UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

Huntington Bancshares Incorporated
(Exact name of registrant as specified in its charter)

Maryland	1-34073	31-0724920
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

Registrant's address: 41 South High Street, Columbus, Ohio 43287

Registrant's telephone number, including area code: (614) 480-2265

Securities registered pursuant to Section 12(b) of the Act

Title of class	Trading Symbol(s)	Name of exchange on which registered
Common Stock—Par Value $0.01 per Share	**HBAN**	**NASDAQ**
Depositary Shares (each representing a 1/40th interest in a share of 5.875% Series C Non-Cumulative, perpetual preferred stock)	**HBANN**	**NASDAQ**
Depositary Shares (each representing a 1/40th interest in a share of 6.250% Series D Non-Cumulative, perpetual preferred stock)	**HBANO**	**NASDAQ**

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 and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

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

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

There were 1,014,218,094 shares of the registrant's common stock ($0.01 par value) outstanding on March 31, 2020.

HUNTINGTON BANCSHARES INCORPORATED
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Glossary of Acronyms and Terms

The following listing provides a comprehensive reference of common acronyms and terms used throughout the document:

ACL	Allowance for Credit Losses
AFS	Available-for-Sale
ALLL	Allowance for Loan and Lease Losses
AOCI	Accumulated Other Comprehensive Income
ASC	Accounting Standards Codification
AULC	Allowance for Unfunded Loan Commitments
Basel III	Refers to the final rule issued by the FRB and OCC and published in the Federal Register on October 11, 2013
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
C&I	Commercial and Industrial
CCAR	Comprehensive Capital Analysis and Review
CDs	Certificates of Deposit
CECL	Current Expected Credit Loss
CET1	Common Equity Tier 1 on a Basel III basis
CFPB	Bureau of Consumer Financial Protection
CMO	Collateralized Mortgage Obligations
COVID-19	Coronavirus Disease 2019
CRE	Commercial Real Estate
EAD	Exposure at Default
EVE	Economic Value of Equity
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FHFA	Federal Housing Finance Agency
FHLB	Federal Home Loan Bank of Cincinnati
FICO	Fair Isaac Corporation
FRB	Federal Reserve Bank
FTE	Fully-Taxable Equivalent
FTP	Funds Transfer Pricing
FVO	Fair Value Option
GAAP	Generally Accepted Accounting Principles in the United States of America
HTM	Held-to-Maturity
IRS	Internal Revenue Service
LCR	Liquidity Coverage Ratio
LIBOR	London Interbank Offered Rate
LIHTC	Low Income Housing Tax Credit
MBS	Mortgage-Backed Securities
MD&A	Management’s Discussion and Analysis of Financial Condition and Results of Operations
MSR	Mortgage Servicing Right
NAICS	North American Industry Classification System
NALs	Nonaccrual Loans
NCO	Net Charge-off
NII	Noninterest Income
NIM	Net Interest Margin
NPAs	Nonperforming Assets

OCC	Office of the Comptroller of the Currency
OCI	Other Comprehensive Income (Loss)
OLEM	Other Loans Especially Mentioned
OREO	Other Real Estate Owned
OTTI	Other-Than-Temporary Impairment
PCD	Purchased-Credit-Deteriorated
PPP	Paycheck Protection Program
PPPLF	Paycheck Protection Program Liquidity Facility
RBHPCG	Regional Banking and The Huntington Private Client Group
ROC	Risk Oversight Committee
SBA	Small Business Administration
SEC	Securities and Exchange Commission
TDR	Troubled Debt Restructuring
U.S. Treasury	U.S. Department of the Treasury
UCS	Uniform Classification System
VIE	Variable Interest Entity
XBRL	eXtensible Business Reporting Language

PART I. FINANCIAL INFORMATION

When we refer to “we”, “our”, and “us”, “Huntington”, and “the Company” 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 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

INTRODUCTION

We are a multi-state diversified regional bank holding company organized under Maryland law in 1966 and headquartered in Columbus, Ohio. Through the Bank, we have over 150 years of servicing the financial needs of our customers. Through our subsidiaries, we provide full-service commercial and consumer banking services, mortgage banking services, automobile financing, recreational vehicle and marine financing, equipment financing, investment management, trust services, brokerage services, insurance products and services, and other financial products and services. Our 839 full-service branches and private client group offices are located in Ohio, Illinois, Indiana, Kentucky, Michigan, Pennsylvania, and West Virginia. Select financial services and other activities are also conducted in various other states. International banking services are available through the headquarters office in Columbus, Ohio. Our foreign banking activities, in total or with any individual country, are not significant.

This MD&A provides information we believe necessary for understanding our financial condition, changes in financial condition, results of operations, and cash flows. The MD&A included in our 2019 Form 10-K should be read in conjunction with this MD&A as this discussion provides only material updates to the 2019 Form 10-K. This MD&A should also be read in conjunction with the Unaudited Condensed Consolidated Financial Statements, Notes to Unaudited Condensed Consolidated Financial Statements, and other information contained in this report.

EXECUTIVE OVERVIEW

Summary of 2020 First Quarter Results Compared to 2019 First Quarter

For the quarter, we reported net income of $48 million, or $0.03 per common share, compared with $358 million, or $0.32 per common share, in the year-ago quarter (*see Table 1*).

Fully-taxable equivalent net interest income was $796 million, down $33 million, or 4%. This reflected a 25 basis point decrease in the FTE net interest margin to 3.14%, partially offset by the benefit from the $2.6 billion, or 3%, increase in average earning assets.

The provision for credit losses increased $374 million year-over-year to $441 million in the 2020 first quarter. Net charge-offs increased $46 million to $117 million. The oil and gas portfolio accounted for approximately 27% of total commercial NCOs, while one large relationship in the coal industry accounted for an additional 45%. Consumer NCOs were down on a year-over-year basis, consistent with our expectations. NCOs represented an annualized 0.62% of average loans and leases in the current quarter, up from 0.38% in the year-ago quarter.

Noninterest income was $361 million, up $42 million, or 13%, from the year ago quarter. Mortgage banking income increased $37 million, or 176%, and capital markets fees increased $11 million, or 50%. Partially offsetting these increases, other noninterest income decreased $8 million, or 21%, while gain on sale of loans and leases decreased $5 million, or 38%.

Noninterest expense was $652 million, relatively flat from the year-ago quarter.

Common Equity Tier 1 risk-based capital ratio was 9.47%, down from 9.84% a year ago. The regulatory Tier 1 risk-based capital ratio was 10.81% compared to 11.25% at March 31, 2019. All capital ratios were impacted by year-over-year balance sheet growth. The capital impact of the repurchase of $504 million of common stock over the last four quarters, including $88 million repurchased during the 2020 first quarter, and cash dividends effectively offset earnings on a year-over-year basis.

Business Overview

General

Our general business objectives are:

- Consistent organic revenue and balance sheet growth.
- Invest in our businesses, particularly technology and risk management.
- Deliver positive operating leverage.
- Maintain aggregate moderate-to-low risk appetite.
- Disciplined capital management.

COVID-19

The COVID-19 pandemic has caused significant, unprecedented disruption around the world that has affected daily living and negatively impacted the global economy. The pandemic has resulted in temporary closures of many businesses and the institution of social distancing and shelter in place requirements in many states and communities, which has increased unemployment levels and caused extreme volatility in the financial markets. While COVID-19 has negatively impacted the economy, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) provides for financial stimulus and government lending programs at unprecedented levels. The benefits of these programs, as well as any potential additional stimulus, to effectively support businesses and consumers within the economy are uncertain.

Huntington was able to react quickly to these changes because of the commitment and flexibility of its workforce coupled with a well-prepared business continuity plan. To ensure the safety of our branch colleagues, while still meeting the needs of our customers, we have moved to use of branches with drive-thru only with in-person meetings by appointment. For other colleagues, we have implemented a work-from-home approach with increased communication to keep them informed, engaged and connected. Additional benefits, such as emergency paid time off and other programs for those whose families have been directly impacted by the virus, have been added.

For our customers, we have established a variety of relief programs which include loan payment deferrals, fee waivers and the suspension of foreclosure and repossessions. In addition to these measures, we are working with our customers to originate business loans made available through the Small Business Administration Paycheck Protection Program, a lending program established as part of the relief to American consumers and businesses in the CARES Act. As of April 16, 2020, we have processed approximately 26,000 applications totaling over $6.1 billion.

CARES Act

The CARES Act was passed by Congress and signed into law on March 27, 2020. The CARES Act includes an allocation of $349 billion for loans to be issued by financial institutions through the Small Business Administration (“SBA”). This program is known as the Paycheck Protection Program (“PPP”). PPP loans are forgivable, in whole or in part, if the proceeds are used for payroll and other permitted purposes in accordance with the requirements of the PPP. These loans carry a fixed rate of 1.00% and a term of two years, if not forgiven, in whole or in part. Payments are deferred for the first six months of the loan. The loans are 100% guaranteed by the SBA. The SBA pays the originating bank a processing fee ranging from 1% to 5%, based on the size of the loan. The Paycheck Protection Program and Health Care Enhancement Act (“PPP / HCEA Act”) was passed by Congress on April 23, 2020 and signed into law on April 24, 2020. The PPP / HCEA Act authorizes additional funding under the CARES Act of $310 billion for PPP loans to be issued by financial institutions through the SBA. In addition, the FRB has implemented a liquidity facility available to financial institutions participating in the PPP (“PPPLF”). In conjunction with the PPP, the PPPLF will allow the Federal Reserve Banks to lend to member banks on a non-recourse basis with PPP loans as collateral.

Additionally, the CARES Act provides for relief on existing and new SBA loans through Small Business Debt Relief. As part of the SBA Small Business Debt Relief, the SBA will automatically pay principal, interest and fees of certain SBA loans for a period of six months for both existing loans and new loans issued prior to September 27, 2020. At March 31, 2020, approximately 12,000 Huntington customers are eligible for this relief. The CARES Act also provides for Mortgage Payment Relief and a foreclosure moratorium.

Federal Reserve Bank Actions

The FRB has taken a range of actions to support the flow of credit to households and businesses. For example, on March 15, 2020, the FRB reduced the target range for the federal funds rate to 0 to 0.25% and announced that it would increase its holdings of U.S. Treasury securities and agency mortgage-backed securities and begin purchasing agency commercial mortgage-backed securities. The FRB has also encouraged depository institutions to borrow from the discount window and has lowered the primary credit rate for such borrowing by 150 basis points while extending the term of such loans up to 90 days. Reserve requirements have been reduced to zero as of March 26, 2020.

The FRB has established, or has taken steps to establish, a range of facilities and programs to support the U.S. economy and U.S. marketplace participants in response to economic disruptions associated with COVID-19, including among others, main street lending facilities to purchase loan participations, under specified conditions, from banks lending to small and medium U.S. businesses. We may participate in some or all of them, including as a lender, agent, or intermediary on behalf of clients or customers or in an advisory capacity.

Economy

As we entered 2020, the underlying economic fundamentals in our footprint were relatively healthy. The COVID-19 pandemic has altered those fundamentals for the foreseeable future and we believe the economy will be challenged for some time.

DISCUSSION OF RESULTS OF OPERATIONS

This section provides a review of financial performance from a consolidated perspective. Key Unaudited Condensed Consolidated Balance Sheet and Unaudited Condensed Statement of Income trends are discussed. All earnings per share data are reported on a diluted basis. For additional insight on financial performance, please read this section in conjunction with the "Business Segment Discussion".

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Table 1 - Selected Quarterly Income Statement Data

	Three Months Ended				
(amounts in millions, except per share data)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Interest income	$ 975	$ 1,011	$ 1,052	$ 1,068	$ 1,070
Interest expense	185	231	253	256	248
Net interest income	790	780	799	812	822
Provision for credit losses	441	79	82	59	67
Net interest income after provision for credit losses	349	701	717	753	755
Service charges on deposit accounts	87	95	98	92	87
Card and payment processing income	58	64	64	63	56
Trust and investment management services	47	47	44	43	44
Mortgage banking income	58	58	54	34	21
Capital markets fees	33	31	36	34	22
Insurance income	23	24	20	23	21
Bank owned life insurance income	16	17	18	15	16
Gain on sale of loans and leases	8	16	13	13	13
Net (losses) gains on sales of securities	—	(22)	—	(2)	—
Other noninterest income	31	42	42	59	39
Total noninterest income	361	372	389	374	319
Personnel costs	395	426	406	428	394
Outside data processing and other services	85	89	87	89	81
Equipment	41	42	41	40	40
Net occupancy	40	41	38	38	42
Professional services	11	14	16	12	12
Amortization of intangibles	11	12	12	12	13
Marketing	9	9	10	11	7
Deposit and other insurance expense	9	10	8	8	8
Other noninterest expense	51	58	49	62	56
Total noninterest expense	652	701	667	700	653
Income before income taxes	58	372	439	427	421
Provision for income taxes	10	55	67	63	63
Net income	48	317	372	364	358
Dividends on preferred shares	18	19	18	18	19
Net income applicable to common shares	$ 30	$ 298	$ 354	$ 346	$ 339
Average common shares—basic	1,018	1,029	1,035	1,045	1,047
Average common shares—diluted	1,035	1,047	1,051	1,060	1,066
Net income per common share—basic	$ 0.03	$ 0.29	$ 0.34	$ 0.33	$ 0.32
Net income per common share—diluted	0.03	0.28	0.34	0.33	0.32
Return on average total assets	0.17%	1.15%	1.37%	1.36%	1.35%
Return on average common shareholders' equity	1.1	11.1	13.4	13.5	13.8
Return on average tangible common shareholders' equity (1)	1.8	14.3	17.3	17.7	18.3
Net interest margin (2)	3.14	3.12	3.20	3.31	3.39
Efficiency ratio (3)	55.4	58.4	54.7	57.6	55.8
Effective tax rate	17.0	14.8	15.4	14.6	15.0
Revenue—FTE					
Net interest income	$ 790	$ 780	$ 799	$ 812	$ 822
FTE adjustment	6	6	6	7	7
Net interest income (2)	796	786	805	819	829
Noninterest income	361	372	389	374	319
Total revenue (2)	$ 1,157	$ 1,158	$ 1,194	$ 1,193	$ 1,148

(1) Net income excluding expense for amortization of intangibles for the period divided by average tangible common shareholders' equity. Average tangible common shareholders' equity equals average total common shareholders' equity less average intangible assets and goodwill. Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 21% tax rate.

(2) On an FTE basis assuming a 21% tax rate.

(3) Noninterest expense less amortization of intangibles and goodwill impairment divided by the sum of FTE net interest income and noninterest income excluding securities gains.

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Net Interest Income / Average Balance Sheet

The following tables detail the change in our average balance sheet and the net interest margin:

Table 2 - Consolidated Average Balance Sheet and Net Interest Margin Analysis

	Average Balances					Change	
	Three Months Ended					1Q20 vs. 1Q19	
(dollar amounts in millions)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	Amount	Percent
Assets:							
Interest-bearing deposits in Federal Reserve Bank	$ 680	$ 672	$ 514	$ 518	$ 501	$ 179	36 %
Interest-bearing deposits in banks	150	176	149	135	109	41	38
Securities:							
Trading account securities	95	109	137	161	138	(43)	(31)
Available-for-sale securities:							
Taxable	11,671	11,221	11,096	10,501	10,752	919	9
Tax-exempt	2,753	2,791	2,820	2,970	3,048	(295)	(10)
Total available-for-sale securities	14,424	14,012	13,916	13,471	13,800	624	5
Held-to-maturity securities—taxable	9,428	8,592	8,566	8,771	8,653	775	9
Other securities	445	448	437	466	536	(91)	(17)
Total securities	24,392	23,161	23,056	22,869	23,127	1,265	5
Loans held for sale	865	950	877	734	700	165	24
Loans and leases: (3)							
Commercial:							
Commercial and industrial	30,849	30,373	30,632	30,644	30,546	303	1
Commercial real estate:							
Construction	1,165	1,181	1,165	1,168	1,174	(9)	(1)
Commercial	5,566	5,625	5,762	5,732	5,686	(120)	(2)
Commercial real estate	6,731	6,806	6,927	6,900	6,860	(129)	(2)
Total commercial	37,580	37,179	37,559	37,544	37,406	174	—
Consumer:							
Automobile	12,924	12,607	12,181	12,219	12,361	563	5
Home equity	9,026	9,192	9,353	9,482	9,641	(615)	(6)
Residential mortgage	11,391	11,330	11,214	11,010	10,787	604	6
RV and marine	3,590	3,564	3,528	3,413	3,296	294	9
Other consumer	1,185	1,231	1,261	1,264	1,284	(99)	(8)
Total consumer	38,116	37,924	37,537	37,388	37,369	747	2
Total loans and leases	75,696	75,103	75,096	74,932	74,775	921	1
Allowance for loan and lease losses	(1,239)	(787)	(799)	(778)	(780)	(459)	(59)
Net loans and leases	74,457	74,316	74,297	74,154	73,995	462	1
Total earning assets	101,783	100,062	99,692	99,188	99,212	2,571	3
Cash and due from banks	914	864	817	835	853	61	7
Intangible assets	2,217	2,228	2,240	2,252	2,265	(48)	(2)
All other assets	6,472	6,346	6,216	5,982	5,961	511	9
Total assets	$ 110,147	$ 108,713	$ 108,166	$ 107,479	$ 107,511	$ 2,636	2 %
Liabilities and Shareholders' Equity:							
Interest-bearing deposits:							
Demand deposits—interest-bearing	$ 21,202	$ 20,140	19,796	$ 19,693	$ 19,770	$ 1,432	7 %
Money market deposits	24,697	24,560	24,266	23,305	22,935	1,762	8
Savings and other domestic deposits	9,632	9,552	9,681	10,105	10,338	(706)	(7)
Core certificates of deposit (4)	3,943	4,795	5,666	5,860	6,052	(2,109)	(35)
Other domestic time deposits of $250,000 or more	321	313	315	310	335	(14)	(4)
Brokered deposits and negotiable CDs	2,884	2,589	2,599	2,685	3,404	(520)	(15)
Total interest-bearing deposits	62,679	61,949	62,323	61,958	62,834	(155)	—
Short-term borrowings	3,383	1,965	2,331	3,166	2,320	1,063	46
Long-term debt	10,076	9,886	9,536	8,914	8,979	1,097	12
Total interest-bearing liabilities	76,138	73,800	74,190	74,038	74,133	2,005	3
Demand deposits—noninterest-bearing	20,054	20,643	19,926	19,760	19,938	116	1
All other liabilities	2,319	2,386	2,336	2,206	2,284	35	2
Shareholders' equity	11,636	11,884	11,714	11,475	11,156	480	4
Total liabilities and shareholders' equity	$ 110,147	$ 108,713	$ 108,166	$ 107,479	$ 107,511	$ 2,636	2 %

Table 2 - Consolidated Average Balance Sheet and Net Interest Margin Analysis (Continued)

	Average Yield Rates (2)				
	Three Months Ended				
Fully-taxable equivalent basis (1)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Assets:					
Interest-bearing deposits in Federal Reserve Bank	1.08%	1.66%	2.19%	2.38%	2.40%
Interest-bearing deposits in banks	1.52	1.81	2.38	2.08	1.75
Securities:					
Trading account securities	3.21	2.45	2.36	1.92	2.03
Available-for-sale securities:					
Taxable	2.62	2.63	2.67	2.73	2.82
Tax-exempt	3.30	3.43	3.63	3.66	3.69
Total available-for-sale securities	2.75	2.79	2.87	2.94	3.01
Held-to-maturity securities—taxable	2.50	2.50	2.51	2.54	2.52
Other securities	2.07	2.57	3.15	3.44	4.51
Total securities	2.64	2.68	2.74	2.79	2.86
Loans held for sale	3.39	3.40	3.69	4.00	4.07
Loans and leases: (3)					
Commercial:					
Commercial and industrial	4.12	4.31	4.57	4.82	4.91
Commercial real estate:					
Construction	4.75	5.07	5.50	5.59	5.58
Commercial	4.00	4.36	4.67	4.88	5.00
Commercial real estate	4.13	4.48	4.81	5.00	5.10
Total commercial	4.12	4.34	4.61	4.85	4.94
Consumer:					
Automobile	4.05	4.15	4.09	4.02	3.95
Home equity	4.75	5.03	5.38	5.56	5.61
Residential mortgage	3.70	3.73	3.80	3.84	3.86
RV and marine	4.91	4.96	4.96	4.94	4.96
Other consumer	12.39	12.71	13.34	13.29	13.07
Total consumer	4.45	4.59	4.72	4.76	4.75
Total loans and leases	4.29	4.47	4.67	4.80	4.85
Total earning assets	3.88	4.03	4.21	4.35	4.40
Liabilities:					
Interest-bearing deposits:					
Demand deposits—interest-bearing	0.43	0.63	0.57	0.58	0.56
Money market deposits	0.81	0.99	1.20	1.15	1.04
Savings and other domestic deposits	0.17	0.20	0.22	0.23	0.23
Core certificates of deposit (4)	1.91	2.09	2.17	2.15	2.11
Other domestic time deposits of $250,000 or more	1.56	1.70	1.85	1.92	1.82
Brokered deposits and negotiable CDs	1.22	1.67	2.21	2.39	2.38
Total interest-bearing deposits	0.68	0.87	0.98	0.97	0.94
Short-term borrowings	1.46	1.66	2.28	2.41	2.41
Long-term debt	2.70	3.50	3.59	3.91	3.98
Total interest-bearing liabilities	0.98	1.24	1.36	1.39	1.35
Net interest rate spread	2.90	2.79	2.85	2.96	3.05
Impact of noninterest-bearing funds on margin	0.24	0.33	0.35	0.35	0.34
Net interest margin	3.14%	3.12%	3.20%	3.31%	3.39%

(1) FTE yields are calculated assuming a 21% tax rate.
(2) Loan and lease and deposit average yield rates include impact of applicable derivatives, non-deferrable fees, and amortized fees.
(3) For purposes of this analysis, NALs are reflected in the average balances of loans.
(4) Includes consumer certificates of deposit of $250,000 or more.

2020 First Quarter versus 2019 First Quarter

FTE net interest income for the 2020 first quarter decreased $33 million, or 4%, from the 2019 first quarter. This reflected a 25 basis point decrease in the NIM to 3.14%, partially offset by the benefit from the $2.6 billion, or 3%, increase in average earning assets. The NIM compression reflected a 52 basis point year-over-year decrease in average earning asset yields and a 10 basis point decrease in the benefit from noninterest-bearing funds, partially offset by a 37 basis point decrease in average interest-bearing liability costs. The decrease in earning asset yields was primarily driven by the impact of lower interest rates in the quarter on commercial and home equity loan yields. The decrease in average interest-bearing liability costs primarily reflects lower interest-bearing deposit costs (down 26 basis points) and lower long-term debt costs (down 128 basis points), both reflecting the impact of lower interest rates.

Average earning assets for the 2020 first quarter increased $2.6 billion, or 3%, from the year-ago quarter, primarily reflecting a $1.3 billion, or 5%, increase in average total securities and a $0.9 billion, or 1%, increase in average total loans and leases. The increase in average total securities primarily reflected portfolio growth and the mark-to-market of the available-for-sale portfolio. Average residential mortgage loans increased $0.6 billion, or 6%, reflecting robust portfolio mortgage production over the past four quarters. Average automobile loans increased $0.6 billion, or 5%, driven by strong production over the past two quarters. Partially offsetting these increases, average home equity loans and lines of credit decreased $0.6 billion, or 6%, reflecting a shift in consumer preferences.

Average total interest-bearing liabilities for the 2020 first quarter increased $2.0 billion, or 3%, from the year-ago quarter. Average total debt increased $2.2 billion, or 19%, to fund the increase in the size of our securities portfolio as part of our interest rate hedging strategy. Average total deposits remained flat, while average total core deposits increased $0.5 billion, or 1%. Average money market deposits increased $1.8 billion, or 8%, reflecting growth driven by promotional pricing and a continued shift in consumer product mix. Average total demand deposits increased $1.5 billion, or 4%, primarily driven by commercial interest-bearing demand deposit growth. Partially offsetting these increases, average core CDs decreased $2.1 billion, or 35%, reflecting the maturity of the balances related to the 2018 consumer deposit growth initiatives. Savings and other domestic deposits decreased $0.7 billion, or 7%, primarily reflecting a continued shift in consumer product mix. Average brokered deposits and negotiable CDs decreased $0.5 billion, or 15%, reflecting the maturity of brokered CDs in the 2019 first quarter.

2020 First Quarter versus 2019 Fourth Quarter

Compared to the 2019 fourth quarter, FTE net interest income increased $10 million, or 1%, reflecting NIM expansion of 2 basis points and a 2% increase in average earning assets. The NIM expansion reflected a 26 basis point decrease in average interest-bearing liability costs partially offset by a 15 basis point decrease in average earning asset yields and a 9 basis point decrease in the benefit from noninterest-bearing funds. The decrease in average interest-bearing liability costs primarily reflects lower interest-bearing deposit costs (down 19 basis points) and lower long-term debt costs (down 80 basis points), both reflecting the impact of lower interest rates. Long-term debt costs in the 2020 first quarter also benefited from approximately $10 million (or 40 basis points) of derivative ineffectiveness. The decrease in earning asset yields was primarily driven by the impact of lower interest rates in the quarter on commercial and home equity loan yields.

Compared to the 2019 fourth quarter, average earning assets increased $1.7 billion, or 2%, primarily reflecting a $1.2 billion, or 5%, increase in average total securities and a $0.6 billion, or 1%, increase in average total loans and leases. The increase in average total securities primarily reflected portfolio growth. Average C&I loans increased $0.5 billion, or 2%, reflecting growth in corporate banking, asset finance, and dealer floorplan.

Average total interest-bearing liabilities increased $2.3 billion, or 3%. Average total debt increased $1.6 billion, or 14%, to fund the increase in the size of our securities portfolio as part of our interest rate hedging strategy. Average total demand deposits increased $0.5 billion, or 1%, primarily driven by commercial interest-bearing demand deposit growth. Average core CDs decreased $0.9 billion, or 18%, reflecting the maturity of balances related to the 2018 consumer deposit growth initiatives.

While not materially impacting average balances for 2020 first quarter, period-end loans increased $2.6 billion, or 3%, compared with year-end. This increase was driven by a $2.3 billion, or 7%, increase in commercial loans, primarily reflecting draws on commercial lines of credit in late March. Additionally, period-end deposits increased $4.5 billion, or 5%, compared to 2019 year-end. The increase was driven by a $3.3 billion, or 8% increase in demand deposits, primarily reflecting commercial deposit inflows in late March and seasonal government banking deposit inflows, and a $1.3 billion, or 51%, increase in brokered deposits.

Provision for Credit Losses

(This section should be read in conjunction with the "Credit Risk" section.)

The provision for credit losses is the expense necessary to maintain the ALLL and the AULC at levels appropriate to absorb our estimate of credit losses expected over the life of the loan and lease portfolio and the portfolio of unfunded loan commitments and letters of credit.

The provision for credit losses for the 2020 first quarter was $441 million, which increased $374 million, or 558%, compared to the first quarter 2019. The increase from the 2019 first quarter provision for credit losses is attributed to the deteriorating economic outlook resulting from the COVID-19 pandemic, the increase in commercial charge-offs, and downgrades within the oil and gas portfolio.

Noninterest Income

The following table reflects noninterest income for each of the periods presented:

Table 3 - Noninterest Income

	Three Months Ended			1Q20 vs. 1Q19		1Q20 vs. 4Q19	
	March 31,	December 31,	March 31,	Change		Change	
(dollar amounts in millions)	2020	2019	2019	Amount	Percent	Amount	Percent
Service charges on deposit accounts	$ 87	$ 95	$ 87	$ —	— %	$ (8)	(8)%
Card and payment processing income	58	64	56	2	4	(6)	(9)
Trust and investment management services	47	47	44	3	7	—	—
Mortgage banking income	58	58	21	37	176	—	—
Capital markets fees	33	31	22	11	50	2	6
Insurance income	23	24	21	2	10	(1)	(4)
Bank owned life insurance income	16	17	16	—	—	(1)	(6)
Gain on sale of loans and leases	8	16	13	(5)	(38)	(8)	(50)
Net (losses) gains on sales of securities	—	(22)	—	—	—	22	100
Other noninterest income	31	42	39	(8)	(21)	(11)	(26)
Total noninterest income	$ 361	$ 372	$ 319	$ 42	13 %	$ (11)	(3)%

2020 First Quarter versus 2019 First Quarter

Total noninterest income for the 2020 first quarter increased $42 million, or 13%, from the year-ago quarter. Mortgage banking income increased $37 million, or 176%, primarily reflecting an 86% increase in salable mortgage originations, higher secondary marketing spreads, and a $7 million increase in income from net MSR risk management. Capital markets fees increased $11 million, or 50%, driven by an increase in interest rate derivatives activity and $6 million of unfavorable commodities derivatives mark-to-market adjustments in the year-ago quarter. Other noninterest income decreased $8 million, or 21%, primarily due to lower fixed income brokerage income and negative mark-to-market changes on mutual funds and derivative liabilities, thus partially offsetting the aforementioned increases. Gain on sale of loans and leases decreased $5 million, or 38%, primarily due to lower SBA loan sales.

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2020 First Quarter versus 2019 Fourth Quarter

Compared to the 2019 fourth quarter, total noninterest income decreased $11 million, or 3%. Other noninterest income decreased $11 million, or 26%, primarily as a result of negative mark-to-market on mutual funds and derivative liabilities as well as lower income on terminated leases. Service charges on deposit accounts decreased $8 million, or 8%, primarily reflecting seasonality. Gain on sale of loans and leases decreased $8 million, or 50%, primarily due to seasonality of SBA loan sales and lower technology lease sales. Cards and payment processing income decreased $6 million, or 9%, primarily reflecting seasonality and lower card usage late in the 2020 first quarter. Partially offsetting these decreases, net gains on sale of securities were less than $1 million in the 2020 first quarter compared to $22 million of net losses in the prior quarter related to the $2 billion portfolio repositioning completed in the 2019 fourth quarter.

Noninterest Expense

The following table reflects noninterest expense for each of the periods presented:

Table 4 - Noninterest Expense

	Three Months Ended			1Q20 vs. 1Q19		1Q20 vs. 4Q19	
	March 31,	December 31,	March 31,	Change		Change	
(dollar amounts in millions)	2020	2019	2019	Amount	Percent	Amount	Percent
Personnel costs	$ 395	$ 426	$ 394	$ 1	— %	$ (31)	(7)%
Outside data processing and other services	85	89	81	4	5	(4)	(4)
Equipment	41	42	40	1	3	(1)	(2)
Net occupancy	40	41	42	(2)	(5)	(1)	(2)
Professional services	11	14	12	(1)	(8)	(3)	(21)
Amortization of intangibles	11	12	13	(2)	(15)	(1)	(8)
Marketing	9	9	7	2	29	—	—
Deposit and other insurance expense	9	10	8	1	13	(1)	(10)
Other noninterest expense	51	58	56	(5)	(9)	(7)	(12)
Total noninterest expense	$ 652	$ 701	$ 653	$ (1)	— %	$ (49)	(7)%
Number of employees (average full-time equivalent)	15,386	15,495	15,738	(352)	(2)%	(109)	(1)%

2020 First Quarter versus 2019 First Quarter

Total noninterest expense for the 2020 first quarter decreased $1 million, or less than 1%, from the year-ago quarter.

2020 First Quarter versus 2019 Fourth Quarter

Total noninterest expense decreased $49 million, or 7%, from the 2019 fourth quarter. Personnel costs decreased $31 million, or 7%, primarily reflecting the $15 million of expense related to position reductions completed in the 2019 fourth quarter as well as lower incentive compensation and medical expenses. Other noninterest expense decreased $7 million, or 12%, primarily as a result of a $4 million final true-up in the 2019 fourth quarter of the earn out related to the Hutchinson, Shockey, Erley & Co. acquisition and reduced travel and business development expense.

Provision for Income Taxes

The provision for income taxes in the 2020 first quarter was $10 million. This compared with a provision for income taxes of $63 million in the 2019 first quarter and $55 million in the 2019 fourth quarter. All periods included the benefits from tax-exempt income, tax-advantaged investments, general business credits, investments in qualified affordable housing projects, and capital losses. The effective tax rates for the 2020 first quarter, 2019 first quarter, and 2019 fourth quarter were 17.0%, 15.0%, and 14.8%, respectively. The variance between the 2020 first quarter compared to the 2019 first quarter and the 2019 fourth quarter provision for income taxes and effective tax rates relates primarily to lower pre-tax income and the impact of stock-based compensation. The net federal deferred tax liability was $236 million and the net state deferred tax asset was $35 million at March 31, 2020.

We file income tax returns with the IRS and various state and city jurisdictions. Federal income tax audits have been completed for tax years through 2009. Certain proposed adjustments resulting from the IRS examination of our 2010 through 2011 tax returns have been settled, subject to final approval by the Joint Committee on Taxation of the U.S. Congress. While the statute of limitations remains open for tax years 2012 through 2018, the IRS has advised that tax years 2012 through 2014 will not be audited and is currently examining the federal income tax returns for 2015 through 2017. Various state and other jurisdictions remain open to examination, including Ohio, Kentucky, Indiana, Michigan, Pennsylvania, West Virginia, and Illinois.

RISK MANAGEMENT AND CAPITAL

We use a multi-faceted approach to risk governance. It begins with the Board of Directors defining our risk appetite as aggregate moderate-to-low. Risk awareness, identification and assessment, reporting, and active management are key elements in overall risk management. Controls include, among others, effective segregation of duties, access, authorization and reconciliation procedures, as well as staff education and a disciplined assessment process.

We believe that our primary risk exposures are credit, market, liquidity, operational and compliance. More information on risk can be found in the Risk Factors section included in Item 1A of our 2019 Form 10-K and subsequent filings with the SEC. The MD&A included in our 2019 Form 10-K should be read in conjunction with this MD&A as this discussion provides only material updates to the Form 10-K. This MD&A should also be read in conjunction with the Unaudited Condensed Consolidated Financial Statements, Notes to Unaudited Condensed Consolidated Financial Statements, and other information contained in this report. Our definition, philosophy, and approach to risk management have not materially changed from the discussion presented in the 2019 Form 10-K.

Credit Risk

Credit risk is the risk of financial loss if a counterparty is not able to meet the agreed upon terms of the financial obligation. The majority of our credit risk is associated with lending activities, as the acceptance and management of credit risk is central to profitable lending. We also have credit risk associated with our investment securities portfolios (*see Note 3 "Investment Securities and Other Securities" of the Notes to the Unaudited Condensed Consolidated Financial Statements)*. We engage with other financial counterparties for a variety of purposes including investing, asset and liability management, mortgage banking, and trading activities. A variety of derivative financial instruments, principally interest rate swaps, caps, floors, and collars, are used in asset and liability management activities to protect against the risk of adverse price or interest rate movements. Huntington also uses derivatives, principally loan sale commitments, in hedging its mortgage loan interest rate lock commitments and its mortgage loans held for sale. While there is credit risk associated with derivative activity, we believe this exposure is minimal.

We continue to focus on the identification, monitoring, and management of all aspects of our credit risk. In addition to the traditional credit risk mitigation strategies of credit policies and processes, market risk management activities, and portfolio diversification, we use quantitative measurement capabilities utilizing external data sources, enhanced modeling technology, and internal stress testing processes. Our continued expansion of portfolio management resources demonstrates our commitment to maintaining an aggregate moderate-to-low risk profile. In our efforts to continue to identify risk mitigation techniques, we have focused on product design features, origination policies, and solutions for delinquent or stressed borrowers.

Currently, we are in the process of assessing the impact of COVID-19 on our loan portfolio, as we would with any natural disaster or significant economic decline. Huntington responded to our customers immediately with offers of payment deferrals, suspended repossessions and foreclosures, and eliminating late fees. We believe that these decisions are an appropriate response to the widespread impact to the economic conditions across both commercial and consumer borrowers. The longer term impact of our response is dependent upon a significant number of variables, including the duration of the shelter in place orders, definition of essential businesses, and economy re-opening strategies implemented by the various federal, state, and local governments. Increased unemployment and decreased consumer confidence will lead to an increased risk of delinquencies, defaults, and foreclosures in our consumer portfolio. Increased credit deterioration will lead to elevated default rates in our COVID-19 highly impacted industries. The economic decline was rapidly evolving at the end of the quarter and

while we can expect to see a negative impact in upcoming quarters, it is too early to quantify the impact. Huntington will comply with all aspects of the CARES Act, will continue to provide PPP loans as the funding is available, and will work with customers that request assistance or have been negatively impacted.

Loan and Lease Credit Exposure Mix

Refer to the "*Loan and Lease Credit Exposure Mix*" section of our 2019 Form 10-K for a brief description of each portfolio segment.

The table below provides the composition of our total loan and lease portfolio:

Table 5 - Loan and Lease Portfolio Composition

(dollar amounts in millions)	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019	
Commercial:										
Commercial and industrial	$ 32,959	42%	$ 30,664	41%	$ 30,394	41%	$ 30,608	41%	$ 30,972	41%
Commercial real estate:										
Construction	1,180	2	1,123	1	1,157	2	1,146	1	1,152	2
Commercial	5,793	7	5,551	7	5,698	8	5,742	8	5,643	8
Commercial real estate	6,973	9	6,674	8	6,855	10	6,888	9	6,795	10
Total commercial	39,932	51	37,338	49	37,249	51	37,496	50	37,767	51
Consumer:										
Automobile	12,907	17	12,797	17	12,292	15	12,173	16	12,272	16
Home equity	9,010	11	9,093	12	9,300	12	9,419	12	9,551	13
Residential mortgage	11,398	15	11,376	15	11,247	15	11,182	15	10,885	14
RV and marine	3,643	5	3,563	5	3,553	5	3,492	5	3,344	4
Other consumer	1,145	1	1,237	2	1,251	2	1,271	2	1,260	2
Total consumer	38,103	49	38,066	51	37,643	49	37,537	50	37,312	49
Total loans and leases	$ 78,035	100%	$ 75,404	100%	$ 74,892	100%	$ 75,033	100%	$ 75,079	100%

Our loan portfolio is composed of a managed mix of consumer and commercial credits. At the corporate level, we manage the overall credit exposure and portfolio composition via a credit concentration policy. The policy designates specific loan types, collateral types, and loan structures to be formally tracked and assigned maximum exposure limits as a percentage of capital. C&I lending by NAICS categories, specific limits for CRE project types, loans secured by residential real estate, large dollar exposures, and designated high risk loan definitions represent examples of specifically tracked components of our concentration management process. There are no identified concentrations that exceed the assigned exposure limit. Our concentration management policy is approved by the ROC of the Board of Directors and is one of the strategies used to ensure a high quality, well diversified portfolio that is consistent with our overall objective of maintaining an aggregate moderate-to-low risk profile. Changes to existing concentration limits, incorporating specific information relating to the potential impact on the overall portfolio composition and performance metrics, require the approval of the ROC prior to implementation.

Commercial Credit

Refer to the "*Commercial Credit*" section of our 2019 Form 10-K for our commercial credit underwriting and on-going credit management processes.

Consumer Credit

Refer to the "*Consumer Credit*" section of our 2019 Form 10-K for our consumer credit underwriting and on-going credit management processes.

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The table below provides our total loan and lease portfolio segregated by industry type. The changes in the industry composition from December 31, 2019 are consistent with the portfolio growth metrics.

Table 6 - Loan and Lease Portfolio by Industry Type

(dollar amounts in millions)	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019	
Commercial loans and leases:										
Real estate and rental and leasing	$ 6,991	9%	$ 6,662	9%	$ 6,826	9%	$ 6,983	9%	$ 6,955	9%
Retail trade (1)	5,886	8	5,239	7	5,031	7	5,161	7	5,266	7
Manufacturing	5,846	7	5,248	7	5,141	7	5,329	7	5,338	7
Finance and insurance	3,670	5	3,307	4	3,308	4	3,473	5	3,457	5
Health care and social assistance	2,815	4	2,498	3	2,604	3	2,497	3	2,575	3
Wholesale trade	2,555	3	2,437	3	2,449	3	2,604	3	2,725	4
Accommodation and food services	2,081	3	2,072	3	2,008	3	1,868	2	1,782	2
Mining, quarrying, and oil and gas extraction	1,162	1	1,304	2	1,375	2	1,310	2	1,306	2
Professional, scientific, and technical services	1,615	2	1,360	2	1,242	2	1,336	2	1,401	2
Other services	1,358	2	1,310	2	1,347	2	1,360	2	1,243	2
Transportation and warehousing	1,211	2	1,207	2	1,324	2	1,240	2	1,323	2
Construction	962	1	900	1	973	1	892	1	973	1
Information	728	1	649	1	619	1	527	1	522	1
Arts, entertainment, and recreation	694	1	690	1	654	1	617	1	585	1
Admin./Support/Waste Mgmt. and Remediation Services	693	1	731	1	687	1	681	1	690	1
Utilities	629	1	546	1	419	1	445	1	428	1
Educational services	465	—	463	—	467	1	481	1	478	1
Public administration	259	—	261	—	254	—	247	—	249	—
Agriculture, forestry, fishing and hunting	141	—	154	—	172	—	174	—	171	—
Management of companies and enterprises	104	—	105	—	112	—	103	—	113	—
Unclassified/Other	67	—	195	—	237	1	168	—	187	—
Total commercial loans and leases by industry category	39,932	51	37,338	49	37,249	51	37,496	50	37,767	51
Automobile	12,907	17	12,797	17	12,292	15	12,173	16	12,272	16
Home equity	9,010	11	9,093	12	9,300	12	9,419	12	9,551	13
Residential mortgage	11,398	15	11,376	15	11,247	15	11,182	15	10,885	14
RV and marine	3,643	5	3,563	5	3,553	5	3,492	5	3,344	4
Other consumer loans	1,145	1	1,237	2	1,251	2	1,271	2	1,260	2
Total loans and leases	$ 78,035	100%	$ 75,404	100%	$ 74,892	100%	$ 75,033	100%	$ 75,079	100%

(1) Amounts include $4.0 billion, $3.7 billion, $3.5 billion, $3.6 billion and $3.6 billion of auto dealer services loans at March 31, 2020, December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, respectively.

Credit Quality

(This section should be read in conjunction with Note 4 "Loans / Leases" and Note 5 "Allowance for Credit Losses" of the Notes to Unaudited Condensed Consolidated Financial Statements.)

We believe the most meaningful way to assess overall credit quality performance is through an analysis of specific performance ratios. This approach forms the basis of the discussion in the sections immediately following: NPAs, NALs, TDRs, ACL, and NCOs. In addition, we utilize delinquency rates, risk distribution and migration patterns, product segmentation, and origination trends in the analysis of our credit quality performance.

Credit quality performance in the 2020 first quarter reflected total NCOs as a percent of average loans, annualized, of 0.62%, an increase from 0.39% in the prior quarter. Total NCOs were $117 million, an increase of $44 million from the prior quarter. The increase was centered within the oil and gas portfolio and a $38 million coal-related commercial credit. Consumer NCOs have remained consistent with the prior quarter. NPAs increased from the prior quarter by $88 million, driven predominately by additions from the oil and gas portfolio. NPAs to total loans and leases increased to 0.75%.

NPAs, NALs, AND TDRs

(This section should be read in conjunction with Note 4 "Loans / Leases" and Note 5 "Allowance for Credit Losses" of the Notes to Unaudited Condensed Consolidated Financial Statements and "Credit Quality" section of our 2019 Form 10-K.)

NPAs and NALs

Commercial loans are placed on nonaccrual status at 90-days past due, or earlier if repayment of principal and interest is in doubt. Of the $426 million of commercial related NALs at March 31, 2020, $329 million, or 77%, represented loans that were less than 30-days past due, demonstrating our continued commitment to proactive credit risk management. With the exception of residential mortgage loans guaranteed by government organizations which continue to accrue interest, first lien loans secured by residential mortgage collateral are placed on nonaccrual status at 150-days past due. Junior-lien home equity loans are placed on nonaccrual status at the earlier of 120-days past due or when the related first-lien loan has been identified as nonaccrual. Automobile, RV and marine, and other consumer loans are generally fully charged-off at 120-days past due.

When loans are placed on nonaccrual, accrued interest income is reversed with current year accruals charged to interest income and prior year amounts generally charged-off as a credit loss. When, in our judgment, the borrower's ability to make required interest and principal payments has resumed and collectability is no longer in doubt, the loan or lease could be returned to accrual status.

The following table reflects period-end NALs and NPAs detail for each of the last five quarters:

Table 7 - Nonaccrual Loans and Leases and Nonperforming Assets

(dollar amounts in millions)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Nonaccrual loans and leases (NALs):					
Commercial and industrial	$ 396	$ 323	$ 291	$ 281	$ 271
Commercial real estate	30	10	12	17	9
Automobile	6	4	5	4	4
Home equity	58	59	60	60	64
Residential mortgage	66	71	69	62	68
RV and marine	2	1	1	1	1
Other consumer	—	—	—	—	—
Total nonaccrual loans and leases	558	468	438	425	417
Other real estate, net:					
Residential	8	9	10	10	14
Commercial	2	2	2	4	4
Total other real estate, net	10	11	12	14	18
Other NPAs (1)	18	19	32	21	26
Total nonperforming assets	$ 586	$ 498	$ 482	$ 460	$ 461
Nonaccrual loans and leases as a % of total loans and leases	0.72%	0.62%	0.58%	0.57%	0.56%
NPA ratio (2)	0.75	0.66	0.64	0.61	0.61

(1) Other nonperforming assets include certain impaired investment securities and/or nonaccrual loans held-for-sale.
(2) Nonperforming assets divided by the sum of loans and leases, other real estate owned, and other NPAs.

***2020 First Quarter versus 2019 Fourth Quarter*.**

Total NPAs increased by $88 million, or 18%, compared with December 31, 2019, driven by $242 million new NPAs in the C&I portfolio, including a $139 million increase related to oil and gas. This increase was partially offset by charge-offs and payments in the C&I portfolio.

TDR Loans

(This section should be read in conjunction with Note 4 "Loans / Leases" of the Notes to Unaudited Condensed Consolidated Financial Statements and TDR Loans section of our 2019 Form 10-K.)

On March 22, 2020, the federal bank regulatory agencies issued an *"Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus."* This guidance encourages financial institutions to work prudently with borrowers that may be unable to meet their contractual obligations because of the effects of COVID-19. The guidance goes on to explain that, in consultation with the FASB staff, the federal bank regulatory agencies concluded that short-term modifications (e.g. six months) made on a good faith basis to borrowers who were current as of the implementation date of a relief program are not TDRs. Section 4013 of the CARES Act also addresses COVID-19 related modifications and specifies that COVID-19 related modifications on loans that were current as of December 31, 2019 are not TDRs.

Over the past five quarters, over 79% of the total TDR balance remains accruing as borrowers continue to make their monthly payments, resulting in no identified credit losses. As of March 31, 2020, over 80% of the $446 million of accruing TDRs secured by residential real estate (residential mortgage and home equity in Table 8) are current on their required payments, with over 61% of the accruing pool having had no delinquency in the past 12 months. There is limited migration from the accruing to non-accruing components, and virtually all of the charge-offs come from the non-accruing TDR balances.

The table below presents our accruing and nonaccruing TDRs at period-end for each of the past five quarters:

Table 8 - Accruing and Nonaccruing Troubled Debt Restructured Loans

(dollar amounts in millions)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
TDRs—accruing:					
Commercial and industrial	$ 219	$ 213	$ 225	$ 245	$ 270
Commercial real estate	37	37	40	48	60
Automobile	42	40	39	37	37
Home equity	219	226	233	241	247
Residential mortgage	227	223	221	221	219
RV and marine	3	3	3	2	2
Other consumer	11	11	10	10	9
Total TDRs—accruing	758	753	771	804	844
TDRs—nonaccruing:					
Commercial and industrial	119	109	84	88	86
Commercial real estate	4	6	6	6	6
Automobile	2	2	3	3	3
Home equity	25	26	26	26	28
Residential mortgage	42	42	44	43	43
RV and marine	2	1	1	1	1
Other consumer	—	—	—	—	—
Total TDRs—nonaccruing	194	186	164	167	167
Total TDRs	$ 952	$ 939	$ 935	$ 971	$ 1,011

Overall TDRs increased slightly in the quarter. Payment deferrals and forbearance plans entered into towards the end of the quarter as a result of the COVID-19 pandemic were generally not considered TDRs. Huntington continues to proactively work with our borrowing relationships that require assistance. The resulting loan structures enable our borrowers to meet their commitments and Huntington to retain earning assets. The

accruing TDRs meet the well secured definition and have demonstrated a period of satisfactory payment performance.

ACL

(This section should be read in conjunction with Note 5 "Allowance for Credit Losses" of the Notes to Unaudited Condensed Consolidated Financial Statements.)

Our total credit reserve is comprised of two different components, both of which in our judgment are appropriate to absorb lifetime expected credit losses in our loan and lease portfolio: the ALLL and the AULC. Combined, these reserves comprise the total ACL.

Effective January 1, 2020, Huntington adopted ASU 2016-13 Financial Instruments - Credit Losses (ASC Topic 326): Measurement of Credit Losses on Financial Instruments. Upon adoption of ASU 2016-13, Huntington implemented new credit loss models within our loan and lease portfolio. These models incorporate historical loss experience, as well as current and future economic conditions over a reasonable and supportable period beyond the balance sheet date. We make various judgments combined with historical loss experience to generate a loss rate that is applied to the outstanding loan or receivable balance to produce a reserve for expected credit losses.

We use a combination of statistically-based models that consume current and future economic conditions throughout the contractual life of the loan. The process of estimating expected credit losses is based on several key parameters: Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD). Beyond the reasonable and supportable period (two to three years), the economic variables revert to a historical equilibrium at a pace dependent on the state of the economy reflected within the economic scenario.

These three parameters are utilized to estimate the cumulative credit losses over the remaining expected life of the loan. We also consider the likelihood a previously charged-off account will be recovered. This calculation is dependent on how long ago the account was charged-off and future economic conditions, which estimate the likelihood and magnitude of recovery. Our models are developed using internal historical loss experience covering the full economic cycle and consider the impact of account characteristics on expected losses.

Future economic conditions consider multiple macroeconomic scenarios provided to us by an independent third party and are reviewed through the appropriate committee governance channels discussed below. These macroeconomic scenarios contain certain geographic based variables that are influential to our modeling process, including GDP, unemployment rates, interest rates, and housing prices. The probability weights assigned to each scenario are generally expected to be consistent from period to period. Any changes in probability weights must be supported by appropriate documentation and approval of senior management. Additionally, we consider whether to adjust the modeled estimates to address possible limitations within the models or factors not captured within the economic scenarios. Lifetime losses for most of our loans and receivables are evaluated collectively based on similar risk characteristics, risk ratings, origination credit bureau scores, delinquency status, remaining months within loan agreement, among others.

During the first two months of the quarter, we experienced relatively stable economic conditions in comparison to those used to develop our Day 1 CECL estimate which would have translated to a relatively flat allowance estimate. However, in the last month of the quarter, deterioration of the estimated global macroeconomic outlook as a result of COVID-19 impacts, along with instability within the oil and gas sector led to a significant build in ACL levels and an associated increase in provision for credit losses. Subsequent to the completion of our quarter-end estimation process, we received an updated macroeconomic outlook provided by our independent third party. It reflects a more significant deterioration in GDP and unemployment than when we completed our estimation process for the first quarter. If those forecasts were to hold or worsen, we would expect to further increase our ACL in future periods.

Our ACL development methodology committee is responsible for governance of the methodology, assumptions and estimates used in the calculation, as well as determining the appropriateness of the ACL. A separate executive level committee is responsible for the governance process around the appropriateness of scenarios used as part of the reasonable and supportable forecast period. The ALLL represents the estimate of lifetime expected losses in the loan and lease portfolio at the reported date. The loss modeling process uses an EAD concept to calculate total expected losses on both funded balances and unfunded commitments, where

appropriate. Losses related to the unfunded commitments are then recorded as AULC within other liabilities in the Unaudited Condensed Consolidated Balance Sheet. A liability for expected credit losses for off-balance sheet credit exposures is recognized if Huntington has a present contractual obligation to extend the credit and the obligation is not unconditionally cancelable.

Huntington adopted ASC Topic 326 using the modified retrospective method for all financial assets in scope of the standard. Results for reporting periods beginning after January 1, 2020 are presented under ASC Topic 326, while prior period amounts continue to be reported in accordance with previously applicable GAAP. Upon adoption, Huntington recorded an increase to the ACL of $393 million and a corresponding decrease to retained earnings of approximately $306 million, net of tax of $87 million. The overall increase to the ACL at January 1, 2020 was comprised of a $180 million increase in the commercial ALLL, a $211 million increase in the consumer ALLL, and a $2 million increase to the AULC. The increase in the commercial portfolio was largely attributable to adjustments to cover heightened risks of future deterioration in the oil and gas and leveraged lending portfolios. The increase in the consumer portfolio was largely attributable to the longer asset duration associated with many of these products.

The table below reflects the allocation of our ALLL among our various loan categories during each of the past five quarters:

Table 9 - Allocation of Allowance for Credit Losses (1)

(dollar amounts in millions)	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019	
ALLL										
Commercial										
Commercial and industrial	$ 837	42%	$ 469	41%	$ 441	41%	$ 455	41%	$ 437	41%
Commercial real estate	159	9	83	8	120	10	105	9	108	10
Total commercial	996	51	552	49	561	51	560	50	545	51
Consumer										
Automobile	148	17	57	17	54	15	53	16	53	16
Home equity	120	11	50	12	47	12	47	12	53	13
Residential mortgage	53	15	23	15	22	15	22	15	23	14
RV and marine	97	5	21	5	20	5	18	5	20	4
Other consumer	90	1	80	2	79	2	74	2	70	2
Total consumer	508	49	231	51	222	49	214	50	219	49
Total ALLL	1,504	100%	783	100%	783	100%	774	100%	764	100%
AULC	99		104		101		101		100	
Total ACL	$ 1,603		$ 887		$ 884		$ 875		$ 864	
Total ALLL as a % of										
Total loans and leases		1.93%		1.04%		1.05%		1.03%		1.02%
Nonaccrual loans and leases		270		167		179		182		183
NPAs		257		157		163		168		166
Total ACL as % of										
Total loans and leases		2.05%		1.18%		1.18%		1.17%		1.15%
Nonaccrual loans and leases		287		190		202		206		207
NPAs		273		178		184		190		186

(1) Percentages represent the percentage of each loan and lease category to total loans and leases.

2020 First Quarter versus 2019 Fourth Quarter

At March 31, 2020, the ALLL was $1,504 million, an increase of $721 million compared to the December 31, 2019 balance of $783 million. The ALLL to total loans and leases ratio increased 89 basis points to 1.93%. As referenced above, the implementation of CECL resulted in a January 1 adoption impact of $391 million. The ALLL

increased $330 million during the quarter primarily driven by the deteriorating economic outlook resulting from the COVID-19 pandemic. The ACL to total loans ratio was 2.05% at March 31, 2020, and 1.18% at December 31, 2019. This increase is reflective of the transition to the CECL lifetime loss methodology, the deteriorating economic outlook resulting from the COVID-19 pandemic and increased specific reserves, almost exclusively against the oil and gas portfolio.

NCOs

A loan in any portfolio may be charged-off prior to the policies described below if a loss confirming event has occurred. Loss confirming events include, but are not limited to, bankruptcy (unsecured), continued delinquency, foreclosure, or receipt of an asset valuation indicating a collateral deficiency where that asset is the sole source of repayment. Additionally, discharged, collateral dependent non-reaffirmed debt in Chapter 7 bankruptcy filings will result in a charge-off to estimated collateral value, less anticipated selling costs at the time of discharge.

Commercial loans are either charged-off or written down to net realizable value by 90-days past due with the exception of administrative small ticket lease delinquencies. Automobile loans, RV and marine, and other consumer loans are generally fully charged-off at 120-days past due. First-lien and junior-lien home equity loans are charged-off to the estimated fair value of the collateral, less anticipated selling costs, at 150-days past due and 120-days past due, respectively. Residential mortgages are charged-off to the estimated fair value of the collateral, less anticipated selling costs, at 150-days past due. The remaining balance is in delinquent status until a modification can be completed, or the loan goes through the foreclosure process.

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Table 10 - Quarterly Net Charge-off Analysis

	Three Months Ended		
(dollar amounts in millions)	March 31, 2020	December 31, 2019	March 31, 2019
Net charge-offs (recoveries) by loan and lease type:			
Commercial:			
Commercial and industrial	$ 84	$ 36	$ 31
Commercial real estate:			
Construction	—	—	—
Commercial	(1)	—	2
Commercial real estate	(1)	—	2
Total commercial	83	36	33
Consumer:			
Automobile	7	9	10
Home equity	5	1	3
Residential mortgage	1	1	3
RV and marine	2	4	3
Other consumer	19	22	19
Total consumer	34	37	38
Total net charge-offs	$ 117	$ 73	$ 71
Net charge-offs (recoveries) - annualized percentages:			
Commercial:			
Commercial and industrial	1.09 %	0.47 %	0.41 %
Commercial real estate:			
Construction	0.08	(0.03)	(0.11)
Commercial	(0.06)	0.01	0.12
Commercial real estate	(0.03)	—	0.08
Total commercial	0.89	0.38	0.35
Consumer:			
Automobile	0.22	0.30	0.32
Home equity	0.19	0.02	0.12
Residential mortgage	0.02	0.04	0.10
RV and marine	0.27	0.39	0.39
Other consumer	6.45	7.26	6.29
Total consumer	0.35	0.39	0.41
Net charge-offs as a % of average loans	0.62 %	0.39 %	0.38 %

In assessing NCO trends, it is helpful to understand the process of how commercial loans are treated as they deteriorate over time. The ALLL is established consistent with the level of risk associated with the commercial portfolio's original underwriting. As a part of our normal portfolio management process for commercial loans, loans within the portfolio are periodically reviewed, and with improvement or deterioration in the risk rating, there is a corresponding movement in allowance levels (assuming unchanged economic outlook). For TDRs and loans with unique risk characteristics, a specific reserve is established based on the discounted projected cash flows or collateral value of the specific loan. Charge-offs, if necessary, are generally recognized in a period after the specific ALLL is established. Consumer loans are treated in much the same manner as commercial loans, with increasing reserve factors applied based on the risk characteristics of the loan coupled with the economic conditions forecasted over the life of the loan. Specific reserves are not identified for consumer loans, except for TDRs. In summary, if loan quality deteriorates, or the likelihood of worsening economic conditions increases, the typical credit sequence would be periods of reserve building, followed by periods of higher NCOs as the previously established ALLL is utilized. Additionally, an increase in the ALLL either precedes or is in conjunction with increases in NALs. When a commercial loan is classified as NAL, it is evaluated for specific ALLL or charge-off. As a result, an increase in NALs does not necessarily result in an increase in the ALLL or an expectation of higher future NCOs.

2020 First Quarter versus 2019 Fourth Quarter

NCOs were an annualized 0.62% of average loans and leases in the current quarter, increasing from 0.39% in the 2019 fourth quarter, and above our average through-the-cycle target range of 0.35% - 0.55%. Annualized NCOs for the commercial portfolios were 0.89% in the current quarter compared to 0.38% in the 2019 fourth quarter. The increase in commercial NCOs was centered in our oil and gas portfolio and a $38 million coal-related commercial credit. Consumer charge-offs were slightly lower for the quarter, primarily driven by seasonality trends across the consumer portfolio, consistent with our expectations. Given the level of NCOs we have experienced on an overall portfolio basis, we would expect to see continued elevated NCOs.

Market Risk

(This section should be read in conjunction with the “Market Risk” section of our 2019 Form 10-K for our on-going market risk management processes.)

Market risk refers to potential losses arising from changes in interest rates, foreign exchange rates, equity prices and commodity prices, including the correlation among these factors and their volatility. When the value of an instrument is tied to such external factors, the holder faces market risk. We are primarily exposed to interest rate risk as a result of offering a wide array of financial products to our customers and secondarily to price risk from trading securities, securities owned by our broker-dealer subsidiaries, foreign exchange positions, equity investments, and investments in securities backed by mortgage loans.

Huntington measures market risk exposure via financial simulation models, which provide management with insights on the potential impact to net interest income and other key metrics as a result of changes in market interest rates. Models are used to simulate cash flows and accrual characteristics of the balance sheet based on assumptions regarding the slope or shape of the yield curve, the direction and volatility of interest rates, and the changing composition and characteristics of the balance sheet resulting from strategic objectives and customer behavior. Assumptions and models provide extensive information on forecasted balance sheet growth and composition, and the pricing and maturity characteristics of current and future business.

In measuring the financial risks associated with interest rate sensitivity in Huntington’s balance sheet, Huntington compares a set of alternative interest rate scenarios to the results of a base case scenario derived using market forward rates. The market forward reflects the market consensus regarding the future level and slope of the yield curve across a range of tenor points. The standard set of interest rate scenarios includes two types: “shock” scenarios which are instantaneous parallel rate shifts, and “ramp” scenarios where the parallel shift is applied gradually over the first 12 months of the forecast on a pro rata basis. Measures of Net Interest Income at Risk follow ramp scenarios, and measures of Economic Value of Equity follows shock scenarios. In both shock and ramp scenarios with falling rates, Huntington presumes that market rates cannot go below 0%. The scenarios are inclusive of all interest rate risk hedging activities. Forward starting hedges are included to the extent that they have been transacted and that they start within the measurement horizon.

Table 11 - Net Interest Income at Risk

	Net Interest Income at Risk (%)		
Basis point change scenario	-25	+100	+200
Board policy limits	NA	-2.0 %	-4.0 %
March 31, 2020	-0.5 %	1.5 %	2.4 %
December 31, 2019	0.1 %	1.0 %	2.3 %

The NII at Risk results included in the table above reflect the analysis used monthly by management. It models gradual -25, +100 and +200 basis point parallel shifts in market interest rates, implied by the forward yield curve over the next twelve months.

With rates having fallen materially this quarter, the down 100 basis point scenario would result in market rates reaching floored values which can produce a distorted view of interest rate risk metrics. Management is now using the down 25 basis point scenario, which is more meaningful in the current market rate environment than the down 100 basis point scenario. Management does consider additional scenarios with forecasted negative market rates which would result in margin deterioration.

The increase in sensitivity was driven by the impact of lower forecast rates on non-maturity deposits resulting in slower balance runoff, and higher securities prepayments in the implied forward scenario, providing more opportunity for higher reinvestment rates in up rate environments.

Our NII at Risk is within our Board of Directors' policy limits for the +100 and +200 basis point scenarios. There is no Board policy limit for the down 25 basis point scenario.

Table 12 - Economic Value of Equity at Risk

	Economic Value of Equity at Risk (%)		
Basis point change scenario	-25	+100	+200
Board policy limits	NA	-6.0 %	-12.0 %
March 31, 2020	-0.4 %	-0.2 %	-4.4 %
December 31, 2019	— %	-3.1 %	-9.1 %

The EVE results included in the table above reflect the analysis used monthly by management. It models immediate -25, +100 and +200 basis point parallel shifts in market interest rates.

With rates having fallen materially this quarter, the down 100 basis point scenario would result in market rates reaching floored values which can produce a distorted view of interest rate risk metrics. Management is now using the down 25 basis point scenario, which is more meaningful in the current market rate environment than the down 100 basis point scenario. Management does consider additional scenarios with forecasted negative market rates which would result in margin deterioration.

We are within our Board of Directors' policy limits for the +100 and +200 basis point scenarios. There is no board policy limit for the down 25 basis point scenario. The EVE depicts an asset sensitive balance sheet profile in the -25 basis point scenario and a liability sensitive profile due to additional convexity in the +100 and +200 basis point scenarios. The change in sensitivity was driven by lower interest rates slowing deposit runoff.

Use of Derivatives to Manage Interest Rate Risk

An integral component of our interest rate risk management strategy is use of derivative instruments to minimize significant fluctuations in earnings caused by changes in market interest rates. Examples of derivative instruments that we may use as part of our interest rate risk management strategy include interest rate swaps, interest rate floors, forward contracts, and forward starting interest rate swaps.

Table 13 shows all swap and floor positions that are utilized for purposes of managing our exposures to the variability of interest rates. These positions are used to convert the contractual interest rate index of agreed-upon amounts of assets and liabilities (i.e., notional amounts) to another interest rate index or to hedge forecasted transactions for the variability in cash flows attributable to the contractually specified interest rate. The volume, maturity and mix of portfolio swaps change frequently as we adjust our broader interest rate risk management objectives and the balance sheet positions to be hedged. For further information, including the notional amount and fair values of these derivatives, refer to Note 12 "Derivative Financial Instruments" of the Notes to Unaudited Condensed Consolidated Financial Statements.

The following table presents additional information about the interest rate swaps and floors used in Huntington's asset and liability management activities at March 31, 2020 and December 31, 2019.

Table 13 - Weighted-Average Maturity, Receive Rate and LIBOR Reset Rate on Qualifying Hedging Instruments

	March 31, 2020				
(dollar amounts in millions)	Notional Value	Average Maturity (years)	Fair Value	Weighted-Average Receive Rate	Weighted-Average LIBOR Reset Rate
Asset conversion swaps					
Receive Fixed - 1 month LIBOR	$ 5,975	2.65	$ 269	1.82%	0.97%
Receive Fixed - 1 month LIBOR - forward starting (a)	1,300	4.11	49	1.45	—
Liability conversion swaps					
Receive Fixed - 1 month LIBOR	5,750	2.72	337	2.29	1.00
Receive Fixed - 3 month LIBOR	2,290	0.59	21	1.80	1.20
Total swap portfolio at March 31, 2020	$ 15,315		$ 676		

	March 31, 2020				
(dollar amounts in millions)	Notional Value	Average Maturity (years)	Fair Value	Weighted-Average Floor Strike	Weighted-Average LIBOR Reset Rate
Interest rate floors					
Purchased Interest Rate Floors - 1 month LIBOR	$ 8,200	0.98	$ 127	1.84%	1.26%
Floor Spread - 1 month LIBOR	400	2.49	10	2.50 / 1.50	0.92
Floor Spread - 1 month LIBOR - forward starting (b)	3,500	4.06	86	1.68 / 0.79	—
Total floors portfolio at March 31, 2020	$ 12,100		$ 223		

	December 31, 2019				
(dollar amounts in millions)	Notional Value	Average Maturity (years)	Fair Value	Weighted-Average Receive Rate	Weighted-Average LIBOR Reset Rate
Asset conversion swaps					
Receive Fixed - 1 month LIBOR	$ 5,387	2.87	$ 51	1.89%	1.73%
Receive Fixed - 1 month LIBOR - forward starting (c)	3,250	4.02	(28)	1.32	—
Liability conversion swaps					
Receive Fixed - 1 month LIBOR	5,250	2.97	146	2.37	1.72
Receive Fixed - 3 month LIBOR	2,290	0.84	5	1.80	1.94
Total swap portfolio at December 31, 2019	$ 16,177		$ 174		

	December 31, 2019				
(dollar amounts in millions)	Notional Value	Average Maturity (years)	Fair Value	Weighted-Average Floor Strike	Weighted-Average LIBOR Reset Rate
Interest rate floors					
Purchased Interest Rate Floors - 1 month LIBOR	$ 9,200	1.45	$ 36	1.84%	1.54%
Floor Spread - 1 month LIBOR	400	2.74	8	2.50 / 1.50	1.79
Floor Spread - 1 month LIBOR - forward starting (d)	150	4.34	2	1.75 / 1.00	—
Total floors portfolio at December 31, 2019	$ 9,750		$ 46		

(a) Forward starting swaps will become effective from June 2020 to April 2021.
(b) Forward starting floors will become effective from May 2020 to June 2021.
(c) Forward starting swaps will become effective from January 2020 to June 2021.
(d) Forward starting floors will become effective from March 2021 to June 2021.

MSRs

(This section should be read in conjunction with Note 6 "Mortgage Loan Sales and Servicing Rights" of Notes to the Unaudited Condensed Consolidated Financial Statements.)

On January 1, 2020, Huntington made an irrevocable election to subsequently measure all classes of residential MSRs at fair value in order to eliminate any potential measurement mismatch between our economic hedges and the MSRs. The impact of the irrevocable election was not material.

At March 31, 2020, we had a total of $165 million of capitalized MSRs representing the right to service $23 billion in mortgage loans.

MSR fair values are sensitive to movements in interest rates as expected future net servicing income depends on the projected outstanding principal balances of the underlying loans, which can be reduced by prepayments. Prepayments usually increase when mortgage interest rates decline and decrease when mortgage interest rates rise. We also employ hedging strategies to reduce the risk of MSR fair value changes. However, volatile changes in interest rates can diminish the effectiveness of these economic hedges. We report changes in the MSR value net of hedge-related trading activity in the mortgage banking income category of noninterest income. Changes in fair value of the MSR are recognized in mortgage banking income.

MSR assets are included in servicing rights and other intangible assets in the Unaudited Condensed Consolidated Financial Statements.

Price Risk

Price risk represents the risk of loss arising from adverse movements in the prices of financial instruments that are carried at fair value and are subject to fair value accounting. We have price risk from trading securities, securities owned by our broker-dealer subsidiaries, foreign exchange positions, derivative instruments, and equity investments. We have established loss limits on the trading portfolio, on the amount of foreign exchange exposure that can be maintained, and on the amount of marketable equity securities that can be held.

Liquidity Risk

(This section should be read in conjunction with the "Liquidity Risk" section of our 2019 Form 10-K for our on-going liquidity risk management processes.)

During the 2020 first quarter, Huntington heightened its overall liquidity risk management process, including additional communication, monitoring, and reporting, given changes in the economic environment as a result of COVID-19. Overnight funding markets continue to demonstrate ample liquidity with the ability to obtain short-term funding. We continue to closely monitor wholesale funding markets and all government sponsored programs in relation to Huntington's liquidity position.

Our primary source of liquidity is our core deposit base. Core deposits comprised approximately 95% of total deposits at March 31, 2020. We also have available unused wholesale sources of liquidity, including advances from the FHLB, issuance through dealers in the capital markets, and access to certificates of deposit issued through brokers. Liquidity is further provided by unencumbered, or unpledged, investment securities that totaled $10.7 billion as of March 31, 2020. Subsequent to quarter end, additional securities were pledged to further increase Huntington's borrowing capacity at the FHLB.

Bank Liquidity and Sources of Funding

Our primary sources of funding for the Bank are retail and commercial core deposits. At March 31, 2020, these core deposits funded 73% of total assets (106% of total loans). Other sources of liquidity include non-core deposits, FHLB advances, wholesale debt instruments, and securitizations. Demand deposit overdrafts that have been reclassified as loan balances were $17 million and $25 million at March 31, 2020 and December 31, 2019, respectively.

The following table reflects deposit composition detail for each of the last five quarters:

Table 14 - Deposit Composition

(dollar amounts in millions)	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019 (1)	
By Type:										
Demand deposits—noninterest-bearing	$ 21,039	24%	$ 20,247	25%	$ 20,553	25%	$ 19,383	24%	$ 20,036	24%
Demand deposits—interest-bearing	23,115	27	20,583	25	19,976	24	19,085	24	19,906	24
Money market deposits	25,068	29	24,726	30	23,977	29	23,952	30	22,931	28
Savings and other domestic deposits	9,845	11	9,549	12	9,566	12	9,803	12	10,277	13
Core certificates of deposit (2)	3,599	4	4,356	5	5,443	7	5,703	7	6,007	7
Total core deposits:	82,666	95	79,461	97	79,515	97	77,926	97	79,157	96
Other domestic deposits of $250,000 or more	276	—	313	—	326	—	316	—	313	1
Brokered deposits and negotiable CDs	3,888	5	2,573	3	2,554	3	2,640	3	2,685	3
Total deposits	$ 86,830	100%	$ 82,347	100%	$ 82,395	100%	$ 80,882	100%	$ 82,155	100%
Total core deposits:										
Commercial	$ 38,064	46%	$ 34,957	44%	$ 35,247	44%	$ 33,371	43%	$ 33,546	42%
Consumer	44,602	54	44,504	56	44,268	56	44,555	57	45,611	58
Total core deposits	$ 82,666	100%	$ 79,461	100%	$ 79,515	100%	$ 77,926	100%	$ 79,157	100%

(1) March 31, 2019 includes $845 million of deposits classified as held-for-sale.
(2) Includes consumer certificates of deposit of $250,000 or more.

The Bank maintains borrowing capacity at the FHLB and the Federal Reserve Bank Discount Window. The Bank does not consider borrowing capacity from the Federal Reserve Bank Discount Window as a primary source of liquidity. Total loans and securities pledged to the Federal Reserve Discount Window and the FHLB are $45.1 billion and $39.6 billion at March 31, 2020 and December 31, 2019, respectively. Unused borrowing capacity from the FHLB totaled $19.1 billion and $14.3 billion at March 31, 2020 and December 31, 2019, respectively. Subsequent to quarter end, Huntington has pledged additional unencumbered investment securities further increasing its borrowing capacity.

To the extent we are unable to obtain sufficient liquidity through core deposits, we may meet our liquidity needs through sources of wholesale funding, asset securitization or sale. Sources of wholesale funding include other domestic deposits of $250,000 or more, brokered deposits and negotiable CDs, short-term borrowings, and long-term debt. At March 31, 2020, total wholesale funding was $16.8 billion, an increase from $15.3 billion at December 31, 2019. The increase from year-end primarily relates to an increase in brokered deposits and negotiable CDs, and short-term borrowings, partially offset by a decrease in other domestic deposits of $250,000 or more, and other long-term debt.

At March 31, 2020, we believe the Bank has sufficient liquidity to meet its cash flow obligations for the foreseeable future.

Parent Company Liquidity

The parent company’s funding requirements consist primarily of dividends to shareholders, debt service, income taxes, operating expenses, funding of nonbank subsidiaries, repurchases of our stock, and acquisitions. The parent company obtains funding to meet obligations from dividends and interest received from the Bank, interest and dividends received from direct subsidiaries, net taxes collected from subsidiaries included in the federal consolidated tax return, fees for services provided to subsidiaries, and the issuance of debt securities.

At March 31, 2020 and December 31, 2019, the parent company had $3.7 billion and $3.1 billion, respectively, in cash and cash equivalents.

On April 22, 2020, the Board of Directors declared a quarterly common stock cash dividend of $0.15 per common share. The dividend is payable on July 1, 2020, to shareholders of record on June 17, 2020. Based on the

current quarterly dividend of $0.15 per common share, cash demands required for common stock dividends are estimated to be approximately $152 million per quarter. On April 22, 2020, the Board of Directors declared a quarterly Series B, Series C, Series D, and Series E Preferred Stock dividend payable on July 15, 2020 to shareholders of record on July 1, 2020. Cash demands required for Series B are expected to be less than $1 million per quarter. Cash demands required for Series C, Series D and Series E are expected to be approximately $2 million, $9 million and $7 million per quarter, respectively.

During the first three months of 2020, the Bank paid preferred and common dividends of $11 million and $60 million, respectively. To meet any additional liquidity needs, the parent company may issue debt or equity securities from time to time.

Off-Balance Sheet Arrangements

In the normal course of business, we enter into various off-balance sheet arrangements. These arrangements include commitments to extend credit, interest rate swaps and floors, financial guarantees contained in standby letters-of-credit issued by the Bank, and commitments by the Bank to sell mortgage loans.

Operational Risk

Operational risk is the risk of loss due to human error, inadequate or failed internal systems and controls, including the use of financial or other quantitative methodologies that may not adequately predict future results; 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. We continuously strive to strengthen our system of internal controls to ensure compliance with laws, rules, and regulations, and to improve the oversight of our operational risk.

We actively monitor cyberattacks such as attempts related to online deception and loss of sensitive customer data. We evaluate internal systems, processes and controls to mitigate loss from cyber-attacks and, to date, have not experienced any material losses. Cybersecurity threats have increased, primarily through COVID-19 themed phishing campaigns. We are actively monitoring our email gateways for malicious phishing email campaigns. We have also increased our cybersecurity monitoring activities through the implementation of specific monitoring of remote connections by geography and volume of connections to detect anomalous remote logins, since a significant portion of our workforce is now working remotely.

Our objective for managing cyber security risk is to avoid or minimize the impacts of external threat events or other efforts to penetrate our systems. We work to achieve this objective by hardening networks and systems against attack, and by diligently managing visibility and monitoring controls within our data and communications environment to recognize events and respond before the attacker has the opportunity to plan and execute on its own goals. To this end we employ a set of defense in-depth strategies, which include efforts to make us less attractive as a target and less vulnerable to threats, while investing in threat analytic capabilities for rapid detection and response. Potential concerns related to cyber security may be escalated to our board-level Technology Committee, as appropriate. As a complement to the overall cyber security risk management, we use a number of internal training methods, both formally through mandatory courses and informally through written communications and other updates. Internal policies and procedures have been implemented to encourage the reporting of potential phishing attacks or other security risks. We also use third-party services to test the effectiveness of our cyber security risk management framework, and any such third parties are required to comply with our policies regarding information security and confidentiality.

To mitigate operational risks, we have an Operational Risk Committee, a Legal, Regulatory, and Compliance Committee, a Funds Movement Committee, and a Third Party Risk Management Committee. The responsibilities of these committees, among other duties, include establishing and maintaining management information systems to monitor material risks and to identify potential concerns, risks, or trends that may have a significant impact and ensuring that recommendations are developed to address the identified issues. In addition, we have a Model Risk Oversight Committee that is responsible for policies and procedures describing how model risk is evaluated and managed and the application of the governance process to implement these practices throughout the enterprise. These committees report any significant findings and recommendations to the Risk Management Committee. Potential concerns may be escalated to our ROC and the Audit Committee, as appropriate. Significant findings or

issues are escalated by the Third Party Risk Management Committee to the Technology Committee of the Board, as appropriate.

The goal of this framework is to implement effective operational risk techniques and strategies; minimize operational, fraud, and legal losses; minimize the impact of inadequately designed models and enhance our overall performance.

Compliance Risk

Financial institutions are subject to many laws, rules, and regulations at both the federal and state levels. These broad-based laws, rules, and regulations include, but are not limited to, expectations relating to anti-money laundering, lending limits, client privacy, fair lending, prohibitions against unfair, deceptive or abusive acts or practices, protections for military members as they enter active duty, and community reinvestment. The volume and complexity of recent regulatory changes have increased our overall compliance risk. As such, we utilize various resources to help ensure expectations are met, including a team of compliance experts dedicated to ensuring our conformance with all applicable laws, rules, and regulations. Our colleagues receive training for several broad-based laws and regulations including, but not limited to, anti-money laundering and customer privacy. Additionally, colleagues engaged in lending activities receive training for laws and regulations related to flood disaster protection, equal credit opportunity, fair lending, and/or other courses related to the extension of credit. We set a high standard of expectation for adherence to compliance management and seek to continuously enhance our performance.

Capital

Both regulatory capital and shareholders' equity are managed at the Bank and on a consolidated basis. We have an active program for managing capital and maintain a comprehensive process for assessing the Company's overall capital adequacy. We believe our current levels of both regulatory capital and shareholders' equity are adequate.

As disclosed in our 2019 Form 10-K, the U.S federal banking regulatory agencies permitted BHCs and banks to phase-in, for regulatory capital purposes, the day-one impact of the new CECL accounting rule on retained earnings over a period of three years. As part of its response to the impact of COVID-19, on March 31, 2020, the U.S. federal banking regulatory agencies issued an interim final rule that provided the option to temporarily delay certain effects of CECL on regulatory capital for two years, followed by a three-year transition period. The interim final rule allows BHCs and banks to delay for two years 100% of the day-one impact of adopting CECL and 25% of the cumulative change in the reported allowance for credit losses since adopting CECL. Huntington has elected to adopt the interim final rule, which is reflected in the regulatory capital data presented below.

The following table presents certain regulatory capital data at both the consolidated and Bank levels for each of the periods presented:

Table 15 - Regulatory Capital Data (1)

		Basel III		
(dollar amounts in millions)		March 31, 2020	December 31, 2019	March 31, 2019
Total risk-weighted assets	Consolidated	$ 90,193	$ 87,512	$ 85,966
	Bank	90,016	87,298	85,944
CET I risk-based capital	Consolidated	8,538	8,647	8,462
	Bank	9,887	9,747	9,150
Tier 1 risk-based capital	Consolidated	9,746	9,854	9,670
	Bank	10,760	10,621	10,028
Tier 2 risk-based capital	Consolidated	1,746	1,559	1,600
	Bank	1,481	1,243	1,449
Total risk-based capital	Consolidated	11,492	11,413	11,270
	Bank	12,241	11,864	11,477
CET I risk-based capital ratio	Consolidated	9.47%	9.88%	9.84%
	Bank	10.98	11.17	10.65
Tier 1 risk-based capital ratio	Consolidated	10.81	11.26	11.25
	Bank	11.95	12.17	11.67
Total risk-based capital ratio	Consolidated	12.74	13.04	13.11
	Bank	13.60	13.59	13.35
Tier 1 leverage ratio	Consolidated	9.01	9.26	9.16
	Bank	9.98	10.01	9.51

(1) The March 31, 2020 capital ratios reflect Huntington's election of a five-year transition to delay for two years the full impact of CECL on regulatory capital, followed by a three-year transition period.

At March 31, 2020, we maintained Basel III capital ratios in excess of the well-capitalized standards established by the FRB. All capital ratios were impacted by period over period balance sheet growth. The capital impact of the repurchase of 36.7 million common shares over the last four quarters and cash dividends effectively offset earnings on a year-over-year basis.

Shareholders' Equity

We generate shareholders' equity primarily through the retention of earnings, net of dividends and share repurchases. Other potential sources of shareholders' equity include issuances of common and preferred stock. Our objective is to maintain capital at an amount commensurate with our risk profile and risk tolerance objectives, to meet both regulatory and market expectations, and to provide the flexibility needed for future growth and business opportunities.

Shareholders' equity totaled $11.8 billion at March 31, 2020, largely unchanged when compared with December 31, 2019.

On June 27, 2019, Huntington announced proposed capital actions included in Huntington's 2019 capital plan. These actions include a 7% increase in the quarterly dividend per common share to $0.15, starting in the third quarter of 2019, the repurchase of up to $513 million of common stock over the next four quarters (July 1, 2019 through June 30, 2020), and maintaining dividends on the outstanding classes of preferred stock and trust preferred securities. Any capital actions, including those contemplated above, are subject to approval by Huntington's Board of Directors.

On July 17, 2019, the Board of Directors authorized the repurchase of up to $513 million of common shares over the four quarters through the 2020 second quarter. Purchases of common stock under the authorization may include open market purchases, privately negotiated transactions, and accelerated repurchase programs.

Dividends

We consider disciplined capital management as a key objective, with dividends representing one component. Our strong capital ratios position us to take advantage of additional capital management opportunities.

Share Repurchases

From time to time the Board of Directors authorizes the Company to repurchase shares of our common stock. Although we announce when the Board of Directors authorizes share repurchases, we typically do not give any public notice before we repurchase our shares. Future stock repurchases may be private or open-market repurchases, including block transactions, accelerated or delayed block transactions, forward transactions, and similar transactions. Various factors determine the amount and timing of our share repurchases, including our capital requirements, the number of shares we expect to issue for employee benefit plans and acquisitions, market conditions (including the trading price of our stock), and regulatory and legal considerations. During the 2020 first quarter, Huntington repurchased a total of 7.1 million shares at a weighted average share price of $12.38. As a result of deterioration of the economy due to the COVID-19 pandemic, we do not currently expect to repurchase shares for the balance of 2020. However, we may at our discretion resume share repurchases at any time while considering factors including, but not limited to, capital requirements and market conditions.

BUSINESS SEGMENT DISCUSSION

Overview

Our business segments are based on our internally-aligned segment leadership structure, which is how we monitor results and assess performance. We have four major business segments: Consumer and Business Banking, Commercial Banking, Vehicle Finance, and Regional Banking and The Huntington Private Client Group (RBHPCG). The Treasury / Other function includes technology and operations, other unallocated assets, liabilities, revenue, and expense.

Business segment results are determined based upon our management practices, which assigns balance sheet and income statement items to each of the business segments. The process is designed around our organizational and management structure and, accordingly, the results derived are not necessarily comparable with similar information published by other financial institutions.

Revenue Sharing

Revenue is recorded in the business segment responsible for the related product or service. Fee sharing is recorded to allocate portions of such revenue to other business segments involved in selling to or providing service to customers. Results of operations for the business segments reflect these fee sharing allocations.

Expense Allocation

The management process that develops the business segment reporting utilizes various estimates and allocation methodologies to measure the performance of the business segments. Expenses are allocated to business segments using a two-phase approach. The first phase consists of measuring and assigning unit costs (activity-based costs) to activities related to product origination and servicing. These activity-based costs are then extended, based on volumes, with the resulting amount allocated to business segments that own the related products. The second phase consists of the allocation of overhead costs to all four business segments from Treasury / Other. We utilize a full-allocation methodology, where all Treasury / Other expenses, except reported Significant Items, if any, and a small amount of other residual unallocated expenses, are allocated to the four business segments.

Funds Transfer Pricing (FTP)

We use an active and centralized FTP methodology to attribute appropriate net interest income to the business segments. The intent of the FTP methodology is to transfer interest rate risk from the business segments by providing matched duration funding of assets and liabilities. The result is to centralize the financial impact, management, and reporting of interest rate risk in the Treasury / Other function where it can be centrally monitored and managed. The Treasury / Other function charges (credits) an internal cost of funds for assets held in (or pays for funding provided by) each business segment. The FTP rate is based on prevailing market interest

rates for comparable duration assets (or liabilities). During 2019, the Company updated and refined its FTP methodology primarily related to the allocation of deposit funding costs. Prior period amounts presented below have been restated to reflect the new methodology.

Net Income by Business Segment

Net income by business segment for the three-month periods ending March 31, 2020 and March 31, 2019 is presented in the following table:

Table 16 - Net Income by Business Segment

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019
Consumer and Business Banking	$ 60	$ 182
Commercial Banking	(86)	130
Vehicle Finance	11	40
RBHPCG	24	33
Treasury / Other	39	(27)
Net income	$ 48	$ 358

Treasury / Other

The Treasury / Other function includes revenue and expense related to assets, liabilities, and equity not directly assigned or allocated to one of the four business segments. Assets include investment securities and bank owned life insurance.

Net interest income includes the impact of administering our investment securities portfolios, the net impact of derivatives used to hedge interest rate sensitivity as well as the financial impact associated with our FTP methodology, as described above. Noninterest income includes miscellaneous fee income not allocated to other business segments, such as bank owned life insurance income and securities and trading asset gains or losses. Noninterest expense includes certain corporate administrative, and other miscellaneous expenses not allocated to other business segments. The provision for income taxes for the business segments is calculated at a statutory 21% tax rate, although our overall effective tax rate is lower.

Consumer and Business Banking

Table 17 - Key Performance Indicators for Consumer and Business Banking

	Three Months Ended March 31,		Change	
(dollar amounts in millions)	2020	2019	Amount	Percent
Net interest income	$ 364	$ 471	$ (107)	(23)%
Provision for credit losses	82	17	65	382
Noninterest income	212	174	38	22
Noninterest expense	418	398	20	5
Provision for income taxes	16	48	(32)	(67)
Net income	$ 60	$ 182	$ (122)	(67)%
Number of employees (average full-time equivalent)	7,769	8,129	(360)	(4)%
Total average assets	$ 24,677	$ 25,573	$ (896)	(4)
Total average loans/leases	21,593	22,341	(748)	(3)
Total average deposits	51,296	50,897	399	1
Net interest margin	2.81 %	3.71 %	(0.90)%	(24)
NCOs	$ 32	$ 32	$ —	—
NCOs as a % of average loans and leases	0.60 %	0.56 %	0.04 %	7

2020 First Three Months versus 2019 First Three Months

Consumer and Business Banking, including Home Lending, reported net income of $60 million in the first three-month period of 2020, a decrease of $122 million, or 67%, compared to the year-ago period. Segment net

interest income decreased $107 million, or 23%, due to decreased spread on deposits. The provision for credit losses increased $65 million, or 382% due to the deteriorating economic environment as a result of the COVID-19 pandemic Noninterest income increased $38 million, or 22%, primarily due to increased mortgage banking income, card interchange income from higher transaction volumes, along with increased investment sales. Noninterest expense increased $20 million, or 5%, due to increased personnel, card processing, and allocated expenses, slightly offset by lower occupancy and equipment expense as a result of branch consolidations and divestitures, along with decreased operational losses.

Home Lending, an operating unit of Consumer and Business Banking, reflects the result of the origination, sale, and servicing of mortgage loans less referral fees and net interest income for mortgage banking products distributed by the retail branch network and other business segments. Home Lending reported net income of $11 million in the first three-month period of 2020, compared with a net loss of $7 million in the year-ago period. Noninterest income increased $32 million, driven primarily by higher salable originations and higher salable spread. Noninterest expense increased $5 million due to higher originations.

Commercial Banking

Table 18 - Key Performance Indicators for Commercial Banking

	Three Months Ended March 31,		Change	
(dollar amounts in millions)	2020	2019	Amount	Percent
Net interest income	$ 232	$ 273	$ (41)	(15)%
Provision for credit losses	298	43	255	593
Noninterest income	86	76	10	13
Noninterest expense	129	141	(12)	(9)
Provision for income taxes	(23)	35	(58)	(166)
Net income	$ (86)	$ 130	$ (216)	(166)%
Number of employees (average full-time equivalent)	1,273	1,314	(41)	(3)%
Total average assets	$ 34,810	$ 33,056	$ 1,754	5
Total average loans/leases	27,238	27,079	159	1
Total average deposits	21,525	21,793	(268)	(1)
Net interest margin	3.15 %	3.71 %	(0.56)%	(15)
NCOs (Recoveries)	$ 75	$ 27	$ 48	178
NCOs as a % of average loans and leases	1.11 %	0.39 %	0.72 %	185

2020 First Three Months versus 2019 First Three Months

Commercial Banking reported a net loss of $86 million in the first three-month period of 2020, a decrease of $216 million, or 166%, compared to the year-ago period. Provision for credit losses increased $255 million, or 593%, due to the deteriorating economic environment as a result of the COVID-19 pandemic, as well as an increase in specific reserves largely driven by the oil and gas portfolio and a $38 million coal-related commercial credit. Segment net interest income decreased $41 million, or 15%, primarily due to a 57 basis point decrease in net interest margin driven by a sharp decline in the value of deposits. Noninterest income increased $10 million, or 13%, largely driven by higher capital markets related revenue due to customer interest rate derivatives, increased underwriting activity and the lack of an unfavorable commodities derivative mark-to-market adjustment which occurred in the year ago quarter. Noninterest expense decreased $12 million, or 9%, primarily due to lower allocated overhead and personnel expense, which was driven by a reduction in incentives, as well as a 3% reduction in full-time equivalent employees.

Vehicle Finance

Table 19 - Key Performance Indicators for Vehicle Finance

	Three Months Ended March 31,		Change	
(dollar amounts in millions)	2020	2019	Amount	Percent
Net interest income	$ 106	$ 95	$ 11	12 %
Provision for credit losses	60	9	51	567
Noninterest income	3	2	1	50
Noninterest expense	35	37	(2)	(5)
Provision for income taxes	3	11	(8)	(73)
Net income	$ 11	$ 40	$ (29)	(73)%
Number of employees (average full-time equivalent)	263	267	(4)	(1)%
Total average assets	$ 20,215	$ 19,269	$ 946	5
Total average loans/leases	20,307	19,340	967	5
Total average deposits	366	306	60	20
Net interest margin	2.08 %	1.99 %	0.09 %	5
NCOs	$ 10	$ 13	$ (3)	(23)
NCOs as a % of average loans and leases	0.19 %	0.27 %	(0.08)%	(30)

2020 First Three Months versus 2019 First Three Months

Vehicle Finance reported net income of $11 million in the first three-month period of 2020, a decrease of $29 million, or 73%, compared to the year-ago period. This decrease is primarily driven by a $51 million increase in the provision for loan losses due to the deteriorating economic environment as a result of the COVID-19 pandemic. Segment net interest income increased $11 million, or 12%, due to a 9 basis point increase in the net interest margin which is a result of maintaining our pricing discipline while optimizing loan production volumes combined with a decline in funding costs. This increase was also a result of a $1.0 billion, or 5%, increase in average loan balances reflecting strong indirect auto loan originations primarily in the later part of the third quarter of 2019 through most of the first quarter of 2020 as well as continued increases in indirect RV and marine, floor plan and other commercial loans. Noninterest income increased $1 million primarily as a result of fee sharing revenue on sales of interest rate derivative products, while noninterest expense decreased $2 million, or 5%, primarily reflecting lower allocated costs.

Regional Banking and The Huntington Private Client Group

Table 20 - Key Performance Indicators for Regional Banking and The Huntington Private Client Group

	Three Months Ended March 31,		Change	
(dollar amounts in millions)	2020	2019	Amount	Percent
Net interest income	$ 43	$ 53	$ (10)	(19)%
Provision for credit losses	1	(2)	3	150
Noninterest income	50	51	(1)	(2)
Noninterest expense	62	64	(2)	(3)
Provision for income taxes	6	9	(3)	(33)
Net income	$ 24	$ 33	$ (9)	(27)%
Number of employees (average full-time equivalent)	1,025	1,053	(28)	(3)%
Total average assets	$ 6,707	$ 6,218	$ 489	8
Total average loans/leases	6,415	5,914	501	8
Total average deposits	6,100	5,951	149	3
Net interest margin	2.69%	3.49%	(0.80)%	(23)
NCOs	$ —	$ —	$ —	—
NCOs as a % of average loans and leases	—%	—%	— %	—
Total assets under management (in billions)—eop	$ 15.8	$ 16.4	$ (0.6)	(4)
Total trust assets (in billions)—eop	123.7	112.7	11.0	10

eop - End of Period.

2020 First Three Months versus 2019 First Three Months

RBHPCG reported net income of $24 million in the first three-month period of 2020, a decrease of $9 million, or 27%, compared to the year-ago period. Segment net interest income decreased $10 million, or 19%, due to a 80 basis point decrease in net interest margin, reflecting both lower deposit and loan spreads. Average loans increased $0.5 billion, or 8%, primarily due to residential real estate mortgage loans, while average deposits increased $0.1 billion. Noninterest income decreased $1 million, or 2%, primarily due to lower revenue sharing from other segments. Noninterest expense decreased $2 million, or 3%, primarily due to lower sponsorship expense.

ADDITIONAL DISCLOSURES

Forward-Looking Statements

This report, including MD&A, contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, financial condition, liquidity, and results of operations; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services

implementing our “Fair Play” banking philosophy; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; and other factors that may affect our future results.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. We do not assume any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Non-GAAP Financial Measures

This document contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding our results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found herein.

Fully-Taxable Equivalent Basis

Interest income, yields, and ratios on an FTE basis are considered non-GAAP financial measures. Management believes net interest income on an FTE basis provides an insightful picture of the interest margin for comparison purposes. The FTE basis also allows management to assess the comparability of revenue arising from both taxable and tax-exempt sources. The FTE basis assumes a federal statutory tax rate of 21 percent. We encourage readers to consider the Unaudited Condensed Consolidated Financial Statements and other financial information contained in this Form 10-Q in their entirety, and not to rely on any single financial measure.

Non-Regulatory Capital Ratios

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
- Tangible equity to tangible assets, and
- Tangible common equity to risk-weighted assets using Basel III definitions.

These non-regulatory capital ratios are viewed by management as useful additional methods of reflecting the level of capital available to withstand unexpected market conditions. Additionally, presentation of these ratios allows readers to compare our capitalization to other financial services companies. These ratios differ from capital ratios defined by banking regulators principally in that the numerator excludes goodwill and other intangible assets, the nature and extent of which varies among different financial services companies. These ratios are not defined in GAAP or federal banking regulations. As a result, these non-regulatory capital ratios disclosed by the Company are considered non-GAAP financial measures.

Because there are no standardized definitions for these non-regulatory capital ratios, the Company’s calculation methods may differ from those used by other financial services companies. Also, there may be limits in the usefulness of these measures to investors. As a result, we encourage readers to consider the Unaudited Condensed Consolidated Financial Statements and other financial information contained in this Form 10-Q in their entirety, and not to rely on any single financial measure.

Risk Factors

More information on risk can be found in Item 1A Risk Factors below and in the Risk Factors section included in Item 1A of our 2019 Form 10-K. Additional information regarding risk factors can also be found in the Risk Management and Capital discussion of this report.

Critical Accounting Policies and Use of Significant Estimates

Our Consolidated Financial Statements are prepared in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires us to establish accounting policies and make estimates that affect amounts reported in our Consolidated Financial Statements. Note 1 of the Notes to Consolidated Financial

Statements included in our December 31, 2019 Form 10-K, as supplemented by this report including this MD&A, describes the significant accounting policies we used in our Consolidated Financial Statements.

An accounting estimate requires assumptions and judgments about uncertain matters that could have a material effect on the Consolidated Financial Statements. Estimates are made under facts and circumstances at a point in time, and changes in those facts and circumstances could produce results substantially different from those estimates. Our most significant accounting estimates relate to our ACL, valuation of financial instruments, contingent liabilities, income taxes, and deferred tax assets/liabilities. These significant accounting estimates and their related application are discussed in our December 31, 2019 Form 10-K.

Allowance for Credit Losses

Our ACL at March 31, 2020 represents our current estimate of the lifetime credit losses expected from our loan and lease portfolio and our unfunded loan commitments and letters of credit. Management estimates the allowance for credit losses by projecting probability of default, loss given default and exposure at default conditional on economic parameters, for the remaining contractual term. Internal factors that impact the quarterly allowance estimate include the level of outstanding balances, the portfolio performance and assigned risk ratings. Key external economic parameters that directly impact our loss modeling framework include forecasted footprint unemployment rates, interest rates, Consumer Confidence Index, FHFA House Pricing Index and Gross Domestic Product.

We regularly review our ACL for appropriateness by performing on-going evaluations of the loan and lease portfolio. In doing so, we consider factors such as the differing economic risks associated with each loan category, the financial condition of specific borrowers, the level of delinquent loans, the value of any collateral and, where applicable, the existence of any guarantees or other documented support. We also evaluate the impact of changes in key economic parameters and overall economic conditions on the ability of borrowers to meet their financial obligations when quantifying our exposure to credit losses and assessing the appropriateness of our ACL at each reporting date. There is no certainty that our ACL will be appropriate over time to cover losses in our portfolio as economic and market conditions may ultimately differ from our reasonable and supportable forecast. Additionally, events adversely affecting specific customers, industries, or our markets such as the current COVID-19 pandemic, could severely impact our current expectations. If the credit quality of our customer base materially deteriorates or the risk profile of a market, industry, or group of customers changes materially, our net income and capital could be materially adversely affected which, in turn could have a material adverse effect on our financial condition and results of operations. The extent to which the current COVID-19 pandemic has and will continue to negatively impact our businesses, financial condition, liquidity and results will depend on future developments, which are highly uncertain and cannot be forecasted with precision at this time. For more information, see Note 5 "Allowance for Credit Losses" of the Notes to Unaudited Condensed Consolidated Financial Statements.

Fair Value Measurement

Certain assets and liabilities are measured at fair value on a recurring basis and include trading securities, available-for-sale securities, other securities, loans held for sale, loans held for investment, MSRs and derivative instruments. Assets and liabilities carried at fair value inherently include subjectivity and may require the use of significant assumptions, adjustments and judgment. A significant change in assumptions may result in a significant change in fair value, which in turn, may result in a higher degree of financial statement volatility. Significant adjustments and assumptions used in determining fair value include, but are not limited to, market liquidity and credit quality, where appropriate. Valuations of products using models or other techniques are sensitive to assumptions used for the significant inputs.

A significant portion of our assets and liabilities that are reported at fair value are measured based on quoted market prices or observable market / independent inputs and are classified within levels 1 and 2. Instruments valued using internally developed valuation models and other valuation techniques that use significant unobservable inputs are classified within level 3 of the valuation hierarchy.

At the end of each quarter, we assess the valuation hierarchy for each asset or liability measured. As necessary, assets or liabilities may be transferred within hierarchy levels due to changes in availability of

observable market inputs at the measurement date. The fair values measured at each level of the fair value hierarchy, additional discussion regarding fair value measurements, and a brief description of how fair value is determined for categories that have unobservable inputs, can be found in Note 11 “Fair Values of Assets and Liabilities” of the Notes to Unaudited Condensed Consolidated Financial Statements.

Goodwill

The emergence of COVID-19 as a global pandemic during the 2020 first quarter has resulted in significant deterioration of the economic environment which has impacted expected earnings. As a result, management performed a qualitative assessment of the goodwill balance at March 31, 2020. The result of this assessment indicated that it was probable that the fair value of each of our reporting units continues to exceed the respective carrying values and therefore management determined that a full goodwill test was not warranted. Goodwill assessments are highly sensitive to economic projections and the related assumptions and estimates used by management. In the event of a prolonged economic downturn or further deterioration in the economic outlook, continued assessments of our goodwill balance will likely be required in future periods. Any impairment charge would not affect Huntington’s regulatory capital ratios, tangible common equity ratio or liquidity position.

Recent Accounting Pronouncements and Developments

Note 2 “Accounting Standards Update” of the Notes to Unaudited Condensed Consolidated Financial Statements discusses new accounting pronouncements adopted during 2020 and the expected impact of accounting pronouncements recently issued but not yet required to be adopted. To the extent the adoption of new accounting standards materially affects financial condition, results of operations, or liquidity, the impacts are discussed in the applicable section of this MD&A and the Notes to Unaudited Condensed Consolidated Financial Statements.

Item 1: Financial Statements
Huntington Bancshares Incorporated
Condensed Consolidated Balance Sheets
(Unaudited)

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Assets		
Cash and due from banks	$ 1,431	$ 1,045
Interest-bearing deposits at Federal Reserve Bank	336	125
Interest-bearing deposits in banks	137	102
Trading account securities	36	99
Available-for-sale securities	14,622	14,149
Held-to-maturity securities	10,193	9,070
Other securities	488	441
Loans held for sale (includes $836 and $781 respectively, measured at fair value)(1)	997	877
Loans and leases (includes $81 and $81 respectively, measured at fair value)(1)	78,035	75,404
Allowance for loan and lease losses	(1,504)	(783)
Net loans and leases	76,531	74,621
Bank owned life insurance	2,551	2,542
Premises and equipment	743	763
Goodwill	1,990	1,990
Servicing rights and other intangible assets	417	475
Other assets	3,425	2,703
Total assets	$ 113,897	$ 109,002
Liabilities and shareholders' equity		
Liabilities		
Deposits	$ 86,830	$ 82,347
Short-term borrowings	2,826	2,606
Long-term debt	9,796	9,849
Other liabilities	2,676	2,405
Total liabilities	102,128	97,207
Commitments and contingencies (Note 14)		
Shareholders' equity		
Preferred stock	1,203	1,203
Common stock	10	10
Capital surplus	8,728	8,806
Less treasury shares, at cost	(56)	(56)
Accumulated other comprehensive gain (loss)	227	(256)
Retained earnings	1,657	2,088
Total shareholders' equity	11,769	11,795
Total liabilities and shareholders' equity	$ 113,897	$ 109,002
Common shares authorized (par value of $0.01)	1,500,000,000	1,500,000,000
Common shares outstanding	1,014,218,094	1,020,003,482
Treasury shares outstanding	4,534,022	4,537,605
Preferred stock, authorized shares	6,617,808	6,617,808
Preferred shares outstanding	740,500	740,500

(1) Amounts represent loans for which Huntington has elected the fair value option. See Note 11 "Fair Values of Assets and Liabilities".

See Notes to Unaudited Condensed Consolidated Financial Statements

Huntington Bancshares Incorporated

Condensed Consolidated Statements of Income

(Unaudited)

(dollar amounts in millions, except per share data, share count in thousands)	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Interest and fee income:		
Loans and leases	$ 809	$ 901
Available-for-sale securities		
Taxable	76	76
Tax-exempt	18	22
Held-to-maturity securities—taxable	59	54
Other securities—taxable	2	6
Other	11	11
Total interest income	975	1,070
Interest expense:		
Deposits	105	145
Short-term borrowings	12	14
Long-term debt	68	89
Total interest expense	185	248
Net interest income	790	822
Provision for credit losses	441	67
Net interest income after provision for credit losses	349	755
Service charges on deposit accounts	87	87
Card and payment processing income	58	56
Trust and investment management services	47	44
Mortgage banking income	58	21
Capital markets fees	33	22
Insurance income	23	21
Bank owned life insurance income	16	16
Gain on sale of loans and leases	8	13
Net (losses) gains on sales of securities	—	—
Other noninterest income	31	39
Total noninterest income	361	319
Personnel costs	395	394
Outside data processing and other services	85	81
Equipment	41	40
Net occupancy	40	42
Professional services	11	12
Amortization of intangibles	11	13
Marketing	9	7
Deposit and other insurance expense	9	8
Other noninterest expense	51	56
Total noninterest expense	652	653
Income before income taxes	58	421
Provision for income taxes	10	63
Net income	48	358
Dividends on preferred shares	18	19
Net income applicable to common shares	$ 30	$ 339
Average common shares—basic	1,017,643	1,046,995
Average common shares—diluted	1,034,576	1,065,638
Per common share:		
Net income—basic	$ 0.03	$ 0.32
Net income—diluted	0.03	0.32

See Notes to Unaudited Condensed Consolidated Financial Statements

Huntington Bancshares Incorporated
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

(dollar amounts in millions)	Three Months Ended March 31, 2020	2019
Net income	$ 48	$ 358
Other comprehensive income, net of tax:		
Unrealized gains (losses) on available-for-sale securities:		
Unrealized net gains (losses) on available-for-sale securities arising during the period, net of reclassification for net realized gains and losses	173	146
Total unrealized gains (losses) on available-for-sale securities	173	146
Change in fair value related to cash flow hedges	308	7
Change in accumulated unrealized gains (losses) for pension and other post-retirement obligations	2	1
Other comprehensive income, net of tax	483	154
Comprehensive income	$ 531	$ 512

See Notes to Unaudited Condensed Consolidated Financial Statements

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Huntington Bancshares Incorporated
Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)

(dollar amounts in millions, share amounts in thousands)	Preferred Stock	Common Stock		Capital Surplus	Treasury Stock		Accumulated Other Comprehensive Loss (AOCI)	Retained Earnings	Total
	Amount	Shares	Amount		Shares	Amount			
Three Months Ended March 31, 2020									
Balance, beginning of period	$ 1,203	1,024,541	$ 10	$ 8,806	(4,537)	$ (56)	$ (256)	$ 2,088	$ 11,795
Cumulative-effect of change in accounting principle for financial instruments - credit losses (ASU 2016-13), net of tax								(306)	(306)
Net income								48	48
Other comprehensive income (loss), net of tax							483		483
Repurchases of common stock		(7,088)	—	(88)					(88)
Cash dividends declared:									
Common ($0.15 per share)								(155)	(155)
Preferred Series B ($11.33 per share)								(1)	(1)
Preferred Series C ($14.69 per share)								(1)	(1)
Preferred Series D ($15.63 per share)								(9)	(9)
Preferred Series E ($1,425.00 per share)								(7)	(7)
Recognition of the fair value of share-based compensation				15					15
Other share-based compensation activity		1,299	—	(5)					(5)
Other					3	—			—
Balance, end of period	$ 1,203	1,018,752	$ 10	$ 8,728	(4,534)	$ (56)	$ 227	$ 1,657	$ 11,769
Three Months Ended March 31, 2019									
Balance, beginning of period	$ 1,203	1,050,584	$ 11	$ 9,181	(3,817)	$ (45)	$ (609)	$ 1,361	$ 11,102
Net income								358	358
Other comprehensive income (loss), net of tax							154		154
Repurchase of common stock		(1,833)	—	(25)					(25)
Cash dividends declared:									
Common ($0.14 per share)								(149)	(149)
Preferred Series B ($13.72 per share)								(1)	(1)
Preferred Series C ($14.69 per share)								(2)	(2)
Preferred Series D ($15.63 per share)								(9)	(9)
Preferred Series E ($1,425.00 per share)								(7)	(7)
Recognition of the fair value of share-based compensation				17					17
Other share-based compensation activity		1,502	—	(6)				—	(6)
Other					4	—			—
Balance, end of period	$ 1,203	1,050,253	$ 11	$ 9,167	(3,813)	$ (45)	$ (455)	$ 1,551	$ 11,432

See Notes to Unaudited Condensed Consolidated Financial Statements

Huntington Bancshares Incorporated
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019
Operating activities		
Net income	$ 48	$ 358
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Provision for credit losses	441	67
Depreciation and amortization	119	131
Share-based compensation expense	15	17
Deferred income tax (benefit) expense	(37)	15
Net change in:		
Trading account securities	63	(61)
Loans held for sale	(20)	72
Other assets	(1,023)	(284)
Other liabilities	892	176
Other, net	—	6
Net cash provided by (used in) operating activities	498	497
Investing activities		
Change in interest bearing deposits in banks	(26)	(111)
Proceeds from:		
Maturities and calls of available-for-sale securities	669	335
Maturities and calls of held-to-maturity securities	398	175
Sales of available-for-sale securities	19	—
Purchases of available-for-sale securities	(2,476)	(354)
Purchases of held-to-maturity securities	—	(356)
Purchases of other securities	(55)	(2)
Net proceeds from sales of portfolio loans	191	227
Principal payments received under direct finance and sales-type leases	171	172
Net loan and lease activity, excluding sales and purchases	(2,926)	(528)
Purchases of premises and equipment	(11)	(24)
Purchases of loans and leases	(311)	(144)
Other, net	35	95
Net cash provided by (used in) investing activities	(4,322)	(515)
Financing activities		
Increase (decrease) in deposits	4,483	(2,619)
Increase (decrease) in short-term borrowings	458	776
Net proceeds from issuance of long-term debt	1,286	835
Maturity/redemption of long-term debt	(1,540)	(113)
Dividends paid on preferred stock	(18)	(18)
Dividends paid on common stock	(155)	(148)
Repurchases of common stock	(88)	(25)
Payments related to tax-withholding for share based compensation awards	(6)	(8)
Other, net	1	2
Net cash provided by (used for) financing activities	4,421	(1,318)
Increase (decrease) in cash and cash equivalents	597	(1,336)
Cash and cash equivalents at beginning of period	1,170	2,672
Cash and cash equivalents at end of period	$ 1,767	$ 1,336

(dollar amounts in millions)	Three Months Ended March 31, 2020	2019
Supplemental disclosures:		
Interest paid	$ 197	$ 249
Income taxes paid	2	1
Non-cash activities		
Loans transferred to held-for-sale from portfolio	313	204
Loans transferred to portfolio from held-for-sale	4	3
Transfer of loans to OREO	4	6
Transfer of securities from available-for-sale to held-to-maturity	1,520	—

See Notes to Unaudited Condensed Consolidated Financial Statements

Huntington Bancshares Incorporated
Notes to Unaudited Condensed Consolidated Financial Statements

1. BASIS OF PRESENTATION

The accompanying Unaudited Condensed Consolidated Financial Statements of Huntington reflect all adjustments consisting of normal recurring accruals which are, in the opinion of Management, necessary for a fair statement of the consolidated financial position, the results of operations, and cash flows for the periods presented. These Unaudited Condensed Consolidated Financial Statements have been prepared according to the rules and regulations of the SEC and, therefore, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been omitted. The Notes to Consolidated Financial Statements appearing in Huntington's 2019 Form 10-K, which include descriptions of significant accounting policies, as updated by the information contained in this report, should be read in conjunction with these interim financial statements.

For statement of cash flow purposes, cash and cash equivalents are defined as the sum of Cash and due from banks and Interest-bearing deposits at Federal Reserve Bank.

In conjunction with applicable accounting standards, all material subsequent events have been either recognized in the Unaudited Condensed Consolidated Financial Statements or disclosed in the Notes to Unaudited Condensed Consolidated Financial Statements. No subsequent events were disclosed for the current period.

2. ACCOUNTING STANDARDS UPDATE

Accounting standards adopted in current period

Standard	Summary of guidance	Effects on financial statements
ASU 2016-13 - Financial Instruments - Credit Losses. Issued June 2016	- Eliminates the probable recognition threshold for credit losses on financial assets measured at amortized cost, replacing the current incurred loss framework with an expected credit loss model. - Requires those financial assets subject to the new guidance to be presented at the net amount expected to be collected (i.e., net of expected credit losses). - Measurement of expected credit losses should be based on relevant information including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. - The guidance will require additional quantitative and qualitative disclosures related to the credit risk inherent in Huntington's portfolio and how management monitors the portfolio's credit quality.	- Management adopted the guidance on January 1, 2020 through a cumulative-effect adjustment to retained earnings and implemented changes to relevant systems, processes, and controls where necessary. - The adoption of ASU 2016-13 on January 1, 2020 resulted in an increase to our total ACL of $393 million. This represented an increase of 44% from the 2019 year end ACL level of $887 million. For more detail on the day 1 adoption impacts, please refer to Note 5 - Allowance for Credit Losses. - The ASU eliminated the current accounting model for purchased-credit-impaired loans, but requires an allowance to be recognized for purchased-credit-deteriorated (PCD) assets (those that have experienced more-than-insignificant deterioration in credit quality since origination). Huntington did not have any loans accounted for as PCD upon adoption. - At adoption, Huntington did not record an allowance with respect to HTM securities as the portfolio consists almost entirely of agency-backed securities that inherently have minimal nonpayment risk.
ASU 2019-04 - Codification Improvements to Topic 326, Financial Instruments-Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments Issued: April 2019	- Clarifies various implementation issues related to Recognition and Measurement of Financial Instruments (ASC Topic 825), Current Expected Credit Losses (ASC Topic 326) and Derivatives and Hedging (ASC Topic 815). - Provides additional implementation guidance on CECL issues that include, among others, (a) measurement of credit allowance on accrued interest; (b) treatment of credit allowance upon transfers between classifications or categories for loans and debt securities; (c) inclusion of recoveries in determining credit allowance amounts; (d) using projections of rate change for variable rate instruments; (e) vintage disclosures for lines-of-credit; (f) contractual extensions and renewals; (g) consideration of prepayments in calculating effective interest rate; and (h) consideration of costs to sell if the entity intends to sell the collateral when foreclosure is probable. - Clarifies for Topic 815, among others, that (a) only interest rate risk may be hedged in a partial-term fair value hedge; (b) amortization of fair value basis adjustment may begin before the fair value hedge is discontinued; (c) hedged AFS securities should be disclosed at amortized cost for disclosures related to hedged assets; and (d) contractually specified interest rate should be considered when applying hypothetical derivative method while assessing hedge effectiveness. - Clarifies among others, that (a) using observable price under measurement alternative provided by ASC Topic 321 is a non-recurring fair value measurement and entities should adhere to non-recurring fair value disclosure requirements of Topic 820; and (b) equity securities without readily determinable fair value accounted for under measurement alternative should be remeasured using historical exchange rates.	- Management adopted the amendments on January 1, 2020. - The ASU did not have a material impact on Huntington's Unaudited Condensed Consolidated Financial Statements.

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Standard	Summary of guidance	Effects on financial statements
ASU 2019-05 - Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief Issued: May 2019	- Provides entities that have certain instruments within the scope of ASC Subtopic 326-20 with an option to irrevocably elect fair value option, applied on instrument-by-instrument basis. The fair value option does not apply to held-to-maturity debt securities.	- Management did not elect this option on any eligible instruments when adopting Topic 326 on January 1, 2020. - The ASU did not impact Huntington’s Unaudited Condensed Consolidated Financial Statements.
ASU 2019-08 - Compensation - Codification Improvements - Share-based Consideration Payable to a Customer Issued: November 2019	- The ASU requires that an entity measure and classify share-based payment awards granted to a customer by applying the guidance in Topic 718. - The amount of share-based payment awards should be recorded as a reduction of the transaction price and is required to be measured on the basis of grant-date fair value of the share-based payment awards in accordance with Topic 718. - The classification and subsequent measurement of the award are subject to the guidance in Topic 718 unless the share-based payment award is subsequently modified and the grantee is no longer a customer.	- Management adopted the amendments on January 1, 2020. - The ASU did not have a material impact on Huntington’s Unaudited Condensed Consolidated Financial Statements.
ASU 2019-11 - Financial Instruments - Credit Losses (Topic 326): Codification Improvements to Topic 326 Issued: November 2019	- The ASU clarifies or addresses stakeholders’ specific issues related to ASU 2016-13 as described below: - Clarifies that the allowance for purchased financial assets with credit deterioration should include expected recoveries. If a method other than a discounted cash flow method is used to calculate allowance, expected recoveries should not result in an acceleration of the noncredit discount. - Provides transition relief by permitting entities an accounting policy election to adjust the effective interest rate on existing TDRs using prepayment assumptions on the date of adoption of Topic 326 rather than the prepayment assumptions in effect immediately before the restructuring. - Extends the disclosure relief for accrued interest receivable balances to additional relevant disclosures involving amortized cost basis. - Clarifies that an entity should assess whether it reasonably expects the borrower will be able to continually replenish collateral securing the financial asset to apply the practical expedient related to collateral maintenance provision.	- Management adopted the amendments on January 1, 2020. - The ASU did not have a material impact on Huntington’s Unaudited Condensed Consolidated Financial Statements.

Accounting standards yet to be adopted

Standard	Summary of guidance	Effects on financial statements
ASU 2019-12 - Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes Issued: December 2019	- The ASU simplifies the accounting for income taxes by removing exceptions to the: (a) Incremental approach for intraperiod tax allocation when there is a loss from continuing operations and income or a gain from other items; (b) Requirement to recognize a deferred tax liability for equity method investments when a foreign subsidiary becomes an equity method investment; (c) Ability not to recognize a deferred tax liability for a foreign subsidiary when a foreign equity method investment becomes a subsidiary; and (d) General methodology for calculating income taxes in an interim period when a year-to-date loss exceeds the anticipated loss for the year. - The ASU also simplifies various other aspects of the accounting for income taxes.	- The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. - Early adoption of the ASU is permitted, including adoption in any interim period for which financial statements have not yet been issued. An entity that elects to early adopt in an interim period should reflect any adjustments as of the beginning of the annual period that includes that interim period. - The ASU is not expected to have a material impact on Huntington's Unaudited Condensed Consolidated Financial Statements.
ASU 2020-04 - Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting Issued: March 2020	- The ASU provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met, including the following: - Modifications of contracts within the scope of Topics 310, Receivables, and 470, Debt, should be accounted for by prospectively adjusting the effective interest rate. - Modifications of contracts within the scope of Topic 842, Leases, should be accounted for as a continuation of the existing contracts with no reassessments of the lease classification and the discount rate. - Modifications of contracts do not require an entity to reassess its original conclusion about whether that contract contains an embedded derivative that is clearly and closely related to the economic characteristics and risks of the host contract under Topic 815. - The ASU also provides optional expedients for various hedging relationships and do not require de-designation of hedging relationships if certain criteria are met. - An entity may make a one time election to sell, transfer, or both sell and transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform and that are classified as held to maturity before January 1, 2020.	- The ASU is effective for all entities from the beginning of an interim period that includes or is subsequent to March 12, 2020 through December 31, 2022. - We are evaluating the impact of the ASU on Huntington's Unaudited Condensed Consolidated Financial Statements.

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3. INVESTMENT SECURITIES AND OTHER SECURITIES

Debt securities purchased in which Huntington has the positive intent and ability to hold to their maturity are classified as held-to-maturity securities. All other debt and equity securities are classified as either available-for-sale or other securities.

The following tables provide amortized cost, fair value, and gross unrealized gains and losses by investment category at March 31, 2020 and December 31, 2019:

(dollar amounts in millions)	Amortized Cost	Unrealized Gross Gains	Unrealized Gross Losses	Fair Value
March 31, 2020				
Available-for-sale securities:				
U.S. Treasury	$ 8	$ —	$ —	$ 8
Federal agencies:				
Residential CMO	5,512	212	(1)	5,723
Residential MBS	4,167	137	—	4,304
Commercial MBS	839	10	—	849
Other agencies	145	2	—	147
Total U.S. Treasury, federal agency and other agency securities	10,671	361	(1)	11,031
Municipal securities	3,050	14	(72)	2,992
Private-label CMO	2	—	—	2
Asset-backed securities	574	—	(27)	547
Corporate debt	48	—	(1)	47
Other securities/Sovereign debt	3	—	—	3
Total available-for-sale securities	$ 14,348	$ 375	$ (101)	$ 14,622
Held-to-maturity securities:				
Federal agencies:				
Residential CMO	$ 2,316	$ 108	$ —	$ 2,424
Residential MBS	3,704	121	—	3,825
Commercial MBS	3,890	95	(1)	3,984
Other agencies	279	7	—	286
Total federal agency and other agency securities	10,189	331	(1)	10,519
Municipal securities	4	—	—	4
Total held-to-maturity securities	$ 10,193	$ 331	$ (1)	$ 10,523
Other securities, at cost:				
Non-marketable equity securities:				
Federal Home Loan Bank stock	$ 140	$ —	$ —	$ 140
Federal Reserve Bank stock	298	—	—	298
Other securities, at fair value				
Mutual funds	46	—	—	46
Marketable equity securities	3	1	—	4
Total other securities	$ 487	$ 1	$ —	$ 488

(dollar amounts in millions)	Amortized Cost	Unrealized Gross Gains	Unrealized Gross Losses	Fair Value
December 31, 2019				
Available-for-sale securities:				
U.S. Treasury	$ 10	$ —	$ —	$ 10
Federal agencies:				
Residential CMO	5,055	48	(18)	5,085
Residential MBS	4,180	45	(3)	4,222
Commercial MBS	979	1	(4)	976
Other agencies	165	1	(1)	165
Total U.S. Treasury, federal agency and other agency securities	10,389	95	(26)	10,458
Municipal securities	3,044	34	(23)	3,055
Private-label CMO	2	—	—	2
Asset-backed securities	575	6	(2)	579
Corporate debt	49	2	—	51
Other securities/Sovereign debt	4	—	—	4
Total available-for-sale securities	$ 14,063	$ 137	$ (51)	$ 14,149
Held-to-maturity securities:				
Federal agencies:				
Residential CMO	$ 2,351	$ 33	$ (3)	$ 2,381
Residential MBS	2,463	50	—	2,513
Commercial MBS	3,959	34	—	3,993
Other agencies	293	2	—	295
Total federal agency and other agency securities	9,066	119	(3)	9,182
Municipal securities	4	—	—	4
Total held-to-maturity securities	$ 9,070	$ 119	$ (3)	$ 9,186
Other securities, at cost:				
Non-marketable equity securities:				
Federal Home Loan Bank stock	$ 90	$ —	$ —	$ 90
Federal Reserve Bank stock	297	—	—	297
Other securities, at fair value				
Mutual funds	53	—	—	53
Marketable equity securities	1	—	—	1
Total other securities	$ 441	$ —	$ —	$ 441

The following table provides the amortized cost and fair value of securities by contractual maturity at March 31, 2020 and December 31, 2019. Expected maturities may differ from contractual maturities as issuers may have the right to call or prepay obligations with or without incurring penalties.

(dollar amounts in millions)	March 31, 2020		December 31, 2019	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Available-for-sale securities:				
Under 1 year	$ 257	$ 255	$ 231	$ 229
After 1 year through 5 years	1,338	1,308	1,196	1,189
After 5 years through 10 years	1,402	1,375	1,594	1,606
After 10 years	11,351	11,684	11,042	11,125
Total available-for-sale securities	$ 14,348	$ 14,622	$ 14,063	$ 14,149
Held-to-maturity securities:				
Under 1 year	$ —	$ —	$ —	$ —
After 1 year through 5 years	157	164	17	17
After 5 years through 10 years	149	154	300	305
After 10 years	9,887	10,205	8,753	8,864
Total held-to-maturity securities	$ 10,193	$ 10,523	$ 9,070	$ 9,186

The following tables provide detail on investment securities with unrealized losses aggregated by investment category and the length of time the individual securities have been in a continuous loss position at March 31, 2020 and December 31, 2019:

(dollar amounts in millions)	Less than 12 Months		Over 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
March 31, 2020						
Available-for-sale securities:						
Federal agencies:						
Residential CMO	$ 94	$ (1)	$ —	$ —	$ 94	$ (1)
Residential MBS	—	—	7	—	7	—
Commercial MBS	—	—	4	—	4	—
Other agencies	50	—	—	—	50	—
Total federal agency and other agency securities	144	(1)	11	—	155	(1)
Municipal securities	1,102	(27)	1,178	(45)	2,280	(72)
Asset-backed securities	439	(24)	34	(3)	473	(27)
Corporate debt	36	(1)	—	—	36	(1)
Total temporarily impaired securities	$ 1,721	$ (53)	$ 1,223	$ (48)	$ 2,944	$ (101)
Held-to-maturity securities:						
Federal agencies:						
Residential CMO	$ —	$ —	$ —	$ —	$ —	$ —
Residential MBS	78	—	—	—	78	—
Commercial MBS	72	(1)	4	—	76	(1)
Other agencies	—	—	—	—	—	—
Total federal agency and other agency securities	150	(1)	4	—	154	(1)
Municipal securities	—	—	—	—	—	—
Total temporarily impaired securities	$ 150	$ (1)	$ 4	$ —	$ 154	$ (1)

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(dollar amounts in millions)	Less than 12 Months		Over 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
December 31, 2019						
Available-for-sale securities:						
Federal agencies:						
Residential CMO	$ 1,206	$ (10)	$ 519	$ (8)	$ 1,725	$ (18)
Residential MBS	1,169	(3)	9	—	1,178	(3)
Commercial MBS	472	(2)	272	(2)	744	(4)
Other agencies	86	(1)	—	—	86	(1)
Total federal agency and other agency securities	2,933	(16)	800	(10)	3,733	(26)
Municipal securities	273	(4)	1,204	(19)	1,477	(23)
Asset-backed securities	116	(1)	37	(1)	153	(2)
Corporate debt	1	—	—	—	1	—
Total temporarily impaired securities	$ 3,323	$ (21)	$ 2,041	$ (30)	$ 5,364	$ (51)
Held-to-maturity securities:						
Federal agencies:						
Residential CMO	$ 218	$ (1)	$ 112	$ (2)	$ 330	$ (3)
Residential MBS	317	—	—	—	317	—
Commercial MBS	81	—	—	—	81	—
Other agencies	58	—	—	—	58	—
Total federal agency and other agency securities	674	(1)	112	(2)	786	(3)
Municipal securities	4	—	—	—	4	—
Total temporarily impaired securities	$ 678	$ (1)	$ 112	$ (2)	$ 790	$ (3)

During the 2020 first quarter, Huntington transferred$1.5 billion of securities from the AFS portfolio to the HTM portfolio. At the time of the transfer, AOCI included $22 million of unrealized gains attributed to these securities. This gain will be amortized into interest income over the remaining life of the securities.

At March 31, 2020 and December 31, 2019, the carrying value of investment securities pledged to secure public and trust deposits, trading account liabilities, U.S. Treasury demand notes, and security repurchase agreements totaled $14.1 billion and $3.8 billion, respectively. There were no securities of a single issuer, which were not governmental or government-sponsored, that exceeded 10% of shareholders' equity at either March 31, 2020 or December 31, 2019. At March 31, 2020, all HTM debt securities are considered AAA rated. In addition, there were no HTM debt securities considered past due at March 31, 2020.

Securities Impairment

Based on an evaluation of available information about past events, current conditions, and reasonable and supportable forecasts that are relevant to collectability, Huntington has concluded that it expects to receive all contractual cash flows from each security held in its AFS and HTM debt securities portfolio. As such, no allowance is recorded with respect to securities as of March 31, 2020.

4. LOANS / LEASES

Loans and leases which Huntington has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are classified in the Unaudited Condensed Consolidated Balance Sheets as loans and leases. The total balance of unamortized premiums, discounts, fees, and costs, recognized as part of loans and leases, was a net premium of $543 million and $525 million at March 31, 2020 and December 31, 2019, respectively.

Loan and Lease Portfolio Composition

The following table provides a detailed listing of Huntington's loan and lease portfolio at March 31, 2020 and December 31, 2019.

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Loans and leases:		
Commercial and industrial	$ 32,959	$ 30,664
Commercial real estate	6,973	6,674
Automobile	12,907	12,797
Home equity	9,010	9,093
Residential mortgage	11,398	11,376
RV and marine	3,643	3,563
Other consumer	1,145	1,237
Loans and leases	$ 78,035	$ 75,404
Allowance for loan and lease losses	(1,504)	(783)
Net loans and leases	$ 76,531	$ 74,621

Equipment Leases

Huntington leases equipment to customers, and substantially all such arrangements are classified as either sales-type or direct financing leases, which are included in C&I loans. These leases are reported at the aggregate of lease payments receivable and estimated residual values, net of unearned and deferred income, and any initial direct costs incurred to originate these leases.

Huntington assesses net investments in leases (including residual values) for impairment and recognizes any impairment losses in accordance with the impairment guidance for financial instruments. As such, net investments in leases may be reduced by an allowance for credit losses, with changes recognized as provision expense.

The following table presents net investments in lease financing receivables by category at March 31, 2020 and December 31, 2019.

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Commercial and industrial:		
Lease payments receivable	$ 1,815	$ 1,841
Estimated residual value of leased assets	722	728
Gross investment in commercial and industrial lease financing receivables	2,537	2,569
Deferred origination costs	20	19
Deferred fees	(237)	(249)
Total net investment in commercial and industrial lease financing receivables	$ 2,320	$ 2,339

The carrying value of residual values guaranteed was $97 million and $95 million as of March 31, 2020 and December 31, 2019, respectively. The future lease rental payments due from customers on sales-type and direct financing leases at March 31, 2020, totaled $1.8 billion and were due as follows: $0.7 billion in 2021, $0.5 billion in 2022, $0.3 billion in 2023, $0.1 billion in 2024, $0.1 billion in 2025, and $0.1 billion thereafter. Interest income recognized for these types of leases was $27 million and $26 million for the three-month periods ended March 31, 2020 and 2019, respectively.

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Nonaccrual and Past Due Loans

Loans are considered past due when the contractual amounts due with respect to principal and interest are not received within 30 days of the contractual due date. See Note 1 “Significant Accounting Policies” to the Consolidated Financial Statements of the Annual Report on Form 10-K for the year ended December 31, 2019 for a description of the accounting policies related to the NALs.

The following table presents NALs by loan class at March 31, 2020 and December 31, 2019.

	March 31, 2020		December 31, 2019	
(dollar amounts in millions)	Nonaccrual loans with no ACL	Total nonaccrual loans	Nonaccrual loans with no ACL	Total nonaccrual loans
Commercial and industrial	$ 72	$ 396	$ 109	$ 323
Commercial real estate	1	30	2	10
Automobile	—	6	—	4
Home equity	—	58	—	59
Residential mortgage	—	66	—	71
RV and marine	—	2	—	1
Other consumer	—	—	—	—
Total nonaccrual loans	$ 73	$ 558	$ 111	$ 468

The following table presents an aging analysis of loans and leases, including past due loans and leases, by loan class at March 31, 2020 and December 31, 2019:

	March 31, 2020								
	Past Due (1)								
(dollar amounts in millions)	30-59 Days	60-89 Days	90 or more days	Total	Current	Loans Accounted for Under FVO	Total Loans and Leases	90 or more days past due and accruing	
Commercial and industrial	$ 96	$ 31	$ 71	$ 198	$ 32,761	$ —	$ 32,959	$ 10	(2)
Commercial real estate	12	2	6	20	6,953	—	6,973	—	
Automobile	90	18	12	120	12,787	—	12,907	8	
Home equity	46	18	48	112	8,897	1	9,010	12	
Residential mortgage	76	42	168	286	11,032	80	11,398	131	(3)
RV and marine	15	3	3	21	3,622	—	3,643	2	
Other consumer	11	5	4	20	1,125	—	1,145	4	
Total loans and leases	$ 346	$ 119	$ 312	$ 777	$ 77,177	$ 81	$ 78,035	$ 167	

	December 31, 2019							
	Past Due (1)							
(dollar amounts in millions)	30-59 Days	60-89 Days	90 or more days	Total	Current	Loans Accounted for Under FVO	Total Loans and Leases	90 or more days past due and accruing
Commercial and industrial	$ 65	$ 31	$ 69	$ 165	$ 30,499	$ —	$ 30,664	$ 11 (2)
Commercial real estate	3	1	7	11	6,663	—	6,674	—
Automobile	95	19	11	125	12,672	—	12,797	8
Home equity	50	19	51	120	8,972	1	9,093	14
Residential mortgage	103	49	170	322	10,974	80	11,376	129 (3)
RV and marine	13	4	2	19	3,544	—	3,563	2
Other consumer	13	6	7	26	1,211	—	1,237	7
Total loans and leases	$ 342	$ 129	$ 317	$ 788	$ 74,535	$ 81	$ 75,404	$ 171

(1) NALs are included in this aging analysis based on the loan's past due status.
(2) Amounts include Huntington Technology Finance administrative lease delinquencies.
(3) Amounts include mortgage loans insured by U.S. government agencies.

Credit Quality Indicators

See Note 4 "Loans / Leases and Allowance for Credit Losses" to the Consolidated Financial Statements of the Annual Report on Form 10-K for the year ended December 31, 2019 for a description of the credit quality indicators Huntington utilizes for monitoring credit quality and for determining an appropriate ACL level.

To facilitate the monitoring of credit quality for commercial loans, and for purposes of determining an appropriate ACL level for these loans, Huntington utilizes the following internally defined categories of credit grades:

- *Pass* - Higher quality loans that do not fit any of the other categories described below.
- *OLEM* - The credit risk may be relatively minor yet represents a risk given certain specific circumstances. If the potential weaknesses are not monitored or mitigated, the loan may weaken or the collateral may be inadequate to protect Huntington's position in the future. For these reasons, Huntington considers the loans to be potential problem loans.
- *Substandard* - Inadequately protected loans resulting from the borrower's ability to repay, equity, and/or the collateral pledged to secure the loan. These loans have identified weaknesses that could hinder normal repayment or collection of the debt. It is likely Huntington will sustain some loss if any identified weaknesses are not mitigated.
- *Doubtful* - Loans that have all of the weaknesses inherent in those loans classified as Substandard, with the added elements of the full collection of the loan is improbable and that the possibility of loss is high.

Loans are generally assigned a category of "*Pass*" rating upon initial approval and subsequently updated as appropriate based on the borrower's financial performance.

Commercial loans categorized as OLEM, Substandard, or Doubtful are considered Criticized loans. Commercial loans categorized as Substandard or Doubtful are both considered Classified loans.

For all classes within the consumer loan portfolio, loans are assigned pool level PD factors based on the FICO range within which the borrower's credit bureau score falls. A credit bureau score is a credit score developed by FICO based on data provided by the credit bureaus. The credit bureau score is widely accepted as the standard measure of consumer credit risk used by lenders, regulators, rating agencies, and consumers. The higher the credit bureau score, the higher likelihood of repayment and therefore, an indicator of higher credit quality.

Huntington assesses the risk in the loan portfolio by utilizing numerous risk characteristics. The classifications described above, and also presented in the table below, represent one of those characteristics that are closely monitored in the overall credit risk management processes.

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The following table presents each loan and lease class by vintage and credit quality indicator at March 31, 2020:

	As of March 31, 2020								
	Term Loans Amortized Cost Basis by Origination Year								
(dollar amounts in millions)	2020	2019	2018	2017	2016	Prior	Revolver Total at Amortized Cost Basis	Revolver Total Converted to Term Loans	Total (3)
Commercial and industrial									
Credit Quality Indicator (1):									
Pass	$ 2,808	$ 6,501	$ 3,795	$ 2,210	$ 1,336	$ 1,497	$ 12,554	$ 3	$ 30,704
OLEM	11	72	169	44	38	35	258	—	627
Substandard	23	142	268	149	118	211	711	—	1,622
Doubtful	—	—	5	—	—	1	—	—	6
Total Commercial and industrial	$ 2,842	$ 6,715	$ 4,237	$ 2,403	$ 1,492	$ 1,744	$ 13,523	$ 3	$ 32,959
Commercial real estate									
Credit Quality Indicator (1):									
Pass	$ 394	$ 1,798	$ 1,480	$ 724	$ 689	$ 786	$ 909	$ —	$ 6,780
OLEM	—	12	33	5	8	13	—	—	71
Substandard	3	4	10	36	36	23	9	—	121
Doubtful	—	—	—	—	—	1	—	—	1
Total Commercial real estate	$ 397	$ 1,814	$ 1,523	$ 765	$ 733	$ 823	$ 918	$ —	$ 6,973
Automobile									
Credit Quality Indicator (2):									
750+	$ 842	$ 2,495	$ 1,552	$ 1,150	$ 534	$ 242	$ —	$ —	$ 6,815
650-749	439	1,981	1,168	657	306	142	—	—	4,693
<650	48	464	383	268	146	90	—	—	1,399
Total Automobile	$ 1,329	$ 4,940	$ 3,103	$ 2,075	$ 986	$ 474	$ —	$ —	$ 12,907
Home equity									
Credit Quality Indicator (2):									
750+	$ 4	$ 37	$ 43	$ 43	$ 117	$ 593	$ 4,617	$ 191	$ 5,645
650-749	3	17	11	16	37	217	2,301	193	2,795
<650	—	—	2	1	9	94	345	118	569
Total Home equity	$ 7	$ 54	$ 56	$ 60	$ 163	$ 904	$ 7,263	$ 502	$ 9,009
Residential mortgage									
Credit Quality Indicator (2):									
750+	$ 494	$ 1,726	$ 1,444	$ 1,534	$ 1,059	$ 1,807	$ 1	$ —	$ 8,065
650-749	154	748	527	387	233	631	—	—	2,680
<650	5	35	61	75	58	339	—	—	573
Total Residential mortgage	$ 653	$ 2,509	$ 2,032	$ 1,996	$ 1,350	$ 2,777	$ 1	$ —	$ 11,318
RV and marine									
Credit Quality Indicator (2):									
750+	$ 211	$ 600	$ 720	$ 407	$ 184	$ 325	$ —	$ —	$ 2,447
650-749	46	304	269	187	86	176	—	—	1,068
<650	—	14	27	29	17	41	—	—	128
Total RV and marine	$ 257	$ 918	$ 1,016	$ 623	$ 287	$ 542	$ —	$ —	$ 3,643
Other consumer									
Credit Quality Indicator (2):									
750+	$ 35	$ 74	$ 36	$ 12	$ 6	$ 11	$ 325	$ 2	$ 501
650-749	16	85	30	11	4	6	352	30	534
<650	—	14	5	2	1	2	37	49	110
Total Other consumer	$ 51	$ 173	$ 71	$ 25	$ 11	$ 19	$ 714	$ 81	$ 1,145

(1) Consistent with the credit quality disclosures, indicators for the Commercial portfolio are based on internally defined categories of credit grades which are generally refreshed at least semi-annually.

(2) Consistent with the credit quality disclosures, indicators for the Consumer portfolio are based on updated customer credit scores refreshed at least quarterly.

(3) The total amount of accrued interest recorded for these loans at March 31, 2020, presented in Other assets within the Condensed Consolidated Balance Sheets, was $83 million and $117 million of commercial and consumer, respectively.

The following table presents each loan and lease class by credit quality indicator at December 31, 2019.

(dollar amounts in millions)	December 31, 2019				
	Credit Risk Profile by UCS Classification				
Commercial	Pass	OLEM	Substandard	Doubtful	Total
Commercial and industrial	$ 28,477	$ 634	$ 1,551	$ 2	$ 30,664
Commercial real estate	6,487	98	88	1	6,674

	Credit Risk Profile by FICO Score (1), (2)			
Consumer	750+	650-749	<650	Total
Automobile	$ 6,759	$ 4,661	$ 1,377	$ 12,797
Home equity	5,763	2,772	557	9,092
Residential mortgage	7,976	2,742	578	11,296
RV and marine	2,391	1,053	119	3,563
Other consumer	546	571	120	1,237

(1) Excludes loans accounted for under the fair value option.
(2) Reflects updated customer credit scores.

Collateral-dependent Loans

Certain commercial and consumer loans for which repayment is expected to be provided substantially through the operation or sale of the loan collateral are considered to be collateral-dependent. Commercial collateral-dependent loans are generally secured by business assets and/or commercial real estate. Consumer collateral-dependent loans are primarily secured by residential real estate.

TDR Loans

TDRs are modified loans where a concession was provided to a borrower experiencing financial difficulties. Loan modifications are considered TDRs when the concessions provided would not otherwise be considered. However, not all loan modifications are TDRs. See Note 4 “Loans / Leases and Allowance for Credit Losses” to the Consolidated Financial Statements of the Annual Report on Form 10-K for the year ended December 31, 2019 for an additional discussion of TDRs.

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The following table presents, by class and modification type, the number of contracts, post-modification outstanding balance, and the financial effects of the modification for the three-month periods ended March 31, 2020 and 2019.

	New Troubled Debt Restructurings (1)					
	Three Months Ended March 31, 2020					
		Post-modification Outstanding Recorded Investment (2)				
(dollar amounts in millions)	Number of Contracts	Interest rate reduction	Amortization or maturity date change	Chapter 7 bankruptcy	Other	Total
Commercial and industrial	140	$ —	$ 62	$ —	$ —	$ 62
Commercial real estate	7	—	2	—	—	2
Automobile	798	—	6	2	—	8
Home equity	63	—	1	2	—	3
Residential mortgage	101	—	9	2	—	11
RV and marine	28	—	1	—	—	1
Other consumer	249	1	—	—	—	1
Total new TDRs	1,386	$ 1	$ 81	$ 6	$ —	$ 88

	Three Months Ended March 31, 2019					
		Post-modification Outstanding Recorded Investment (2)				
(dollar amounts in millions)	Number of Contracts	Interest rate reduction	Amortization or maturity date change	Chapter 7 bankruptcy	Other	Total
Commercial and industrial	115	$ —	$ 35	$ —	$ —	$ 35
Commercial real estate	8	—	9	—	—	9
Automobile	744	—	5	2	—	7
Home equity	104	—	3	2	—	5
Residential mortgage	76	—	8	—	—	8
RV and marine	36	—	—	1	—	1
Other consumer	244	1	—	—	—	1
Total new TDRs	1,327	$ 1	$ 60	$ 5	$ —	$ 66

(1) TDRs may include multiple concessions and the disclosure classifications are based on the primary concession provided to the borrower.
(2) Post-modification balances approximate pre-modification balances.

The financial effects of modification represent the impact on the provision (recovery) for loan and lease losses. Amounts for the three-month periods ended March 31, 2020 and 2019, were $9 million and $(3) million, respectively.

Pledged Loans and Leases

The Bank has access to the Federal Reserve's discount window and advances from the FHLB. As of March 31, 2020 and December 31, 2019, these borrowings and advances are secured by $45.1 billion and $39.6 billion, respectively, of loans and securities.

5. ALLOWANCE FOR CREDIT LOSSES

On January 1, 2020, Huntington adopted ASU 2016-13 Financial Instruments - Credit Losses (ASC Topic 326): Measurement of Credit Losses on Financial Instruments, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. The measurement of expected credit losses under CECL is applicable to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities. It also applies to off-balance sheet exposures not accounted for as insurance and net investments in leases accounted for under ASC Topic 842. Additionally, ASC Topic 326 made changes to the accounting for AFS debt securities, including a requirement to present credit losses as an allowance rather than as a write-down on AFS debt securities that management does not intend to sell, or believes is not more likely than not of being required to sell.

Huntington adopted ASC Topic 326 using the modified retrospective method for all financial assets in scope of the standard. Results for reporting periods beginning after January 1, 2020 are presented under ASC Topic 326, while prior period amounts continue to be reported in accordance with previously applicable GAAP. Upon adoption, Huntington recorded an increase to the ACL of $393 million and a corresponding decrease to retained earnings of approximately $306 million, net of tax of $87 million. The overall increase to the ACL at adoption is comprised of a $180 million increase in the commercial ALLL, a $211 million increase in the consumer ALLL, and a $2 million increase to the AULC.

The allowance for credit losses is deducted from the amortized cost basis of a financial asset or a group of financial assets so that the balance sheet reflects the net amount Huntington expects to collect. Amortized cost is the principal balance outstanding, net of purchase premiums and discounts, fair value hedge accounting adjustments, and deferred fees and costs. Subsequent changes (favorable and unfavorable) in expected credit losses are recognized immediately in net income as a credit loss expense or a reversal of credit loss expense. Management estimates the allowance by projecting probability-of-default, loss-given-default and exposure-at-default depending on economic parameters for each month of the remaining contractual term. Those economic parameters are developed using available information relating to past events, current conditions, and reasonable and supportable forecasts. Huntington's reasonable and supportable forecast period reverts to a historical norm based on inputs within approximately two to three years. The reversion period is dependent on the state of the economy at the beginning of the forecast. Historical credit experience provides the basis for the estimation of expected credit losses, with adjustments made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency levels and terms, as well as for changes in the micro- and macro-economic environments. The contractual terms of financial assets are adjusted for expected prepayments and any extensions outside of Huntington's control.

Loans that are determined to have unique risk characteristics are evaluated on an individual basis by management. If a loan is determined to be collateral dependent, or meets the criteria to apply the collateral dependent practical expedient, expected credit losses are determined based on the fair value of the collateral at the reporting date, less costs to sell as appropriate.

Loans with unique risk characteristics that are not subject to collateral dependent accounting, are assessed using a discounted cash flows methodology.

The allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist. Management believes the products within each of the entity's portfolio classes exhibit similar risk characteristics. Huntington has identified its portfolio classes as disclosed above.

Allowance for Credit Losses - HTM Securities

Nearly all of Huntington's HTM debt securities are issued by U.S. government entities and agencies. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies, and have a long history of no credit losses. As such, there is currently zero loss expectation for this portfolio.

Allowance for Credit Losses - AFS Securities

For individual debt securities classified as AFS, Huntington assesses whether a decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. Any impairment relating to credit losses would be recognized through an allowance for credit losses. At March 31, 2020 it was determined that no allowance was required. Any impairment due to factors other than a credit loss - such as changes in market interest rates - is recognized in other comprehensive income, net of applicable taxes. Impairment is determined on an individual security basis. Therefore, an AFS debt security cannot be combined with other securities to determine whether the collective securities are impaired.

Allowance for Loan and Lease Losses and Allowance for Credit Losses - Roll-forward

The following table presents ALLL and AULC activity by portfolio segment for thethree-month periods ended March 31, 2020 and 2019.

(dollar amounts in millions)	Commercial	Consumer	Total
Three-month period ended March 31, 2020:			
ALLL balance, beginning of period	$ 552	$ 231	$ 783
Cumulative-effect of change in accounting principle for financial instruments - credit losses (1)	180	211	391
Loan charge-offs	(88)	(48)	(136)
Recoveries of loans previously charged-off	5	14	19
Provision for loan and lease losses	347	100	447
ALLL balance, end of period	$ 996	$ 508	$ 1,504
AULC balance, beginning of period	$ 102	$ 2	$ 104
Cumulative-effect of change in accounting principle for financial instruments - credit losses (1)	(38)	40	2
Provision (reduction in allowance) for unfunded loan commitments and letters of credit	(5)	(1)	(6)
Unfunded commitment losses	(1)	—	(1)
AULC balance, end of period	$ 58	$ 41	$ 99
ACL balance, end of period	$ 1,054	$ 549	$ 1,603

(1) Relates to day one impact of the CECL adjustment as a result of the implementation of ASU 2016-13.

(dollar amounts in millions)	Commercial	Consumer	Total
Three-month period ended March 31, 2019:			
ALLL balance, beginning of period	$ 542	$ 230	$ 772
Loan charge-offs	(45)	(52)	(97)
Recoveries of loans previously charged-off	12	14	26
Provision for loan and lease losses	36	27	63
ALLL balance, end of period	$ 545	$ 219	$ 764
AULC balance, beginning of period	$ 94	$ 2	$ 96
Provision (reduction in allowance) for unfunded loan commitments and letters of credit	4	—	4
AULC balance, end of period	$ 98	$ 2	$ 100
ACL balance, end of period	$ 643	$ 221	$ 864

At March 31, 2020, the ACL was$1,603 million, an increase of $323 million from the January 1, 2020 balance of$1,280 million. The increase was primarily driven by the deteriorating economic outlook resulting from the COVID-19 pandemic. The majority of the increase was related to the commercial portfolio.

Huntington has elected to exclude accrued interest receivable from the measurement of its ACL. For all classes within all loan portfolios, when a loan is placed on nonaccrual status, any outstanding accrued interest is reversed against interest income.

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6. MORTGAGE LOAN SALES AND SERVICING RIGHTS

Residential Mortgage Portfolio

The following table summarizes activity relating to residential mortgage loans sold with servicing retained for the three-month periods ended March 31, 2020 and 2019:

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019
Residential mortgage loans sold with servicing retained	$ 1,428	$ 833
Pretax gains resulting from above loan sales (1)	39	12

(1) Recorded in mortgage banking income

On January 1, 2020, Huntington made an irrevocable election to subsequently measure all classes of residential MSRs at fair value in order to eliminate any potential measurement mismatch between our economic hedges and the MSRs. The impact of the irrevocable election was not material.

The following table summarizes the changes in MSRs recorded using the fair value method for the three-month periods ended March 31, 2020 and 2019 (1):

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019 (1)
Fair value, beginning of period	$ 7	$ 10
Fair value election for servicing assets previously measured using the amortized method	205	—
New servicing assets created	14	—
Change in fair value during the period due to:		
Time decay (2)	(2)	—
Payoffs (3)	(6)	—
Changes in valuation inputs or assumptions (4)	(53)	—
Fair value, end of period	$ 165	$ 10
Weighted-average life (years)	6.4	6.6

(1) Prior to January 1, 2020, substantially all of Huntington's MSR assets were recorded at amortized cost.
(2) Represents decrease in value due to passage of time, including the impact from both regularly scheduled loan principal payments and partial loan paydowns.
(3) Represents decrease in value associated with loans that paid off during the period.
(4) Represents change in value resulting primarily from market-driven changes in interest rates and prepayment speeds.

MSRs do not trade in an active, open market with readily observable prices. Therefore, the fair value of MSRs is estimated using a discounted future cash flow model. Changes in the assumptions used may have a significant impact on the valuation of MSRs. MSR values are highly sensitive to movement in interest rates as expected future net servicing income depends on the projected outstanding principal balances of the underlying loans, which can be greatly impacted by the level of prepayments.

For MSRs under the fair value method, a summary of key assumptions and the sensitivity of the MSR value to changes in these assumptions at March 31, 2020, and December 31, 2019 follows:

	March 31, 2020			December 31, 2019 (1)		
		Decline in fair value due to			Decline in fair value due to	
(dollar amounts in millions)	Actual	10% adverse change	20% adverse change	Actual	10% adverse change	20% adverse change
Constant prepayment rate *(annualized)*	17.83%	$ (9)	$ (17)	8.21%	$ —	$ —
Spread over forward interest rate swap rates	846 bps	(4)	(8)	824 bps	—	—

(1) Prior to January 1, 2020, substantially all of Huntington's MSR assets were recorded at amortized cost.

Total servicing, late fees and other ancillary fees included in mortgage banking income was $17 million and $15 million for the three-month periods ended March 31, 2020 and 2019, respectively. The unpaid principal balance of

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residential mortgage loans serviced for third parties was $22.8 billion and $22.4 billion at March 31, 2020 and December 31, 2019, respectively.

7. LONG-TERM DEBT

In January 2020, the Bank issued $500 million of senior notes at 99.916% of face value. The senior notes mature on February 3, 2023 and have a fixed coupon rate of 1.800%. The senior notes may be redeemed one month prior to the maturity date at 100% of principal plus accrued and unpaid interest.

In January 2020, Huntington issued $750 million of senior notes at 99.597% of face value. The senior notes mature on February 4, 2030 and have a fixed coupon rate of 2.55%. The senior notes may be redeemed three months prior to the maturity date at 100% of principal plus accrued and unpaid interest.

8. OTHER COMPREHENSIVE INCOME

The components of Huntington's OCI for the three-month periods ended March 31, 2020 and 2019, were as follows:

	Three Months Ended March 31, 2020		
		Tax (expense)	
(dollar amounts in millions)	Pretax	Benefit	After-tax
Unrealized holding gains (losses) on available-for-sale securities arising during the period	$ 217	$ (48)	$ 169
Less: Reclassification adjustment for realized net losses (gains) included in net income	5	(1)	4
Net change in unrealized holding gains (losses) on available-for-sale securities	222	(49)	173
Net change in fair value on cash flow hedges	396	(88)	308
Net change in pension and other post-retirement obligations	2	—	2
Total other comprehensive income (loss)	$ 620	$ (137)	$ 483

	Three Months Ended March 31, 2019		
		Tax (expense)	
(dollar amounts in millions)	Pretax	Benefit	After-tax
Unrealized holding gains (losses) on available-for-sale securities arising during the period	$ 184	$ (41)	$ 143
Less: Reclassification adjustment for realized net losses (gains) included in net income	4	(1)	3
Net change in unrealized holding gains (losses) on available-for-sale securities	188	(42)	146
Net change in fair value on cash flow hedges	8	(1)	7
Net change in pension and other post-retirement obligations	1	—	1
Total other comprehensive income (loss)	$ 197	$ (43)	$ 154

Activity in accumulated OCI for the three-month periods ended March 31, 2020 and 2019, were as follows:

(dollar amounts in millions)	Unrealized gains (losses) on debt securities (1)	Change in fair value related to cash flow hedges	Unrealized gains (losses) for pension and other post-retirement obligations	Total
Three Months Ended March 31, 2020				
Balance, beginning of period	$ (28)	$ 23	$ (251)	$ (256)
Other comprehensive income before reclassifications	169	308	—	477
Amounts reclassified from accumulated OCI to earnings	4	—	2	6
Period change	173	308	2	483
Balance, end of period	$ 145	$ 331	$ (249)	$ 227
Three Months Ended March 31, 2019				
Balance, beginning of period	$ (363)	$ —	$ (246)	$ (609)
Other comprehensive income before reclassifications	143	7	—	150
Amounts reclassified from accumulated OCI to earnings	3	—	1	4
Period change	146	7	1	154
Balance, end of period	$ (217)	$ 7	$ (245)	$ (455)

(1) AOCI amounts at March 31, 2020, December 31, 2019 and March 31, 2019 include $87 million, $121 million and $134 million, respectively, net of unrealized losses on securities transferred from the available-for-sale securities portfolio to the held-to-maturity securities portfolio. The net unrealized losses will be recognized in earnings over the remaining life of the security using the effective interest method.

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9. EARNINGS PER SHARE

Basic earnings per share is the amount of earnings (adjusted for dividends declared on preferred stock) available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of earnings available to each share of common stock outstanding during the reporting period adjusted to include the effect of potentially dilutive common shares. Potentially dilutive common shares include incremental shares issued for stock options, restricted stock units and awards, and distributions from deferred compensation plans. Potentially dilutive common shares are excluded from the computation of diluted earnings per share in periods in which the effect would be antidilutive.

The calculation of basic and diluted earnings per share for thethree-month periods ended March 31, 2020 and 2019 was as follows:

	Three Months Ended March 31,	
(dollar amounts in millions, except per share data, share count in thousands)	2020	2019
Basic earnings per common share:		
Net income	$ 48	$ 358
Preferred stock dividends	(18)	(19)
Net income available to common shareholders	$ 30	$ 339
Average common shares issued and outstanding	1,017,643	1,046,995
Basic earnings per common share	$ 0.03	$ 0.32
Diluted earnings per common share:		
Dilutive potential common shares:		
Stock options and restricted stock units and awards	12,363	14,807
Shares held in deferred compensation plans	4,570	3,836
Dilutive potential common shares	16,933	18,643
Total diluted average common shares issued and outstanding	1,034,576	1,065,638
Diluted earnings per common share	$ 0.03	$ 0.32
Anti-dilutive awards (1)	8,045	3,963

(1) Reflects the total number of shares related to outstanding options that have been excluded from the computation of diluted earnings per share because the impact would have been anti-dilutive.

10. NONINTEREST INCOME

Huntington earns a variety of revenue including interest and fees from customers as well as revenues from non-customers. Certain sources of revenue are recognized within interest or fee income and are outside of the scope of ASC Topic 606, Revenue from Contracts with Customers ("ASC 606"). Other sources of revenue fall within the scope of ASC 606 and are generally recognized within noninterest income. These revenues are included within various sections of the Unaudited Condensed Consolidated Financial Statements. The following table shows Huntington's total noninterest income segregated between contracts with customers within the scope of ASC 606 and those within the scope of other GAAP Topics.

(dollar amounts in millions)	Three Months Ended March 31,	
Noninterest income	2020	2019
Noninterest income from contracts with customers	$ 227	$ 222
Noninterest income within the scope of other GAAP topics	134	97
Total noninterest income	$ 361	$ 319

The following table illustrates the disaggregation by operating segment and major revenue stream and reconciles disaggregated revenue to segment revenue presented in Note 15 "Segment Reporting".

(dollar amounts in millions)	Three Months Ended March 31, 2020					
Major Revenue Streams	Consumer & Business Banking	Commercial Banking	Vehicle Finance	RBHPCG	Treasury / Other	Huntington Consolidated
Service charges on deposit accounts	$ 68	$ 17	$ 1	$ 1	$ —	$ 87
Card and payment processing income	52	4	—	—	—	56
Trust and investment management services	10	1	—	36	—	47
Insurance income	8	2	—	12	1	23
Other noninterest income	8	3	1	1	1	14
Net revenue from contracts with customers	$ 146	$ 27	$ 2	$ 50	$ 2	$ 227
Noninterest income within the scope of other GAAP topics	66	59	1	—	8	134
Total noninterest income	$ 212	$ 86	$ 3	$ 50	$ 10	$ 361

(dollar amounts in millions)	Three Months Ended March 31, 2019					
Major Revenue Streams	Consumer & Business Banking	Commercial Banking	Vehicle Finance	RBHPCG	Treasury / Other	Huntington Consolidated
Service charges on deposit accounts	$ 69	$ 16	$ 1	$ 1	$ —	$ 87
Card and payment processing income	50	3	—	—	—	53
Trust and investment management services	8	—	—	35	1	44
Insurance income	8	2	—	11	—	21
Other noninterest income	8	5	1	3	—	17
Net revenue from contracts with customers	$ 143	$ 26	$ 2	$ 50	$ 1	$ 222
Noninterest income within the scope of other GAAP topics	31	50	—	1	15	97
Total noninterest income	$ 174	$ 76	$ 2	$ 51	$ 16	$ 319

Huntington generally provides services for customers in which it acts as principal. Payment terms and conditions vary amongst services and customers, and thus impact the timing and amount of revenue recognition. Some fees may be paid before any service is rendered and accordingly, such fees are deferred until the obligations pertaining to those fees are satisfied. Most Huntington contracts with customers are cancelable by either party

without penalty or they are short-term in nature, with a contract duration of less than one year. Accordingly, most revenue deferred for the reporting period ended March 31, 2020 is expected to be earned within one year.

11. FAIR VALUES OF ASSETS AND LIABILITIES

See Note 18 “Fair Value of Assets and Liabilities” to the Consolidated Financial Statements of the Annual Report on Form 10-K for the year ended December 31, 2019 for a description of the valuation methodologies used for instruments measured at fair value. Assets and liabilities measured at fair value rarely transfer between Level 1 and Level 2 measurements. There were no such transfers during the three-month periods ended March 31, 2020 and 2019.

Assets and Liabilities measured at fair value on a recurring basis

Assets and liabilities measured at fair value on a recurring basis atMarch 31, 2020 and December 31, 2019 are summarized below:

	Fair Value Measurements at Reporting Date Using				
(dollar amounts in millions)	Level 1	Level 2	Level 3	Netting Adjustments (1)	March 31, 2020
Assets					
Trading account securities:					
Municipal securities	$ —	$ 28	$ —	$ —	$ 28
Other securities	8	—	—	—	8
	8	28	—	—	36
Available-for-sale securities:					
U.S. Treasury securities	8	—	—	—	8
Residential CMOs	—	5,723	—	—	5,723
Residential MBS	—	4,304	—	—	4,304
Commercial MBS	—	849	—	—	849
Other agencies	—	147	—	—	147
Municipal securities	—	55	2,937	—	2,992
Private-label CMO	—	—	2	—	2
Asset-backed securities	—	478	69	—	547
Corporate debt	—	47	—	—	47
Other securities/sovereign debt	—	3	—	—	3
	8	11,606	3,008	—	14,622
Other securities	50	—	—	—	50
Loans held for sale	—	836	—	—	836
Loans held for investment	—	55	26	—	81
MSRs	—	—	165	—	165
Derivative assets	—	2,342	42	(1,302)	1,082
Liabilities					
Derivative liabilities	—	1,369	3	(1,066)	306

(dollar amounts in millions)	Fair Value Measurements at Reporting Date Using Level 1	Level 2	Level 3	Netting Adjustments (1)	December 31, 2019
Assets					
Trading account securities:					
Federal agencies: Other agencies	$ —	$ 4	$ —	$ —	$ 4
Municipal securities	—	63	—	—	63
Other securities	30	2	—	—	32
	30	69	—	—	99
Available-for-sale securities:					
U.S. Treasury securities	10	—	—	—	10
Residential CMOs	—	5,085	—	—	5,085
Residential MBS	—	4,222	—	—	4,222
Commercial MBS	—	976	—	—	976
Other agencies	—	165	—	—	165
Municipal securities	—	56	2,999	—	3,055
Private-label CMO	—	—	2	—	2
Asset-backed securities	—	531	48	—	579
Corporate debt	—	51	—	—	51
Other securities/sovereign debt	—	4	—	—	4
	10	11,090	3,049	—	14,149
Other securities	54	—	—	—	54
Loans held for sale	—	781	—	—	781
Loans held for investment	—	55	26	—	81
MSRs	—	—	7	—	7
Derivative assets	—	848	8	(404)	452
Liabilities					
Derivative liabilities	—	519	2	(417)	104

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.

The tables below present a rollforward of the balance sheet amounts for the three-month periods ended March 31, 2020 and 2019, for financial instruments measured on a recurring basis and classified as Level 3. The classification of an item as Level 3 is based on the significance of the unobservable inputs to the overall fair value measurement. However, Level 3 measurements may also include observable components of value that can be validated externally. Accordingly, the gains and losses in the table below include changes in fair value due in part to observable factors that are part of the valuation methodology.

(dollar amounts in millions)	Level 3 Fair Value Measurements Three Months Ended March 31, 2020					
			Available-for-sale securities			
	MSRs	Derivative instruments	Municipal securities	Private-label CMO	Asset-backed securities	Loans held for investment
Opening balance	$ 7	$ 6	$ 2,999	$ 2	$ 48	$ 26
Fair value election for servicing assets previously measured using the amortized method	205	—	—	—	—	—
Transfers out of Level 3 (1)	—	(20)	—	—	—	—
Total gains/losses for the period:						
Included in earnings	(47)	53	(1)	—	—	—
Included in OCI	—	—	(68)	—	—	—
Purchases/originations	—	—	73	—	27	—
Sales	—	—	—	—	—	—
Repayments	—	—	—	—	—	—
Settlements	—	—	(66)	—	(6)	—
Closing balance	$ 165	$ 39	$ 2,937	$ 2	$ 69	$ 26
Change in unrealized gains or losses for the period included in earnings for assets held at end of the reporting date	$ (47)	$ 34	$ —	$ —	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for assets held at the end of the reporting period	$ —	$ —	$ (68)	$ —	$ —	$ —

(dollar amounts in millions)	Level 3 Fair Value Measurements Three Months Ended March 31, 2019			
			Available-for-sale securities	
	MSRs	Derivative instruments	Municipal securities	Loans held for investment
Opening balance	$ 10	$ 2	$ 3,165	$ 30
Transfers out of Level 3 (1)	—	(9)	—	—
Total gains/losses for the period:				
Included in earnings	—	12	1	—
Included in OCI	—	—	43	—
Purchases/originations	—	—	81	—
Sales	—	—	—	—
Repayments	—	—	—	(1)
Settlements	—	—	(53)	—
Closing balance	$ 10	$ 5	$ 3,237	$ 29
Change in unrealized gains or losses for the period included in earnings for assets held at end of the reporting date	$ —	$ 2	$ —	$ —
Change in unrealized gains or losses for the period included in other comprehensive income for assets held at the end of the reporting period	$ —	$ —	$ 43	$ —

(1) Transfers out of Level 3 represent the settlement value of the derivative instruments (i.e. interest rate lock agreements) that is transferred to loans held for sale, which is classified as Level 2.

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The tables below summarize the classification of gains and losses due to changes in fair value, recorded in earnings for Level 3 assets and liabilities for the three-month periods ended March 31, 2020 and 2019:

	Level 3 Fair Value Measurements Three Months Ended March 31, 2020		
			Available-for-sale securities
(dollar amounts in millions)	MSRs	Derivative instruments	Municipal securities
Classification of gains and losses in earnings:			
Mortgage banking income	$ (47)	$ 53	$ —
Interest and fee income	—	—	(1)
Total	$ (47)	$ 53	$ (1)

	Level 3 Fair Value Measurements Three Months Ended March 31, 2019		
			Available-for-sale securities
(dollar amounts in millions)	MSRs	Derivative instruments	Municipal securities
Classification of gains and losses in earnings:			
Mortgage banking income	$ —	$ 12	$ —
Interest and fee income	—	—	1
Total	$ —	$ 12	$ 1

Assets and liabilities under the fair value option

The following tables present the fair value and aggregate principal balance of certain assets and liabilities under the fair value option:

	March 31, 2020					
(dollar amounts in millions)	Total Loans			Loans that are 90 or more days past due		
Assets	Fair value carrying amount	Aggregate unpaid principal	Difference	Fair value carrying amount	Aggregate unpaid principal	Difference
Loans held for sale	$ 836	$ 791	$ 45	$ 1	$ 1	$ —
Loans held for investment	81	86	(5)	5	5	—

	December 31, 2019					
(dollar amounts in millions)	Total Loans			Loans that are 90 or more days past due		
Assets	Fair value carrying amount	Aggregate unpaid principal	Difference	Fair value carrying amount	Aggregate unpaid principal	Difference
Loans held for sale	$ 781	$ 755	$ 26	$ 2	$ 2	$ —
Loans held for investment	81	87	(6)	3	4	(1)

The following tables present the net gains (losses) from fair value changes for thethree-month periods ended March 31, 2020 and 2019.

	Net gains (losses) from fair value changes	
(dollar amounts in millions)	Three Months Ended March 31,	
Assets	2020	2019
Loans held for sale (1)	$ 19	$ (2)

(1) The net gains (losses) from fair value changes are included in Mortgage banking income on the Unaudited Condensed Consolidated Statements of Income.

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Assets and Liabilities measured at fair value on a nonrecurring basis

Certain assets and liabilities may be required to be measured at fair value on a nonrecurring basis in periods subsequent to their initial recognition. These assets and liabilities are not measured at fair value on an ongoing basis; however, they are subject to fair value adjustments in certain circumstances, such as when there is evidence of impairment. The amounts presented represent the fair value on the various measurement dates throughout the period. The gains (losses) represent the amounts recorded during the period regardless of whether the asset is still held at period end.

The amounts measured at fair value on a nonrecurring basis atMarch 31, 2020 were as follows:

		Fair Value Measurements Using			
(dollar amounts in millions)	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total Gains/(Losses) Three Months Ended March 31, 2020
Collateral-dependent loans	63	—	—	63	(17)
Loans held for sale	11	—	—	11	(2)

Huntington records nonrecurring adjustments of collateral-dependent loans held for investment. Such amounts are generally based on the fair value of the underlying collateral supporting the loan. Appraisals are generally obtained to support the fair value of the collateral and incorporate measures such as recent sales prices for comparable properties and cost of construction. Periodically, in cases where the carrying value exceeds the fair value of the collateral less cost to sell, an impairment charge is recognized in the form of a charge-off.

Loans held for sale are measured at lower of cost or fair value less costs to sell. The fair value of loans held for sale is based on binding or non-binding bids for the respective loans or similar loans.

Significant unobservable inputs for assets and liabilities measured at fair value on a recurring and nonrecurring basis

The table below presents quantitative information about the significant unobservable inputs for assets and liabilities measured at fair value on a recurring and nonrecurring basis at March 31, 2020 and December 31, 2019:

	Quantitative Information about Level 3 Fair Value Measurements at March 31, 2020 (1)					
(dollar amounts in millions)	Fair Value	Valuation Technique	Significant Unobservable Input	Range		Weighted Average
Measured at fair value on a recurring basis:						
MSRs	$ 165	Discounted cash flow	Constant prepayment rate	12 % -	37%	18 %
			Spread over forward interest rate swap rates	5 % -	11%	8 %
Derivative assets	42	Consensus Pricing	Net market price	(5)% -	13%	4 %
			Estimated Pull through %	3 % -	100%	85 %
Municipal securities	2,937	Discounted cash flow	Discount rate	3 % -	3%	3 %
Asset-backed securities	69		Cumulative default	0 % -	39%	4 %
			Loss given default	5 % -	80%	24 %
Measured at fair value on a nonrecurring basis:						
Collateral-dependent loans	63	Appraisal value	NA			NA

(1) Certain disclosures related to quantitative level 3 fair value measurements do not include those deemed to be immaterial.

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(dollar amounts in millions)	Fair Value	Valuation Technique	Significant Unobservable Input	Range		Weighted Average
	Quantitative Information about Level 3 Fair Value Measurements at December 31, 2019 (1)					
Measured at fair value on a recurring basis:						
MSRs	$ 7	Discounted cash flow	Constant prepayment rate	— % -	26%	8 %
			Spread over forward interest rate swap rates	5 % -	11%	8 %
Derivative assets	8	Consensus Pricing	Net market price	(2)% -	11%	2 %
			Estimated Pull through %	2 % -	100%	91 %
Municipal securities	2,999	Discounted cash flow	Discount rate	2 % -	3%	2 %
Asset-backed securities	48		Cumulative default	— % -	39%	4 %
			Loss given default	5 % -	80%	24 %
Measured at fair value on a nonrecurring basis:						
MSRs	206	Discounted cash flow	Constant prepayment rate	10 % -	31%	12 %
			Spread over forward interest rate swap rates	5 % -	11%	9 %
Impaired loans	26	Appraisal value	NA			NA

(1) Certain disclosures related to quantitative level 3 fair value measurements do not include those deemed to be immaterial.

The following provides a general description of the impact of a change in an unobservable input on the fair value measurement and the interrelationship between unobservable inputs, where relevant/significant. Interrelationships may also exist between observable and unobservable inputs.

Credit loss estimates, such as probability of default, constant default, cumulative default, loss given default, cure given deferral, and loss severity, are driven by the ability of the borrowers to pay their loans and the value of the underlying collateral and are impacted by changes in macroeconomic conditions, typically increasing when economic conditions worsen and decreasing when conditions improve. An increase in the estimated prepayment rate typically results in a decrease in estimated credit losses and vice versa. Higher credit loss estimates generally result in lower fair values. Credit spreads generally increase when liquidity risks and market volatility increase and decrease when liquidity conditions and market volatility improve.

Discount rates and spread over forward interest rate swap rates typically increase when market interest rates increase and/or credit and liquidity risks increase and decrease when market interest rates decline and/or credit and liquidity conditions improve. Higher discount rates and credit spreads generally result in lower fair market values.

Net market price and pull through percentages generally increase when market interest rates increase and decline when market interest rates decline. Higher net market price and pull through percentages generally result in higher fair values.

Fair values of financial instruments

The following table provides the carrying amounts and estimated fair values of Huntington's financial instruments at March 31, 2020 and December 31, 2019:

	March 31, 2020				
(dollar amounts in millions)	Amortized Cost	Lower of Cost or Market	Fair Value or Fair Value Option	Total Carrying Amount	Estimated Fair Value
Financial Assets					
Cash and short-term assets	$ 1,904	$ —	$ —	$ 1,904	$ 1,904
Trading account securities	—	—	36	36	36
Available-for-sale securities	—	—	14,622	14,622	14,622
Held-to-maturity securities	10,193	—	—	10,193	10,523
Other securities	438	—	50	488	488
Loans held for sale	—	161	836	997	1,000
Net loans and leases (1)	76,450	—	81	76,531	77,059
Derivative assets	—	—	1,082	1,082	1,082
Financial Liabilities					
Deposits	86,830	—	—	86,830	86,843
Short-term borrowings	2,826	—	—	2,826	2,826
Long-term debt	9,796	—	—	9,796	9,654
Derivative liabilities	—	—	306	306	306

	December 31, 2019				
(dollar amounts in millions)	Amortized Cost	Lower of Cost or Market	Fair Value or Fair Value Option	Total Carrying Amount	Estimated Fair Value
Financial Assets					
Cash and short-term assets	$ 1,272	$ —	$ —	$ 1,272	$ 1,272
Trading account securities	—	—	99	99	99
Available-for-sale securities	—	—	14,149	14,149	14,149
Held-to-maturity securities	9,070	—	—	9,070	9,186
Other securities	387	—	54	441	441
Loans held for sale	—	96	781	877	879
Net loans and leases (1)	74,540	—	81	74,621	75,177
Derivative assets	—	—	452	452	452
Financial Liabilities					
Deposits	82,347	—	—	82,347	82,344
Short-term borrowings	2,606	—	—	2,606	2,606
Long-term debt	9,849	—	—	9,849	10,075
Derivative liabilities	—	—	104	104	104

(1) Includes collateral-dependent loans.

The following table presents the level in the fair value hierarchy for the estimated fair values at March 31, 2020 and December 31, 2019:

(dollar amounts in millions)	Estimated Fair Value Measurements at Reporting Date Using			Netting Adjustments (1)	March 31, 2020
	Level 1	Level 2	Level 3		
Financial Assets					
Trading account securities	$ 8	$ 28	$ —		$ 36
Available-for-sale securities	8	11,606	3,008		14,622
Held-to-maturity securities	—	10,523	—		10,523
Other securities (2)	50	—	—		50
Loans held for sale	—	836	164		1,000
Net loans and direct financing leases	—	55	77,004		77,059
Derivative assets	—	2,342	42	(1,302)	1,082
Financial Liabilities					
Deposits	—	82,071	4,772		86,843
Short-term borrowings	—	—	2,826		2,826
Long-term debt	—	9,004	650		9,654
Derivative liabilities	—	1,369	3	(1,066)	306

(dollar amounts in millions)	Estimated Fair Value Measurements at Reporting Date Using			Netting Adjustments (1)	December 31, 2019
	Level 1	Level 2	Level 3		
Financial Assets					
Trading account securities	$ 30	$ 69	$ —		$ 99
Available-for-sale securities	10	11,090	3,049		14,149
Held-to-maturity securities	—	9,186	—		9,186
Other securities (2)	54	—	—		54
Loans held for sale	—	781	98		879
Net loans and direct financing leases	—	55	75,122		75,177
Derivative assets	—	848	8	(404)	452
Financial Liabilities					
Deposits	—	76,790	5,554		82,344
Short-term borrowings	—	—	2,606		2,606
Long-term debt	—	9,439	636		10,075
Derivative liabilities	—	519	2	(417)	104

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.
(2) Excludes securities without readily determinable fair values.

The short-term nature of certain assets and liabilities result in their carrying value approximating fair value. These include trading account securities, customers' acceptance liabilities, short-term borrowings, bank acceptances outstanding, FHLB advances, and cash and short-term assets, which include cash and due from banks, interest-bearing deposits in banks, interest-bearing deposits at Federal Reserve Bank, federal funds sold, and securities purchased under resale agreements. Loan commitments and letters-of-credit generally have short-term, variable-rate features and contain clauses that limit Huntington's exposure to changes in customer credit quality. Accordingly, their carrying values, which are immaterial at the respective balance sheet dates, are reasonable estimates of fair value.

Certain assets, the most significant being operating lease assets, bank owned life insurance, and premises and equipment, do not meet the definition of a financial instrument and are excluded from this disclosure. Similarly, mortgage servicing rights, deposit base, and other customer relationship intangibles are not considered financial

instruments and are not included above. Accordingly, this fair value information is not intended to, and does not, represent Huntington's underlying value. Many of the assets and liabilities subject to the disclosure requirements are not actively traded, requiring fair values to be estimated by Management. These estimations necessarily involve the use of judgment about a wide variety of factors, including but not limited to, relevancy of market prices of comparable instruments, expected future cash flows, and appropriate discount rates.

12. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recorded in the Unaudited Condensed Consolidated Balance Sheets as either an asset or a liability (in other assets or other liabilities, respectively) and measured at fair value.

Derivative financial instruments can be designated as accounting hedges under GAAP. Designating a derivative as an accounting hedge allows Huntington to recognize gains and losses on the hedging instruments in the income statement line item where the gains and losses on the hedged item are recognized. Gains and losses on derivatives that are not designated in an effective hedge relationship under GAAP immediately impact earnings within the period they occur.

The following table presents the fair values and notional values of all derivative instruments included in the Unaudited Condensed Consolidated Balance Sheets at March 31, 2020 and December 31, 2019. Amounts in the table below are presented gross without the impact of any net collateral arrangements.

	March 31, 2020			December 31, 2019		
(dollar amounts in millions)	Notional Value	Asset	Liability	Notional Value	Asset	Liability
Derivatives designated as Hedging Instruments						
Interest rate contracts	$ 27,415	$ 971	$ 72	$ 25,927	$ 256	$ 36
Derivatives not designated as Hedging Instruments						
Interest rate contracts	31,136	1,063	928	27,614	420	314
Foreign exchange contracts	2,110	44	42	2,173	19	18
Commodities contracts	2,606	306	303	3,020	155	152
Equity contracts	408	—	27	427	6	1
Total Contracts	$ 63,675	$ 2,384	$ 1,372	$ 59,161	$ 856	$ 521

The following table presents the amount of gain or loss recognized in income for derivatives not designated as hedging instruments under ASC Subtopic 815-10 in the Unaudited Condensed Consolidated Income Statement for the three-month periods ended March 31, 2020 and 2019, respectively.

		Amount of Gain or (Loss) Recognized in Income on Derivative	
		Three Months Ended March 31,	
(dollar amounts in millions)	Location of Gain or (Loss) Recognized in Income on Derivative	2020	2019
Interest rate contracts:			
Customer	Capital markets fees	$ 18	$ 10
Mortgage Banking	Mortgage banking income	96	12
Foreign exchange contracts	Capital markets fees	6	8
Commodities contracts	Capital markets fees	2	(6)
Equity contracts	Other noninterest expense	(2)	(1)
Total		$ 120	$ 23

Derivatives used in asset and liability management activities

Huntington engages in balance sheet hedging activity, principally for asset and liability management purposes. Balance sheet hedging activity is generally arranged to receive hedge accounting treatment that can be classified as either fair value or cash flow hedges. Fair value hedges are executed to hedge changes in fair value of outstanding fixed-rate debt caused by fluctuations in market interest rates. Cash flow hedges are executed to

modify interest rate characteristics of designated commercial loans in order to reduce the impact of changes in future cash flows due to market interest rate changes.

The following table presents the gross notional values of derivatives used in Huntington's asset and liability management activities at March 31, 2020 and December 31, 2019, identified by the underlying interest rate-sensitive instruments.

	March 31, 2020		
(dollar amounts in millions)	Fair Value Hedges	Cash Flow Hedges	Total
Instruments associated with:			
Loans	$ —	$ 19,375	$ 19,375
Long-term debt	8,040	—	8,040
Total notional value at March 31, 2020	$ 8,040	$ 19,375	$ 27,415

	December 31, 2019		
(dollar amounts in millions)	Fair Value Hedges	Cash Flow Hedges	Total
Instruments associated with:			
Loans	—	18,375	18,375
Investment securities	$ —	$ 12	$ 12
Long-term debt	7,540	—	7,540
Total notional value at December 31, 2019	$ 7,540	$ 18,387	$ 25,927

These derivative financial instruments were entered into for the purpose of managing the interest rate risk of assets and liabilities. Net amounts receivable or payable on contracts hedging either interest earning assets or interest bearing liabilities were accrued as an adjustment to either interest income or interest expense. The net amounts resulted in an increase (decrease) to net interest income of $16 million and $(14) million for the three-month periods ended March 31, 2020, and 2019, respectively.

Fair Value Hedges

The changes in fair value of the fair value hedges are recorded through earnings and offset against changes in the fair value of the hedged item.

The following table presents the change in fair value for derivatives designated as fair value hedges as well as the offsetting change in fair value on the hedged item for the three-month periods ended March 31, 2020 and 2019.

	Three Months Ended March 31, 2020	
(dollar amounts in millions)	2020	2019
Interest rate contracts		
Change in fair value of interest rate swaps hedging long-term debt (1)	$ 200	$ 41
Change in fair value of hedged long term debt (1)	(190)	(41)

(1) Recognized in Interest expense—long-term debt in the Unaudited Condensed Consolidated Statements of Income.

As of March 31, 2020, and December 31, 2019, the following amounts were recorded on the balance sheet related to cumulative basis adjustments for fair value hedges.

	Carrying Amount of the Hedged Liabilities		Cumulative Amount of Fair Value Hedging Adjustment To Hedged Liabilities	
(dollar amounts in millions)	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Long-term debt	$ 7,775	$ 7,578	$ 304	$ 114

The cumulative amount of fair value hedging adjustments remaining for any hedged assets and liabilities for which hedge accounting has been discontinued was $(84) million and $(93) million at March 31, 2020 and December 31, 2019, respectively.

Cash Flow Hedges

At March 31, 2020, Huntington has $19.4 billion of interest rate floors and swaps. These are designated as cash flow hedges for variable rate commercial loans indexed to LIBOR. The initial premium paid for the interest rate floor contracts represents the time value of the contracts and is not included in the measurement of hedge effectiveness. Any change in fair value related to time value is recognized in OCI. The initial premium paid is amortized on a straight line basis as a reduction to interest income over the contractual life of these contracts.

Gains and losses on interest rate floors and swaps recognized in other comprehensive income were $308 million and $7 million for the three-months periods ended March 31, 2020 and 2019, respectively.

Derivatives used in mortgage banking activities

Mortgage loan origination hedging activity

Huntington's mortgage origination hedging activity is related to economically hedging Huntington's mortgage pricing commitments to customers and the secondary sale to third parties. The value of a newly originated mortgage is not firm until the interest rate is committed or locked. Forward commitments to sell economically hedge the possible loss on interest rate lock commitments due to interest rate change. The net asset (liability) position of these derivatives at March 31, 2020 and December 31, 2019 are $(6) million and $6 million, respectively. At March 31, 2020 and December 31, 2019, Huntington had commitments to sell residential real estate loans of $2.2 billion and $1.4 billion, respectively. These contracts mature in less than one year.

MSR hedging activity

Huntington's MSR economic hedging activity uses securities and derivatives to manage the value of the MSR asset and to mitigate the various types of risk inherent in the MSR asset, including risks related to duration, basis, convexity, volatility, and yield curve. The hedging instruments include forward commitments, interest rate swaps, and options on interest rate swaps.

The notional value of the derivative financial instruments, corresponding trading assets and liabilities, and net trading gains (losses) related to MSR hedging activity is summarized in the following table:

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Notional value	$ 490	$ 778
Trading assets	64	19

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019
Trading gains	$ 57	$ 7

MSR hedging trading assets and liabilities are included in other assets and other liabilities, respectively, in the Unaudited Condensed Balance Sheets. Trading gains (losses) are included in mortgage banking income in the Unaudited Condensed Consolidated Statement of Income.

Derivatives used in customer related activities

Various derivative financial instruments are offered to enable customers to meet their financing and investing objectives and for their risk management purposes. Derivative financial instruments used in trading activities consist of commodity, interest rate, and foreign exchange contracts. Huntington enters into offsetting third-party contracts with approved, reputable counterparties with substantially matching terms and currencies in order to economically hedge significant exposure related to derivatives used in trading activities.

The interest rate or price risk of customer derivatives is mitigated by entering into similar derivatives having offsetting terms with other counterparties. The credit risk to these customers is evaluated and included in the calculation of fair value. Foreign currency derivatives help the customer hedge risk and reduce exposure to fluctuations in exchange rates. Transactions are primarily in liquid currencies with Canadian dollars and Euros comprising a majority of all transactions. Commodity derivatives help the customer hedge risk and reduce

exposure to fluctuations in the price of various commodities. Hedging of energy-related products and base metals comprise the majority of these transactions.

The net fair values of these derivative financial instruments, for which the gross amounts are included in other assets or other liabilities at both March 31, 2020 and December 31, 2019, were $64 million and $87 million, respectively. The total notional values of derivative financial instruments used by Huntington on behalf of customers, including offsetting derivatives, were $32 billion and $30 billion at March 31, 2020 and December 31, 2019, respectively. Huntington's credit risk from customer derivatives was $997 million and $407 million at the same dates, respectively.

Financial assets and liabilities that are offset in the Unaudited Condensed Consolidated Balance Sheets

Huntington records derivatives at fair value as further described in Note 11 "Fair Values of Assets and Liabilities".

Derivative balances are presented on a net basis taking into consideration the effects of legally enforceable master netting agreements. Additionally, collateral exchanged with counterparties is also netted against the applicable derivative fair values. Huntington enters into derivative transactions with two primary groups: broker-dealers and banks, and Huntington's customers. Different methods are utilized for managing counterparty credit exposure and credit risk for each of these groups.

Huntington enters into transactions with broker-dealers and banks for various risk management purposes. These types of transactions generally are high dollar volume. Huntington enters into collateral and master netting agreements with these counterparties, and routinely exchanges cash and high quality securities collateral. Huntington enters into transactions with customers to meet their financing, investing, payment and risk management needs. These types of transactions generally are low dollar volume. Huntington enters into master netting agreements with customer counterparties; however, collateral is generally not exchanged with customer counterparties.

In addition to the customer derivative credit exposure, aggregate credit risk associated with broker-dealer and bank derivative transactions, net of collateral that has been pledged by the counterparty, was $85 million and $22 million at March 31, 2020 and December 31, 2019, respectively. The credit risk associated with derivatives is calculated after considering master netting agreements.

At March 31, 2020, Huntington pledged $189 million of investment securities and cash collateral to counterparties, while other counterparties pledged $499 million of investment securities and cash collateral to Huntington to satisfy collateral netting agreements. In the event of credit downgrades, Huntington would not be required to provide additional collateral.

The following tables present the gross amounts of these assets and liabilities with any offsets to arrive at the net amounts recognized in the Unaudited Condensed Consolidated Balance Sheets at March 31, 2020 and December 31, 2019.

Offsetting of Financial Assets and Derivative Assets

(dollar amounts in millions)		Gross amounts of recognized assets	Gross amounts offset in the unaudited condensed consolidated balance sheets	Net amounts of assets presented in the unaudited condensed consolidated balance sheets	Gross amounts not offset in the unaudited condensed consolidated balance sheets: Financial instruments	Gross amounts not offset in the unaudited condensed consolidated balance sheets: Cash collateral received	Net amount
March 31, 2020	Derivatives	$ 2,384	$ (1,302)	$ 1,082	$ (115)	$ (62)	$ 905
December 31, 2019	Derivatives	856	(404)	452	(65)	(29)	358

Offsetting of Financial Liabilities and Derivative Liabilities

(dollar amounts in millions)		Gross amounts of recognized liabilities	Gross amounts offset in the unaudited condensed consolidated balance sheets	Net amounts of liabilities presented in the unaudited condensed consolidated balance sheets	Gross amounts not offset in the unaudited condensed consolidated balance sheets: Financial instruments	Gross amounts not offset in the unaudited condensed consolidated balance sheets: Cash collateral delivered	Net amount
March 31, 2020	Derivatives	$ 1,372	$ (1,066)	$ 306	$ —	$ (108)	$ 198
December 31, 2019	Derivatives	521	(417)	104	—	(75)	29

13. VIEs

Unconsolidated VIEs

The following tables provide a summary of the assets and liabilities included in Huntington's Unaudited Condensed Consolidated Financial Statements, as well as the maximum exposure to losses, associated with its interests related to unconsolidated VIEs for which Huntington holds an interest, but is not the primary beneficiary, to the VIE at March 31, 2020, and December 31, 2019:

	March 31, 2020		
(dollar amounts in millions)	Total Assets	Total Liabilities	Maximum Exposure to Loss
Trust Preferred Securities	$ 14	$ 252	$ —
Affordable Housing Tax Credit Partnerships	803	386	803
Other Investments	184	61	184
Total	$ 1,001	$ 699	$ 987

	December 31, 2019		
(dollar amounts in millions)	Total Assets	Total Liabilities	Maximum Exposure to Loss
Trust Preferred Securities	$ 14	$ 252	$ —
Affordable Housing Tax Credit Partnerships	727	332	727
Other Investments	179	63	179
Total	$ 920	$ 647	$ 906

Trust-Preferred Securities

Huntington has certain wholly-owned trusts whose assets, liabilities, equity, income, and expenses are not included within Huntington's Unaudited Condensed Consolidated Financial Statements. These trusts have been formed for the sole purpose of issuing trust-preferred securities, from which the proceeds are then invested in Huntington junior subordinated debentures, which are reflected in Huntington's Unaudited Condensed Consolidated Balance Sheet as long-term debt. The trust securities are the obligations of the trusts, and as such, are not consolidated within Huntington's Unaudited Condensed Consolidated Financial Statements.

A list of trust preferred securities outstanding atMarch 31, 2020 follows:

(dollar amounts in millions)	Rate		Principal amount of subordinated note/ debenture issued to trust (1)	Investment in unconsolidated subsidiary
Huntington Capital I	2.15%	(2)	$ 70	$ 6
Huntington Capital II	2.08	(3)	32	3
Sky Financial Capital Trust III	2.85	(4)	72	2
Sky Financial Capital Trust IV	2.85	(4)	74	2
Camco Financial Trust	2.78	(5)	4	1
Total			$ 252	$ 14

(1) Represents the principal amount of debentures issued to each trust, including unamortized original issue discount.
(2) Variable effective rate atMarch 31, 2020, based on three-month LIBOR +0.70%.
(3) Variable effective rate atMarch 31, 2020, based on three-month LIBOR +0.625%.
(4) Variable effective rate atMarch 31, 2020, based on three-month LIBOR +1.40%.
(5) Variable effective rate atMarch 31, 2020, based on three-month LIBOR +1.33%.

Each issue of the junior subordinated debentures has an interest rate equal to the corresponding trust securities distribution rate. Huntington has the right to defer payment of interest on the debentures at any time, or from time-to-time for a period not exceeding five years provided that no extension period may extend beyond the stated maturity of the related debentures. During any such extension period, distributions to the trust securities will also be deferred and Huntington's ability to pay dividends on its common stock will be restricted. Periodic cash payments and payments upon liquidation or redemption with respect to trust securities are guaranteed by Huntington to the extent of funds held by the trusts. The guarantee ranks subordinate and junior in right of payment to all indebtedness of the Company to the same extent as the junior subordinated debt. The guarantee does not place a limitation on the amount of additional indebtedness that may be incurred by Huntington.

Affordable Housing Tax Credit Partnerships

Huntington makes certain equity investments in various limited partnerships that sponsor affordable housing projects utilizing the LIHTC pursuant to Section 42 of the Internal Revenue Code. The purpose of these investments is to achieve a satisfactory return on capital, to facilitate the sale of additional affordable housing product offerings, and to assist in achieving goals associated with the Community Reinvestment Act. The primary activities of the limited partnerships include the identification, development, and operation of multi-family housing that is leased to qualifying residential tenants. Generally, these types of investments are funded through a combination of debt and equity.

Huntington uses the proportional amortization method to account for a majority of its investments in these entities. These investments are included in other assets. Investments that do not meet the requirements of the proportional amortization method are accounted for using the equity method. Investment losses related to these investments are included in noninterest income in the Unaudited Condensed Consolidated Statements of Income.

The following table presents the balances of Huntington's affordable housing tax credit investments and related unfunded commitments at March 31, 2020 and December 31, 2019.

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Affordable housing tax credit investments	$ 1,343	$ 1,242
Less: amortization	(540)	(515)
Net affordable housing tax credit investments	$ 803	$ 727
Unfunded commitments	$ 386	$ 332

The following table presents other information relating to Huntington's affordable housing tax credit investments for the three-month periods ended March 31, 2020 and 2019.

	Three Months Ended March 31,	
(dollar amounts in millions)	2020	2019
Tax credits and other tax benefits recognized	$ 29	$ 27
Proportional amortization expense included in provision for income taxes	25	22

There were no sales of affordable housing tax credit investments during the three-month periods ended March 31, 2020 and 2019. There was no impairment recognized for the three-month periods ended March 31, 2020 and 2019.

Other VIE's

Other VIE's include investments in Small Business Investment Companies, Historic Tax Credit Investments, certain equity method investments, renewable energy financings, automobile securitizations, and other miscellaneous investments.

14. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments to extend credit

In the ordinary course of business, Huntington makes various commitments to extend credit that are not reflected in the Unaudited Condensed Consolidated Financial Statements. The contract amounts of these financial agreements at March 31, 2020 and December 31, 2019, were as follows:

(dollar amounts in millions)	March 31, 2020	December 31, 2019
Contract amount representing credit risk		
Commitments to extend credit:		
Commercial	$ 16,174	$ 18,326
Consumer	14,526	14,831
Commercial real estate	1,164	1,364
Standby letters of credit	570	587
Commercial letters of credit	5	8

Commitments to extend credit generally have fixed expiration dates, are variable-rate, and contain clauses that permit Huntington to terminate or otherwise renegotiate the contracts in the event of a significant deterioration in the customer's credit quality. These arrangements normally require the payment of a fee by the customer, the pricing of which is based on prevailing market conditions, credit quality, probability of funding, and other relevant factors. Since many of these commitments are expected to expire without being drawn upon, the contract amounts are not necessarily indicative of future cash requirements. The interest rate risk arising from these financial instruments is insignificant as a result of their predominantly short-term, variable-rate nature.

Standby letters-of-credit are conditional commitments issued to guarantee the performance of a customer to a third-party. These guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions. Most of these arrangements mature within two years. The carrying amount of deferred revenue associated with these guarantees was $8 million and $8 million at March 31, 2020 and December 31, 2019, respectively.

Commercial letters-of-credit represent short-term, self-liquidating instruments that facilitate customer trade transactions and generally have maturities of no longer than 90 days. The goods or cargo being traded normally secure these instruments.

Litigation and Regulatory Matters

The following supplements the disclosure in Note 21 - Commitments and Contingencies to the Consolidated Financial Statements of the Corporation's 2019 Annual Report on Form 10-K.

In the ordinary course of business, Huntington is routinely a defendant in or party to pending and threatened legal and regulatory actions and proceedings.

In view of the inherent difficulty of predicting the outcome of such matters, particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, Huntington generally cannot predict what the eventual outcome of the pending matters will be, what the timing of the ultimate resolution of these matters will be, or what the eventual loss, fines or penalties related to each matter may be.

Huntington establishes an accrued liability when those matters present loss contingencies that are both probable and estimable. In such cases, there may be an exposure to loss in excess of any amounts accrued. Huntington thereafter continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established.

For certain matters, Huntington is able to estimate a range of possible loss. In cases in which Huntington possesses information to estimate a range of possible loss, that estimate is aggregated and disclosed below. There may be other matters for which a loss is probable or reasonably possible but such an estimate of the range of possible loss may not be possible. For those matters where an estimate of the range of possible loss is possible, management currently estimates the aggregate range of possible loss is $0 to $20 million at March 31, 2020 in excess of the accrued liability (if any) related to those matters. This estimated range of possible loss is based upon currently available information and is subject to significant judgment, a variety of assumptions, and known and unknown uncertainties. The matters underlying the estimated range will change from time to time, and actual results may vary significantly from the current estimate. The estimated range of possible loss does not represent Huntington's maximum loss exposure.

Based on current knowledge, management does not believe that loss contingencies arising from pending matters will have a material adverse effect on the consolidated financial position of Huntington. Further, management believes that amounts accrued are adequate to address Huntington's contingent liabilities. However, in light of the inherent uncertainties involved in these matters, some of which are beyond Huntington's control, and the large or indeterminate damages sought in some of these matters, an adverse outcome in one or more of these matters could be material to Huntington's results of operations for any particular reporting period.

15. SEGMENT REPORTING

Huntington's business segments are based on our internally-aligned segment leadership structure, which is how management monitors results and assesses performance. The Company has four major business segments: Consumer and Business Banking, Commercial Banking, Vehicle Finance, Regional Banking and The Huntington Private Client Group(RBHPCG). The Treasury / Other function includes technology and operations, other unallocated assets, liabilities, revenue, and expense. For a description of our business segments (see Note 24 Segment Reporting) in our 2019 Form 10-K.

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Business segment results are determined based upon Huntington’s management reporting system, which assigns balance sheet and income statement items to each of the business segments. The process is designed around the organizational and management structure and, accordingly, the results derived are not necessarily comparable with similar information published by other financial institutions. Additionally, because of the interrelationships of the various segments, the information presented is not indicative of how the segments would perform if they operated as independent entities.

Huntington uses an active and centralized FTP methodology to attribute appropriate net interest income to the business segments. The intent of the FTP methodology is to transfer interest rate risk from the business segments by providing matched duration funding of assets and liabilities. The result is to centralize the financial impact, management, and reporting of interest rate risk in the Treasury / Other function where it can be centrally monitored and managed. The Treasury / Other function charges (credits) an internal cost of funds for assets held in (or pays for funding provided by) each business segment. The FTP rate is based on prevailing market interest rates for comparable duration assets (or liabilities). During 2019, the Company updated and refined its FTP methodology primarily related to the allocation of deposit funding costs. Prior period amounts presented below have been restated to reflect the new methodology.

Listed in the table below is certain operating basis financial information reconciled to Huntington’s March 31, 2020, December 31, 2019, and March 31, 2019, reported results by business segment.

Income Statements	Three Months Ended March 31,					
(dollar amounts in millions)	Consumer & Business Banking	Commercial Banking	Vehicle Finance	RBHPCG	Treasury / Other	Huntington Consolidated
2020						
Net interest income	$ 364	$ 232	$ 106	$ 43	$ 45	$ 790
Provision (benefit) for credit losses	82	298	60	1	—	441
Noninterest income	212	86	3	50	10	361
Noninterest expense	418	129	35	62	8	652
Provision (benefit) for income taxes	16	(23)	3	6	8	10
Net income (loss)	$ 60	$ (86)	$ 11	$ 24	$ 39	$ 48
2019						
Net interest income	$ 471	$ 273	$ 95	$ 53	$ (70)	$ 822
Provision (benefit) for credit losses	17	43	9	(2)	—	67
Noninterest income	174	76	2	51	16	319
Noninterest expense	398	141	37	64	13	653
Provision (benefit) for income taxes	48	35	11	9	(40)	63
Net income (loss)	$ 182	$ 130	$ 40	$ 33	$ (27)	$ 358

	Assets at		Deposits at	
(dollar amounts in millions)	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Consumer & Business Banking	$ 24,917	$ 25,073	$ 51,898	$ 51,675
Commercial Banking	37,318	34,337	23,530	20,762
Vehicle Finance	20,431	20,155	525	376
RBHPCG	6,747	6,665	6,265	6,370
Treasury / Other	24,484	22,772	4,612	3,164
Total	$ 113,897	$ 109,002	$ 86,830	$ 82,347

Item 3: Quantitative and Qualitative Disclosures about Market Risk

Quantitative and qualitative disclosures for the current period can be found in the Market Risk section of this report, which includes changes in market risk exposures from disclosures presented in Huntington's 2019 Form 10-K.

Item 4: 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 (the Exchange Act), are recorded, processed, summarized, and reported within the time periods specified in the SEC'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 Exchange 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 March 31, 2020. Based upon such evaluation, Huntington's Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2020, Huntington's disclosure controls and procedures were effective.

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 March 31, 2020, that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

PART II. OTHER INFORMATION

In accordance with the instructions to Part II, the other specified items in this part have been omitted because they are not applicable or the information has been previously reported.

Item 1: Legal Proceedings

Information required by this item is set forth inNote 14 "Commitments and Contingent Liabilities" of theNotes to Unaudited Condensed Consolidated Financial Statements under the caption "Litigation and Regulatory Matters" and is incorporated into this Item by reference.

Item 1A: Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019, which could materially affect our business, financial condition or results of operations. In the first quarter of 2020, we identified the following additional risk factor:

The COVID-19 pandemic is adversely affecting, and will likely continue to adversely affect, our business, financial condition, liquidity, and results of operations.

The COVID-19 pandemic has negatively impacted the U.S. and global economy; disrupted U.S. and global supply chains; lowered equity market valuations; created significant volatility and disruption in financial markets; contributed to a decrease in the rates and yields on U.S. Treasury securities; resulted in ratings downgrades, credit deterioration, and defaults in many industries; increased demands on capital and liquidity; and increased unemployment levels and decreased consumer confidence. In addition, the pandemic has resulted in temporary closures of many businesses and the institution of social distancing and sheltering in place requirements in many states and communities, including those in our footprint. The pandemic has caused us, and could continue to cause us, to recognize credit losses in our loan portfolios and increases in our allowance for credit losses. Furthermore, the pandemic could cause us to recognize impairment of our goodwill and our financial assets. Sustained adverse effects may also increase our cost of capital, prevent us from satisfying our minimum regulatory capital ratios and other supervisory requirements, or result in downgrades in our credit ratings. The extent to which the COVID-19 pandemic impacts our business, financial condition, liquidity, and results of operations will

depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic, the continued effectiveness of our business continuity plan, the direct and indirect impact of the pandemic on our customers, colleagues, counterparties and service providers, and actions taken by governmental authorities and other third parties in response to the pandemic.

Governmental authorities have taken significant measures to provide economic assistance to individual households and businesses, stabilize the markets, and support economic growth. The success of these measures is unknown, and they may not be sufficient to fully mitigate the negative impact of the pandemic. Additionally, some measures, such as a suspension of consumer and commercial loan payments and the reduction in interest rates to near zero, may have a negative impact on our business, financial condition, liquidity, and results of operations. We also face an increased risk of litigation and governmental and regulatory scrutiny as a result of the effects of the pandemic on market and economic conditions and actions governmental authorities take in response to those conditions.

The length of the pandemic and the effectiveness of the measures being put in place to address it are unknown. Until the effects of the pandemic subside, we expect continued draws on lines of credit, reduced revenues in our businesses, and increased customer defaults. Furthermore, the U.S. economy is likely to experience a recession as a result of the pandemic, and our business could be materially and adversely affected by a prolonged recession. To the extent the pandemic adversely affects our business, financial condition, liquidity, or results of operations, it may also have the effect of heightening many of the other risks described in the section entitled "Risk Factors" in our 2019 Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) and (b)

Not Applicable

(c)

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Maximum Number of Shares (or Approximate Dollar Value) that May Yet Be Purchased Under the Plans or Programs (2)
January 1, 2020 to January 31, 2020	832,380	$ 13.57	$ 237,806,683
February 1, 2020 to February 29, 2020	3,605,784	13.45	189,306,799
March 1, 2020 to March 31, 2020	2,649,954	10.55	161,349,865
Total	7,088,118	$ 12.38	$ 161,349,865

(1) The reported shares were repurchased pursuant to Huntington's publicly-announced share repurchase authorization.
(2) The number shown represents, as of the end of each period, the approximate dollar value of Common Stock that may yet be purchased under publicly-announced share repurchase authorizations. The shares may be purchased, from time-to-time, depending on market conditions.

On July 17, 2019, the Board of Directors authorized the repurchase of up to $513 million of common shares over the four quarters through the 2020 second quarter. During the 2020 first quarter, Huntington repurchased a total of7.1 million shares at a weighted average share price of$12.38.

Item 6. Exhibits

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.

The SEC 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 free of charge at our Internet web site. The address of

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the site is *http://www.huntington.com*. Except as specifically incorporated by reference into this Quarterly Report on Form 10-Q, 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 10004.

Exhibit Number	Document Description	Report or Registration Statement	SEC File or Registration Number	Exhibit Reference
3.1	Articles Supplementary of Huntington Bancshares Incorporated, as of January 18, 2019.	Current Report on Form 8-K dated January 16, 2019.	001-34073	3.1
3.2	Articles of Restatement of Huntington Bancshares Incorporated, as of January 18, 2019.	Current Report on Form 8-K dated January 16, 2019.	001-34073	3.2
3.3	Bylaws of Huntington Bancshares Incorporated, as amended and restated on January 16, 2019.	Current Report on Form 8-K dated January 16, 2019.	001-34073	3.3
4.1(P)	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	*Management Incentive Plan for plan years beginning on or after January 1, 2020.			
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.			
101.INS	***The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document			
101.SCH	*Inline XBRL Taxonomy Extension Schema Document			
101.CAL	*Inline XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF	*Inline XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB	*Inline XBRL Taxonomy Extension Label Linkbase Document			
101.PRE	*Inline XBRL Taxonomy Extension Presentation Linkbase Document			

* Filed herewith

** Furnished herewith

*** The following material from Huntington's Form 10-Q Report for the quarterly period ended March 31, 2020, formatted in Inline XBRL: (1) Unaudited Condensed Consolidated Balance Sheets, (2) Unaudited Condensed Consolidated Statements of Income, (3) Unaudited Condensed Consolidated Statements of Comprehensive Income, (4) Unaudited Condensed Consolidated Statement of Changes in Shareholders' Equity, (5) Unaudited Condensed Consolidated Statements of Cash Flows, and (6) the Notes to Unaudited Condensed Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements 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.

HUNTINGTON BANCSHARES INCORPORATED
(Registrant)

Date:	May 1, 2020	/s/ Stephen D. Steinour
		Stephen D. Steinour
		Chairman, President, and Chief Executive Officer (Principal Executive Officer)
Date:	May 1, 2020	/s/ Zachary Wasserman
		Zachary Wasserman
		Chief Financial Officer (Principal Financial Officer)

Exhibit 10.1

HUNTINGTON BANCSHARES INCORPORATED

MANAGEMENT INCENTIVE PLAN
Effective for Plan Years
Beginning On or After January 1, 2020

ARTICLE I

PURPOSE; EFFECTIVE DATE

1.1. Purpose. The purposes of this Management Incentive Plan (“Plan”) are (i) to reward Participants when their performance has a direct impact on the success of their business and the Corporation, (ii) induce Participants to achieve their highest level of performance, and (iii) promote teamwork among Participants. It is further intended for the Plan to provide flexibility to the Corporation in its ability to motivate, attract, and retain the services of Participants who make significant contributions to the Corporation’s success and the creation of shareholder value and to allow Participants to share in the success of the Corporation.

1.2. Effective Date. The Plan, as amended, will become effective as of January 1, 2020.

ARTICLE II

DEFINITION OF TERMS

As used in the Plan, the following words shall have the meanings stated after them, unless otherwise specifically provided. In the Plan, words used in the singular shall include the plural, and words used in the plural shall include the singular. The gender of words used in this Plan shall include whatever may be appropriate under any particular circumstances.

(a) "Award" shall mean a cash incentive payment that may be due to a Participant under the Plan.

(b) "Base Salary" means, unless otherwise determined by the Committee for one or more Participants, the annual cash compensation relating to services performed during any Plan Year, excluding the following items: (i) distributions from nonqualified deferred compensation plans, (ii) bonuses, (iii) commissions, (iv) overtime, (v) fringe benefits, (vi) stock options, (vii) restricted stock units, (viii) relocation expenses, (ix) incentive payments, (x) nonmonetary awards, (xi) director fees and other fees, and (xii) automobile and other allowances paid to a Participant for employment services rendered (whether or not such allowances are included in the Participant's gross income). Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of the Corporation and shall be calculated to include amounts not otherwise included in the Participant's gross income under Sections 125, 402(e)(3), 402(h), 403(b), or 132(f) pursuant to plans established by the Corporation; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Participant.

(c) "Board" or "Board of Directors" means the Board of Directors of Huntington Bancshares Incorporated.

(d) "Change in Control" means, with respect to the Corporation, the occurrence of any of the following:

(1) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 ("the Exchange Act") as in effect as of the date of this Plan) becomes the beneficial owner, directly or indirectly, of securities of the Corporation representing 25% or more of the combined voting power of the Corporation's then-outstanding securities entitled to

vote generally in the election of directors ("voting securities"); provided, however, that, for purposes of this subsection (d), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Corporation, (ii) any acquisition by the Corporation, or (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation of any of its Subsidiaries;

(2) Individuals who, as of the Effective Date, constitute the Board of Directors of the Corporation (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that, any individual becoming a director subsequent to the date hereof whose election, or nomination for election, was approved by a vote of at least a majority of the directors comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding for this purpose any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(3) The consummation of a merger, statutory share exchange, consolidation or similar corporate transaction involving the Corporation, other than any such transaction in which the voting securities of the Corporation immediately prior to the transaction continue to represent (either by remaining outstanding or being converted into securities of the "surviving entity,"

which for purposes of this Agreement shall include the corporation or other entity resulting from such transaction and/or the corporation or other entity that, as a result of the transaction, owns the Corporation or all or substantially all of the Corporation's assets, either directly or indirectly) more than 50% of the combined voting power of the Corporation or surviving entity resulting from such transaction immediately after the transaction with another entity;

(4) consummation of a sale, exchange, lease, mortgage, pledge, transfer, or other disposition (in a single transaction or a series of related transactions) of all or substantially all of the assets of the Corporation which shall include, without limitation, the sale of assets or earning power aggregating more than 50% of the assets or earning power of the Corporation on a consolidated basis, other than any such transaction in which a majority of the voting securities of the surviving entity are, immediately following consummation of such transaction, beneficially owned by the individuals and entities that were the beneficial owners of the Corporation's voting securities immediately prior to the transaction;

(5) The consummation of a liquidation or dissolution of the Corporation;

(6) The consummation of a reorganization, reverse stock split, or recapitalization of the Corporation which would result in any of the foregoing; or

(7) The consummation of a transaction or series of related transactions having, directly or indirectly, the same effect as any of the foregoing.

Notwithstanding the foregoing, if the payment of any Award may be considered “deferred compensation” under Code Section 409A, and the payment of such Award is triggered by a Change in Control, the events described above shall not constitute a Change in Control unless they constitute a change in ownership or effective control of the Corporation, or a change in the ownership of a substantial portion of the assets of the Corporation, as described under Code Section 409A; or in the case of a liquidation or dissolution of the Corporation, such liquidation or dissolution complies with the procedures set forth in Treasury Regulation Section 1.409A-3(j)(4)(ix)(A).

(e) "Chief Executive Officer" means the Chief Executive Officer of the Corporation.

(f) "Committee" means the Compensation Committee of the Board or such other committee appointed by the Board to administer the Plan. For purposes of granting, administering, and certifying Awards to Executive Officers, the Committee or any sub-committee acting on behalf of the Committee shall be composed of two or more members of the Board, each of whom is an “Independent Director” within the meaning of Rule 5605(a)(2) of the NASDAQ corporate governance rules.Any Committee member who is not an “Independent Director” within the meaning of Rule 5605(a)(2) of the NASDAQ corporate governance rules shall abstain from participating in any decision to grant, administer or certify Awards to Participants who are Executive Officers. For purposes of granting, administering, and certifying Awards to Participants who are not Executive Officers, the Committee may consist only of the Chief Executive Officer.

(g) "Corporation" means Huntington Bancshares Incorporated, a Maryland corporation, together with any and all Subsidiaries, and any successor thereto as provided in Section 8.2 herein.

(h) "Dodd Frank Act" means the Dodd-Frank Wall Street Reform and Consumer Protection Act and any guidance thereunder.

(i) "Executive Officer" means an executive officer as defined under Section 16 of the Securities Exchange Act of 1934, and any guidance thereunder (including NASDAQ corporate governance rules.

(j) "Extraordinary Events" means, with respect to the Corporation, any of the following: (i) changes in tax law, generally accepted accounting principles or other such laws or provisions affecting reported financial results, including unforeseen and extraordinary changes in statutes and regulations that govern the Corporation and its industry; (ii) accruals or charges relating to reorganization and restructuring programs (including branch consolidations); (iii) special gains, losses, or other unusual financial impact in connection with the mergers and acquisitions (or divestitures) involving the Corporation or any of its significant subsidiaries, the purchase or sale of branches or significant portions of the Corporation or any of its significant subsidiaries, or the sale of securities and investments of the Corporation; (iv) discontinued operations, (v) write-downs or write-offs of assets, including intangible assets such as goodwill and mortgage servicing rights (MSR) and valuation adjustments related to the impact of hedging (including MSR hedging); (vi) litigation or claim matters; (vii) expenses relating to unplanned regulatory actions; (viii) any other significant item as discussed in management's discussion and analysis of financial condition and results of operation appearing or incorporated by reference in the annual report on Form 10-K filed with the Securities and Exchange Commission; (ix) gains and losses on the early repayment

of debt; (x) foreign exchange gains and losses or an event not directly related to the operations of the Corporation or not within the reasonable control of the Corporation's management; or (xi) any other unforeseen events or occurrences of a similar nature as set forth by the Committee.

(k) "NQDC Plan" means the Huntington Bancshares Incorporated Executive Deferred Compensation Plan, any successor thereto, or any other nonqualified deferred compensation plan or program maintained by the Corporation.

(l) "Officer" means an officer of the Corporation or of a Subsidiary.

(m) "Participant" means an Officer or employee of the Corporation selected by the Committee to participate in the Plan for a particular Plan Year.

(n) "Performance Criteria" means any one or more of the following objective performance criteria upon which the achievement of specific performance goals for each Participant are based as determined by the Committee in connection with the grant and certification of Awards:

(1) revenue and income measures (which include sales, revenues, net income, earnings per share, non-interest income to total revenue ratio, non-interest income growth, interest income, net operating profit, interest income, pre-tax pre-provision (pre-tax income on a tax equivalent basis adjusted for provision expense, security gains and losses, and amortization of intangibles), economic value added, and earnings before interest, taxes, depreciation and amortization;

(2) expense and efficiency measures (which include "efficiency ratio" (the ratio of total non-interest operating expenses (less amortization of intangibles) divided by total revenues (less net security gains), net interest margin, gross

margins, operating margins, net-income margins, non-interest expense, operating efficiencies, and operating leverage);

(3) operating measures (which include productivity ratios, loan growth, deposit growth, customer profitability, and market share);

(4) return measures (which include return on average equity, tangible common equity or return on tangible common equity, return on average assets, and total shareholder return);

(5) credit quality measures (which include non-performing asset ratio, net charge-off ratio, and reserve coverage of non-performing loans);

(6) leverage measures (which include debt-to-equity ratio and net debt);

(7) risk measures (which include interest-sensitivity gap levels, regulatory compliance, satisfactory audit results, maintenance of required common equity levels (including common equity tier 1 (CET 1) and successor measure levels), and financial ratings);

(8) achievement of balance sheet, income statement, or cash-flow statement objectives;

(9) technology or innovation goals or objectives;

(10) achievement of strategic and development objectives, goals, and milestones;

(11) consummation of acquisitions, dispositions, projects, or other specific events or transactions;

(12) acquisition integration or disposition management goals or objections;

(13) product, customer or market-related objectives (including product revenues, revenue mix, product growth, customer growth, number or type of customer relationships, customer satisfaction survey results, market share, and branding);

(14) human capital, workforce, and culture goals (including employee satisfaction survey results and cross selling goals); and

(15) any other criteria established by the Committee. Performance Criteria may, as determined by the Committee, be expressed or measured in terms of (i) attaining a specified absolute level of the criteria, (ii) a percentage increase or decrease in the criteria compared to a pre-established target, previous years' results, or a designated market index or comparison group, or (iii) a relative basis to an established target, to previous year or other comparable period or periods' results, to a designated comparison group or groups, or to one or more designated external or internal indices or benchmarks. Such Performance Criteria may be applied either to the Corporation as a whole or to a business unit or subsidiary, using a "balanced scorecard" or other approach, in each case as determined by the Committee. Any specific metrics listed within the categories described above are intended to be illustrative and are not intended to be construed as limitations on the more general metrics. Performance Criteria may be different for different Participants, as determined in the discretion of the Committee. The Committee may include or exclude Extraordinary Events in determining whether the performance goal has been achieved. The Committee also may

make any other adjustments in its discretion when establishing the performance goal or in determining whether the performance goal has been achieved. The Committee also may make any other adjustments in its discretion when establishing the performance goal or in determining whether the performance goal has been achieved.

(o) "Plan" means this Huntington Bancshares Incorporated Management Incentive Plan, as amended by the Corporation from time to time.

(p) "Plan Year" means the calendar year, or any other period of time designated by the Committee.

(q) "Subsidiary" or "Subsidiaries" means any corporation or other entity whose financial statements are consolidated with the Corporation.

ARTICLE III

ADMINISTRATION

3.1. Authority of the Committee. In addition to other express powers and authorizations conferred on the Committee by the Plan, the Committee shall have full discretion to administer the Plan. The Committee is authorized to interpret and construe the Plan and to adopt and amend such rules, regulations, and procedures for the administration of the Plan as the Committee deems necessary or advisable. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry the Plan into effect. Further, the Committee may make all other determinations which may be necessary or advisable for the administration of the Plan. As permitted by law, the Committee may delegate its authority as identified herein.

3.2. Agents; Limitations of Liability. The Committee may appoint agents to assist in administering the Plan. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to it or him by any officer or employee of the Corporation, the Corporation's certified public accountants, consultants or any other agent assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Corporation acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the extent permitted by law, be fully indemnified and protected by the Corporation with respect to any such action or determination.

3.3. Decisions Binding. All determinations and decisions made by the Committee pursuant to the provisions of the Plan and all related orders and resolutions of the Board shall be final, conclusive, and binding on all persons, including the Corporation, Employees, Participants, and their estates and beneficiaries.

ARTICLE IV

PLAN PARTICIPANTS

4.1 Participation. Before the beginning of each Plan Year or as soon as administratively practicable thereafter, the Committee shall select the Participants in the Plan for the applicable Plan Year. Selection of Participants may be made later in the Plan Year in the discretion of the Committee. Selection to participate in this Plan in any Plan Year does not require the Committee to, or imply that the Committee will, select the same person to participate in the Plan in any subsequent Plan Year.

ARTICLE V

PERFORMANCE CRITERIA AND GOALS

5 . 1 Performance Criteria and Goals. Awards under the Plan may be based upon corporate, business unit, and individual performance. Individual performance may be determined by the performance of the individual's business unit. Each Plan Year, the Committee shall establish performance goals based on one or more Performance Criteria as selected by the Committee for a Plan Year. Awards will be payable upon attainment of such goals and satisfactory evaluation of the Participant's business unit and individual performance. Such evaluations will be made by the Participant's appropriate manager or senior officer. The Committee may select different Performance Criteria for different Participants or groups of Participants. Performance goals may be revised during the Plan Year based on Extraordinary Events or other factors. Potential Awards may vary among Participants or groups of Participants as determined by the Committee. The Committee shall retain the discretion to adjust Awards upward or downward, either on a formulaic or discretionary basis or a combination of the two, as the Committee determines.

5.2 Changes to Performance Criteria and Goals. The Committee may at any time before the achievement of performance goals has been determined, change the Performance Criteria or performance goals and the related Award terms to reflect any change in the Participant's position or level of responsibility with the Corporation.

5.3 Discretionary Awards. Notwithstanding any provision of the Plan to the contrary, in addition to the Award paid to a Participant under the Plan, if any, the Committee may pay a separate or additional amount to a Participant, based upon any factors that it considers appropriate in its sole and absolute discretion.

ARTICLE VI

PAYMENT OF AWARDS

6.1 Payment of Awards. Unless payment is deferred, Awards will be payable as soon as practicable following the close of the Plan Year. No Award will be paid to a Participant who is not employed by the Corporation or a Subsidiary on the day the Award is paid except as described below (1) in the case of death, disability, or retirement of the Participant, (2) in the event that a Change in Control of the Corporation has occurred, or (3) such other situation determined appropriate by the Committee. Notwithstanding any provision to the contrary, unless payment is deferred, in no event may Awards be paid later than the 15th day of the 3rd month after the end of the Plan Year in which the Award is earned.

Notwithstanding the above, in the event a Participant dies or becomes disabled before payment of an Award, the Committee may, in its discretion, authorize payment to the Participant (or the Participant's estate or designated beneficiary) in such amount as the Committee deems appropriate. If a Participant retires from the employ of the Corporation under an applicable plan or policy of the Corporation, or as otherwise specified by the Committee, before payment of an Award, the Committee may, in its discretion, authorize payment to the Participant in such amount as the Committee deems appropriate.

Further notwithstanding the above, in the event a Participant terminates service with the Corporation for any other reason, the Committee may, in its discretion, authorize payment to the Participant in such amount as the Committee deems appropriate.

ARTICLE VII

INTERIM AWARDS; CHANGE IN CONTROL

7.1 Change in Control Provisions. In the event of a Change in Control, the following provisions shall apply:

(a) The Committee shall make interim Awards based upon the Corporation's quarterly financial statements for the quarter ending immediately prior to or coinciding with the Change in Control.

(b) In determining the amount of interim Awards, the Committee shall follow the procedures for calculating Awards, except that the Committee shall annualize the actual level of year-to-date performance achieved with respect to each performance goal and such other performance objectives/assessments as the Committee shall determine. The amount of the Awards so calculated shall be payable on a pro-rated basis based upon the quarter ending immediately prior to or coinciding with the Change in Control in accordance with the following percentages:

First Quarter - 25% of the Award otherwise payable

Second Quarter - 50% of the Award otherwise payable

Third Quarter - 75% of the Award otherwise payable

Fourth Quarter - 100% of the Award otherwise payable

(c) Notwithstanding the foregoing, each interim Award to be made under this Article 7 to any Participant who received an Award under this Plan for the Plan Year immediately preceding the year in which the Change in Control occurs shall not be less than the target award opportunity expressed as a percentage of Base Salary for the preceding Plan Year paid on a pro-rated basis as provided in subparagraph (b) above.

(d) The Committee shall grant an interim Award in accordance with this Article 7 to all Participants whether or not the Participants are employed by the Corporation when the Change in Control becomes effective unless the employment of such Participant was terminated for cause, as determined by the Corporation in its sole discretion.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1. Guidelines. From time to time the Committee may adopt written guidelines for implementation and administration of the Plan.

8.2. Successors. All obligations of the Corporation under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Corporation, whether the existence of such successor is the result of a direct or indirect purchase of all or substantially all of the business and/or assets of the Corporation, or a merger, consolidation, or otherwise.

8.3. Unfunded Plans and Restrictions on Transfer. It is intended that the Plan be an "unfunded" plan for incentive compensation. The Committee may authorize the use of trusts or other arrangements to meet the obligations hereunder, provided, however, that the existence of such trusts or arrangements is consistent with the "unfunded" status of the Plan. Any benefits to which a Participant or his or her beneficiary may become entitled under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to so transfer or encumber such benefits shall be void. This Plan does not give a Participant any interest, lien, or claim against any specific asset of the Corporation. Participants and beneficiaries shall have only the rights of a general unsecured creditor of the Corporation.

8.4. Deferrals of Awards.

(a) Participant-Initiated Deferrals. Unless otherwise provided by the Committee, a Participant may elect to defer payment of the Participant's Award under the Plan if deferral of an Award under the Plan is permitted pursuant to the terms of the NQDC Plan existing at the time

the election to defer is permitted to be made, and the Participant complies with the terms of the NQDC Plan and Section 409A of the Code and any guidance thereunder.

(b) Committee-Initiated Deferrals. Notwithstanding any provision of the Plan to the contrary, the Committee may require that any payment due under this Plan be deferred in accordance with the terms set forth in the NQDC Plan.Further notwithstanding the foregoing, any payment due under this Plan to an "Executive Officer" as defined under the Dodd-Frank Act shall not be made until such period specified under the Dodd-Frank Act, if applicable.If during this deferral period, (1) the Corporation experiences a financial loss or (2) the Committee learns of inappropriate risk-taking activities by the Participant, the Committee will reduce the amount of the payment otherwise due to the Participant in a manner consistent with Section 409A of the Code and in accordance with the procedures set forth in the Dodd-Frank Act. In addition, except in the situation of a Change in Control, the Committee may defer payment of an Award for such period as the Committee may determine. Any such deferrals of payment under this paragraph shall be made in compliance with all applicable federal and state banking regulations, including the Dodd Frank Act, and with Section 409A of the Code and any guidance thereunder.

(c) NQDC Plan Govern Deferrals Notwithstanding any provision of this Plan to the contrary, the payment of any Award that has been deferred shall be administered in accordance with the NQDC Plan and Section 409A of the Code.

8.5. Withholding. The Corporation shall have the power and the right to deduct or withhold, or require a Participant to remit to the Corporation an amount sufficient to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Plan.

8.6. Other Plans. Nothing in this Plan shall be construed as limiting the authority of the Committee, the Board of Directors, the Corporation or any Subsidiary to establish any other compensation plan, or as in any way limiting its or their authority to pay bonuses or supplemental compensation to any persons employed by the Company or a Subsidiary, whether or not such person is a Participant in this Plan and regardless of how the amount of such compensation or bonus is determined.

8.7. Expenses of Plan. The costs and expenses of administering the Plan will be borne by the Corporation.

8.8. No Employment Rights. No Participant has any right to be retained in the employ of the Corporation or any Subsidiary by virtue of participation in the Plan.

8.9. Governing Law. In order to benefit Participants by establishing a uniform application of law with respect to the administration of the Plan, the Plan and all Awards hereunder shall be interpreted in accordance with Ohio law, except to the extent superseded by federal law and without regard to any choice of law provisions. Any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with this Plan, shall be brought in any court of the State of Ohio and of the United States for the Southern District of Ohio.The Corporation, each Participant, and any related parties irrevocably and unconditionally consent to the exclusive jurisdiction of such courts in any such litigation related to this Plan and any Awards hereunder, such parties irrevocably and unconditionally waive any objection that venue is improper or that such litigation has been brought in an inconvenient forum.

8.10. Forfeiture/Recoupment/Clawback. Except on or after a Change in Control or as otherwise set forth by the Committee, and notwithstanding any other provisions in the Plan, in the event of:

(1) a serious breach of conduct by a Participant or former Participant (including, without limitation, any conduct prejudicial to or in conflict with the Corporation or any securities laws violations including any violations under the Sarbanes-Oxley Act of 2002), or

(2) any activity of a Participant or former Participant in which the Participant or former Participant solicits or takes away customers or potential customers with whom the

Participant or former Participant had contact with or responsibility for during the Participant's or former Participant's employment with the Corporation (individually and collectively referred to as "Misconduct"), the Committee shall (a) cause any Award granted to a Participant to be terminated and forfeited without payment, in whole or in part, and (b) if such Misconduct occurs within three (3) years of the payment of an Award, require the Participant or former Participant to repay the Corporation any payment received from such Award (with such repayment valued as of the date of payment), without regard to when such Misconduct is actually discovered by the Corporation. Such termination or repayment obligation shall be effective as of the date specified by the Committee. Any repayment obligation may be satisfied in cash and the Committee may provide for an offset of any future payments owed by the Corporation to such person if necessary to satisfy the repayment obligation. The determination of whether any Participant or former Participant has engaged in a serious breach of conduct or any prohibited solicitation shall be determined by the Committee in good faith and in its sole discretion.

Further, notwithstanding any provision of the Plan to the contrary, if the Corporation is required to restate any of its financial statements because of a material financial reporting violation, the Corporation shall recover the amount in excess of the Award payable under the Corporation's restated financial statements, or such other amount required under the Dodd-Frank Act or any other applicable law or policy. The Corporation shall recover this amount from any current or former Participant who received a payment under this Plan during the three-year period preceding the date on which the restatement is required, or from any other individual specified in the Dodd-Frank Act. In addition, if the Committee determines that a Participant (1) took unnecessary or

excessive risk, (2) manipulated earnings, or (3) engaged in any misconduct described in the Huntington Bancshares Incorporated Recoupment/Clawback Policy (the "Recoupment/Clawback Policy"), the Committee shall terminate the Participant's participation in this Plan and require repayment of any amount previously paid under this Plan in accordance with the terms of the Recoupment/Clawback Policy, any other applicable policy of the Corporation, and any other applicable laws and regulations.

ARTICLE IX

AMENDMENT AND TERMINATION

9.1 Amendment and Termination. The Corporation may at any time terminate, or from time to time, amend the Plan by action of the Board of Directors or by action of the Committee without shareholder approval unless such approval is required to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and any federal or state securities laws.

Exhibit 31.1

CERTIFICATION

I, Stephen D. Steinour, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Huntington Bancshares Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2020

/s/ Stephen D. Steinour

Stephen D. Steinour

Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Zachary Wasserman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Huntington Bancshares Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize, and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 1, 2020

/s/ Zachary Wasserman

Zachary Wasserman

Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of Huntington Bancshares Incorporated (the “Company”) on Form 10-Q for the three months ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stephen D. Steinour, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Stephen D. Steinour

Stephen D. Steinour
Chief Executive Officer
May 1, 2020

Exhibit 32.2

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of Huntington Bancshares Incorporated (the “Company”) on Form 10-Q for the three months ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Zachary Wasserman, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Zachary Wasserman

Zachary Wasserman
Chief Financial Officer
May 1, 2020