000-02525	10.7
10.39	* Retention Payment Agreement	Annual Report on Form 10-K for the year ended December 31, 2007	000-02525	10.43
12.1	Ratio of Earnings to Fixed Charges.			
12.2				

Ratio of Earnings to Fixed Charges and Preferred Dividends.

13.1 Portions of our 2008 Annual Report to Shareholders

14.1 Code of Business Conduct and Ethics dated January 14, 2003 and revised on February 14, 2006 and Financial Code of Ethics for Chief Executive Officer and Senior Financial Officers, adopted January 18, 2003 and revised on April 19, 2005, are available on our website at <http://www.investquest.com/iq/h/hban/main/cg/cg.htm>

21.1 Subsidiaries of the Registrant

23.1 Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.

24.1 Power of Attorney

31.1 Rule 13a-14(a) Certification Chief Executive Officer.

31.2 Rule 13a-14(a) Certification Chief Financial Officer.

32.1 Section 1350 Certification Chief Executive Officer.

32.2 Section 1350 Certification Chief Financial Officer.

\* Denotes management contract or compensatory plan or arrangement.