



**UNION PLANTERS CORPORATION
CORPORATE GOVERNANCE GUIDELINES
(As Adopted by the Board of Directors on October 16, 2003)**

Pursuant to the rules and regulations of the New York Stock Exchange (“NYSE”), Securities and Exchange Commission (“SEC”) and other regulatory and governing bodies (collectively, the “Regulatory Bodies”), the Board of Directors (the “Board”) of Union Planters Corporation (the “Corporation”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to promote the effective functioning of the Board and its committees, to promote the interests of stockholders, and to ensure a common set of expectations as to how the Board, its committees, individual directors and management should perform their respective duties.

A. DIRECTOR QUALIFICATIONS

The Board seeks members from diverse professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. Directors should have experience in positions with a high degree of responsibility, be leaders in the companies or institutions with which they are affiliated and be selected based upon contributions they can make to the Corporation.

The Board will have a majority of Directors who meet the criteria for “independence” as required by the rules and regulations issued by the Regulatory Bodies. The Compensation/Nominations/Corporate Governance Committee (the “Governance Committee”) is responsible for reviewing the qualifications and independence of the members of the Board and its various committees on a periodic basis as well as the composition of the Board as a whole.

Generally, the Board’s policy is that a Director is presumed to be independent unless the Director (or their immediate family members): (i) is/was a current/former employee/executive of the Corporation during the last three (3) years; (ii) was a former employee/partner of the Corporation’s current or former independent auditors during the last three (3) years; (iii) is an owner, partner, employee, director of an entity with material relationships (makes payments to, or receives payments from the Corporation which exceed the greater of \$1 million, or 2% of the entity’s gross revenues) with the Corporation, either as a vendor or customer (however, extensions of credit that comply with Regulation O shall be presumed to be consistent with Director independence as discussed below); (iv) receives more than \$100,000 per year in direct compensation from the Corporation other than director and related fees; and (v) serves on a board or is employed by a company whereby an executive officer of the Corporation serves on the compensation committee, or equivalent, of the company employing the Director.

The following guidelines are to be followed when determining the impact of a credit relationship on a Director’s independence. Extensions of credit that comply with Regulation O shall be presumed to be consistent with Director independence. In other words, normal, arms length credit relationships entered into in the ordinary course of business shall not negate Director independence. In addition, an extension of credit to a

company, an executive officer of which serves on the Corporation's Board, must meet the substantive requirements of Regulation O in order to maintain the independence of such Director. Such loans must be made on substantially the same terms, including interest rates and collateral, as and following credit-underwriting procedures that are no less stringent than those prevailing at the time for comparable transactions by the Corporation with other persons. Such loans also shall not involve more than the normal risk of repayment or present other unfavorable features and no event of default shall have occurred. The Board must review any credit of a Director or his or her related interests that has become criticized (or past-due) in order to determine the impact that such classification has on the Director's independence.

Additionally, in making the determination of independence, the Board will consider any other activities or relationships which causes the Director to have the appearance of a material conflict of interest in the performance of the Director's duties to the Corporation. Such activities or relationships might include business relationships with the Corporation, including community/civic board membership which are supported by the Corporation. Services provided by the Corporation to a Director or his or her relation interests shall be normal, arms length relationships entered into on competitive terms and conditions.

Furthermore, the Corporation will not make any personal loans or other extensions of credit to directors (or their immediate family members) or executive officers (or their immediate family members) unless such extensions of credit are allowed under rules established by the Regulatory Bodies, including Regulation O issued by the banking regulatory agencies.

Annually, the Governance Committee will make inquiries and gather other information of each Director to assist in determining each Director's independence and will recommend to the Board that the Director be deemed either independent or not independent. The Board based on this review and recommendation will make the final determination. Any exceptions to these criteria will be disclosed in the Corporation's Annual Proxy to Shareholders.

This assessment will include members' qualification as independent, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board. Nominees for Directorship will be recommended to the Board by the Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Board itself or, by the Chairman of the Governance Committee. All nominees for director will be subject to shareholder vote as soon as possible after being appointed.

The Board presently has 13 members. It is the sense of the Board that a size of 10 to 15 members is satisfactory and adequate given the regulated industry requirements. However, the Board would be willing to go to a somewhat larger size in order to accommodate the availability of an outstanding candidate. Additionally, in order to maintain continuity of the Board, the Corporation will maintain a "classified board" with three (3) classes elected for successive three-year terms.

It is the sense of the Board that individual Directors who change their principal occupation, position or responsibility they held when they were elected to the Board should volunteer to resign from the Board. However, it is not the sense of the Board that in every instance

the Directors who retire or change from the position they held when they joined the Board should necessarily leave the Board. There should, however, be an opportunity for the Board through the Governance Committee to review the continued appropriateness of Board membership under such circumstances.

Directors should advise the Chairman of the Board and the Chairman of the Governance Committee in advance of accepting an invitation to serve on another public company board. There should be an opportunity for the Board through the Governance Committee to review the Director's availability to fulfill his or her responsibilities as a Director including committee assignments, if he or she serves on more than three other public company boards. However, the removal of Board members is governed by the Corporation's By-Laws and nothing contained herein alters those provisions.

The Board does not believe it should establish term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board as a whole. The retirement of a Director should occur at the end of the term in which he or she becomes 70 years of age in accordance with the Corporation's By-Laws.

B. DIRECTOR RESPONSIBILITIES

The basic responsibility of the Directors is to exercise their business judgment in good faith to act in what they reasonably believe to be in the best interests of the Corporation. In discharging that obligation, Directors should be entitled to rely on the honesty and integrity of their fellow Directors and the Corporation's senior executives and outside advisors and auditors. The Directors shall also be entitled to have the Corporation purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Corporation's Articles of Incorporation, By-laws and any indemnification agreements, and to exculpation as provided by state law and the Corporation's Articles of Incorporation.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the Directors before the meeting, and Directors should review these materials in advance of the meeting.

The Board has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer (the "CEO"). The Board believes that this matter is part of the succession planning process, which is overseen by the Governance Committee, and that it is in the best interests of the Corporation for the Board to make a determination when it elects a new chief executive officer.

The Chairman of the Board, with input from the Executive Committee, will establish the agenda for each Board meeting. At the beginning of each year, the Chairman will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is free to suggest the inclusion of additional

items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Corporation's long-term strategic plans and the principal issues together with the Corporation's overall corporate goals and objectives that the Corporation will face in the future during at least one Board meeting each year.

Directors are expected to avoid any action, position or interest that conflicts with an interest of the Corporation, or gives the appearance of a conflict. The Corporation annually solicits information from Directors in order to monitor potential conflicts of interest and Directors are expected to be mindful of their fiduciary obligations to the Corporation. When faced with a situation involving a potential conflict of interest, Directors are encouraged to seek advice from the Corporation's Office of General Counsel.

The Board believes that the number of shares of the Corporation's common stock owned by each Director is a personal decision; however, the Board strongly supports the position that Directors should own a meaningful number of shares in the Corporation.

The Board believes that executive management speaks for the Corporation. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Corporation. But it is expected that Board members will do this only with the knowledge of Executive Management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of Executive Management.

In order to facilitate open discussion, the Board believes maintaining confidentiality of information and deliberations is an imperative.

C. EXECUTIVE SESSIONS

The non-management Directors will meet in executive session, as necessary, but no less than two times per calendar year, to discuss items of interest in an open discussion format. Additionally, the independent directors should meet in executive session at least once annually, excluding any non-management Directors not considered independent. Directors wishing to discuss topics are encouraged to advise the presiding director prior to the meeting. The executive sessions will be presided by a predetermined Director which will rotate among the Chairmen of the Board committees as established by the Corporate Governance Committee. This process will be disclosed in the Corporation's Annual Proxy Statement.

D. BOARD COMMITTEES

The Board will have at all time an Executive Committee, an Audit Committee, a Compensation/Nominations/Corporate Governance Committee, a Loan Committee and a Compliance and Community Reinvestment Act Committee. All members of the Audit and Corporate Governance Committee will be independent Directors under the criteria established by the applicable Regulatory Bodies. In general, committee members will be nominated by the Governance Committee and will be appointed by the Board with consideration of the desires of individual Directors. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as certain specific qualifications for committee membership and procedures for committee member appointment; in addition, the charters will address committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.

The chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The chairman of each committee, in consultation with the appropriate members of the committee and executive management, will develop the committee's agenda. At the beginning of the year, each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all Directors.

The Board and each committee have the power to hire at the expense of the Corporation independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of the Board or any officer of the Corporation in advance.

The Audit Committee has the responsibility to select, retain, appoint, terminate and oversee the independent auditors of the Corporation.

Generally, the Board and its committees will meet simultaneously as committees of the Corporation and of Union Planters Bank, National Association (the "Bank"), though they should hold separate sessions if necessary to address issues that are relevant to one entity but not the other or to consider transactions between the two entities or other matters where the Corporation and the Bank may have different interests. In addition, any such committee should consult with internal or outside counsel if, in the opinion of the committee, any matter under consideration by the committee has the potential for any conflict between the interest of the Corporation and those of the Bank or the Corporation's other subsidiaries in order to ensure that appropriate procedures are established for addressing any such potential conflict and for ensuring compliance with the Corporation's policies regarding Sections 23A and 23B of the Federal Reserve Act.

The Board may, from time to time, establish or maintain additional standing or temporary committees as necessary or appropriate.

E. DIRECTOR ACCESS TO OFFICERS AND EMPLOYEES

Directors have full and free access to officers and employees of the Corporation. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO, the Corporate Secretary or directly by the Director. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Corporation and will, to the extent not inappropriate, copy the CEO on any written communications between a Director and an officer or employee of the Corporation.

The Board welcomes regular attendance at each Board meeting of the appropriate representatives of executive management of the Corporation as shall be determined from

time to time, subject to the Board's right in all instances to meet in executive session or with a more limited number of management representatives. If the CEO wishes to have additional Corporation personnel attendees on a regular basis, this suggestion should be brought to the Board for consideration.

F. DIRECTOR COMPENSATION

The form and amount of Director compensation will be determined by the Governance Committee in accordance with the policies and principles set forth in its charter and any NYSE or other applicable rules, and that committee will conduct an annual review of Director compensation. The Governance Committee will consider that Directors' independence may be jeopardized if Director compensation and perquisites exceed customary levels.

G. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

All new Directors must participate in the Corporation's Director Orientation Program, which should be conducted within two months of the annual meeting at which new Directors are elected or within three months of the time the new Director otherwise joins the Board. This orientation will include presentations by executive management to familiarize new Directors with the Corporation's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors. All continuing Directors are also invited to attend the Orientation Program.

Additionally, the Board encourages Directors to attend continuing education programs sponsored by the New York Stock Exchange and otherwise accredited programs. The costs of each attendance will be borne by the Corporation.

H. CEO EVALUATION AND MANAGEMENT SUCCESSION

The Governance Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board of Directors will review the Governance Committee's report in order to confirm that the CEO is providing effective leadership for the Corporation in the long- and short-term.

The Governance Committee should periodically report to the Board on succession planning. The entire Board will work with the Governance Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

I. REVIEWING AND APPROVING SIGNIFICANT TRANSACTIONS

Board approval of a particular transaction may be appropriate because of several factors, including: (i) legal or regulatory requirements; (ii) the materiality of the transaction to the Corporation's financial performance, risk profile or business; (iii) the terms of the transaction; (iv) other factors, such as the entering into a new line of business or a variation from the Corporation's strategic plan; and (v) to the extent the Board determines

it to be appropriate, the Board shall develop standards to be utilized by management in determining types of transactions that should be submitted to the Board for review and approval or notification.

J. ANNUAL PERFORMANCE EVALUATION

The Board of Directors will conduct an annual self-evaluation with the assistance of the Governance Committee to determine whether it and its committees are functioning effectively. The Governance Committee will receive comments from all Directors and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Corporation and specifically focus on areas in which the Board or management believes that the Board could improve.

K. EQUITY-BASED PLANS

The Board has reviewed the Corporation's accounting for stock options and believes the current method of not expensing normal options grants is acceptable. However, the Board together with executive management will continue to monitor future guidance, including accounting proposals, to validate this decision in the future. Additionally, all equity-based stock option plans should be presented to shareholders for approval.

L. COMMUNICATIONS WITH THE BOARD

Any shareholder or other interested party can communicate directly with the Board, including the presiding director of the Board Executive Sessions discussed above, by following the procedures set forth by the Board from time to time. All such written correspondence upon receipt will be immediately forwarded to the designated presiding director of the next scheduled Board Executive Session for review and consideration.