

FEDERAL RESERVE SYSTEM

The PNC Financial Services Group, Inc.  
Pittsburgh, Pennsylvania

PNC Bancorp, Inc.  
Wilmington, Delaware

Order Approving the Acquisition of a Bank Holding Company

The PNC Financial Services Group, Inc. (“PNC Financial”), Pittsburgh, Pennsylvania, a financial holding company within the meaning of the Bank Holding Company Act of 1956 (“BHC Act”),<sup>1</sup> has requested the Board’s approval under section 3 of the BHC Act<sup>2</sup> to acquire BBVA USA Bancshares, Inc. (“BBVA Bancshares”), Houston, Texas,<sup>3</sup> a bank holding company, and thereby indirectly acquire BBVA Bancshares’ state member bank subsidiary, BBVA USA (“BBVA Bank”), Birmingham, Alabama.<sup>4</sup> In addition, PNC Financial’s subsidiary, PNC Bancorp, Inc. (“PNC Bancorp,” and together with PNC Financial, “PNC”), Wilmington, Delaware, a bank holding company, has requested the Board’s approval under section 3 of the BHC Act to acquire BBVA Bank. Following the proposed acquisition, BBVA Bank would be merged with and into PNC’s subsidiary bank, PNC Bank, National Association (“PNC Bank”), Wilmington, Delaware.<sup>5</sup>

---

<sup>1</sup> 12 U.S.C. § 1841 et seq.

<sup>2</sup> 12 U.S.C. § 1842.

<sup>3</sup> BBVA Bancshares is a wholly owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”), Madrid, Spain.

<sup>4</sup> In addition, PNC would acquire certain nonbanking operations of BBVA Bancshares that are permissible for financial holding companies. See 12 U.S.C. § 1843(k).

<sup>5</sup> The merger of BBVA Bank into PNC Bank, which is not expected to occur for some time following PNC’s acquisition of BBVA Bancshares, is subject to the approval of the

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published (86 Federal Register 539 (January 6, 2021)).<sup>6</sup> The time for submitting comments has expired, and the Board has considered the proposal and all comments received in light of the factors set forth in section 3 of the BHC Act.

PNC, with consolidated assets of approximately \$466.9 billion, is the 12th largest insured depository organization in the United States.<sup>7</sup> PNC controls approximately \$365.4 billion in consolidated deposits, which represent approximately 2.1 percent of the total amount of deposits of insured depository institutions in the United States.<sup>8</sup> PNC controls PNC Bank, which operates in 23 states and the District of Columbia.<sup>9</sup> PNC is the seventh largest insured depository organization in Alabama, controlling deposits of approximately \$3.2 billion, which represent 2.5 percent of the total deposits of insured depository institutions in that state. PNC is the 11th largest insured depository organization in Florida, controlling deposits of approximately \$13.5 billion, which represent 1.9 percent of the total deposits of insured depository institutions in that state. PNC is the 400th largest insured depository organization in Texas, controlling deposits of approximately \$60 million, which represent less than 1 percent of the total deposits of insured depository institutions in that state.

---

Office of the Comptroller of the Currency (“OCC”) pursuant to section 18(c) of the Federal Deposit Insurance Act.

<sup>6</sup> 12 CFR 262.3(b).

<sup>7</sup> Consolidated asset and national deposit, ranking, and market-share data are as of December 31, 2020, and state deposit, ranking, and market-share data are as of June 30, 2020, unless otherwise noted.

<sup>8</sup> In this context, insured depository institutions include commercial banks, savings associations, and savings banks.

<sup>9</sup> PNC Bank currently operates branches in Alabama, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin. PNC Bank also has branches in Toronto, Canada, and Nassau, the Bahamas.

BBVA Bancshares, with consolidated assets of approximately \$102.8 billion, is the 40th largest insured depository organization in the United States. BBVA Bancshares controls approximately \$85.9 billion in consolidated deposits, which represent less than 1 percent of the total amount of deposits of insured depository institutions in the United States. BBVA Bancshares controls BBVA Bank, which operates in Alabama, Arizona, California, Colorado, Florida, New Mexico, and Texas. BBVA Bancshares is the second largest insured depository organization in Alabama, controlling deposits of approximately \$20.7 billion, which represent 16.0 percent of the total deposits of insured depository institutions in that state. BBVA Bancshares is the 22nd largest insured depository organization in Florida, controlling deposits of approximately \$5.7 billion, which represent less than 1 percent of the total deposits of insured depository institutions in that state. BBVA Bancshares is the sixth largest insured depository organization in Texas, controlling deposits of approximately \$44.2 billion, which represent 3.2 percent of the total deposits of insured depository institutions in that state.

On consummation of this proposal, PNC would become the seventh largest insured depository organization in the United States, with consolidated assets of approximately \$556.1 billion, which represent 2.0 percent of the total amount of assets of insured depository institutions in the United States. PNC would control total consolidated deposits of approximately \$451.3 billion, which represent 2.6 percent of the total deposits of insured depository institutions in the United States. In Alabama, PNC would become the second largest insured depository organization, controlling deposits of approximately \$23.9 billion, which represent 18.5 percent of the total deposits of insured depository institutions in that state. In Florida, PNC would become the eighth largest insured depository organization, controlling deposits of approximately \$19.2 billion, which represent 2.7 percent of the total deposits of insured depository institutions in that state. In Texas, PNC would become the sixth largest insured depository organization, controlling deposits of approximately \$44.3 billion, which represent 3.2 percent of the total deposits of insured depository institutions in that state.

### Factors Governing Board Review of the Transaction

The BHC Act sets forth the factors that the Board is required to consider when reviewing the merger of bank holding companies or the acquisition of banks.<sup>10</sup> These factors include the competitive effects of the proposal in the relevant geographic markets; the financial and managerial resources and future prospects of the companies and banks involved in the proposal; the effectiveness of the involved institutions in combatting money-laundering activities; the convenience and needs of the communities to be served, including the records of performance under the Community Reinvestment Act of 1977 (“CRA”)<sup>11</sup> of the insured depository institutions involved in the transaction; and the extent to which the proposal would result in greater or more concentrated risks to the stability of the U.S. banking or financial system. For proposals involving interstate bank acquisitions by bank holding companies, the Board also must consider the concentration of deposits as a percentage of the total deposits controlled by insured depository institutions in the United States and in relevant individual states, as well as compliance with the other provisions of section 3(d) of the BHC Act.<sup>12</sup>

### Interstate and Deposit Cap Analyses

Section 3(d) of the BHC Act generally provides that, if certain conditions are met, the Board may approve an application by a bank holding company that is well capitalized and well managed to acquire control of a bank located in a state other than the home state of the bank holding company without regard to whether the transaction would be prohibited under state law.<sup>13</sup> The Board (1) may not approve an application that would permit an out-of-state bank holding company to acquire a bank in a host state if the

---

<sup>10</sup> See 12 U.S.C. § 1842.

<sup>11</sup> 12 U.S.C. § 2901 et seq.

<sup>12</sup> 12 U.S.C. § 1842(d).

<sup>13</sup> 12 U.S.C. § 1842(d)(1)(A). A bank holding company’s home state is the state in which the total deposits of all banking subsidiaries of such company were the largest on July 1, 1966, or the date on which the company became a bank holding company, whichever is later. See 12 U.S.C. § 1841(o)(4)(C).

target bank has not been in existence for the lesser of the state statutory minimum period of time or five years;<sup>14</sup> (2) must take into account the record of the applicant under the CRA and the applicant's record of compliance with applicable state community reinvestment laws;<sup>15</sup> and (3) may not approve an interstate application if the bank holding company or resulting bank, upon consummation of the proposed transaction, would control more than 10 percent of the total deposits of insured depository institutions in the United States or, in certain circumstances, if the bank holding company or resulting bank, upon consummation, would control 30 percent or more of the total deposits of insured depository institutions in the target bank's home state or in any state in which the acquirer and target have overlapping banking operations.<sup>16</sup>

For purposes of the BHC Act, the home state of PNC Financial and PNC Bancorp is Pennsylvania. BBVA Bank is located in Alabama, Arizona, California, Colorado, Florida, New Mexico, and Texas. PNC is well capitalized and well managed under applicable law, and PNC Bank has an "Outstanding" rating under the CRA.<sup>17</sup> In addition, BBVA Bank has been in existence for more than five years.

On consummation of the proposed transaction, PNC would control 2.6 percent of the total amount of consolidated deposits in insured depository institutions in the United States. Of the states in which PNC and BBVA Bancshares have overlapping banking operations, Alabama and Florida impose a 30 percent limit and Texas imposes a 20 percent limit on the total amount of in-state deposits that a single

---

<sup>14</sup> 12 U.S.C. § 1842(d)(1)(B).

<sup>15</sup> 12 U.S.C. § 1842(d)(3).

<sup>16</sup> 12 U.S.C. § 1842(d)(2)(A) and (B). For purposes of section 3(d) of the BHC Act, the acquiring and target institutions have overlapping banking operations in any state in which any bank to be acquired is located and the acquiring bank holding company controls any insured depository institution or branch. The Board considers a bank to be located in any state in which the bank is chartered, headquartered, or operates a branch. See 12 U.S.C. § 1841(o)(4)–(7).

<sup>17</sup> 12 U.S.C. § 2901 et seq. There are no applicable state community reinvestment laws that would apply to PNC Bank or PNC.

banking organization may control.<sup>18</sup> The combined organization would control approximately 18.5 percent of the total amount of deposits of insured depository institutions in Alabama, 2.7 percent in Florida, and 3.2 percent in Texas. The Board has considered all other requirements under section 3(d) of the BHC Act. Accordingly, in light of all the facts of record, the Board is not precluded under section 3(d) of the BHC Act from approving the proposal.

### Competitive Considerations

Section 3 of the BHC Act prohibits the Board from approving a proposal that would result in a monopoly or would be in furtherance of an attempt to monopolize the business of banking in any relevant market.<sup>19</sup> The BHC Act also prohibits the Board from approving a proposal that would substantially lessen competition or tend to create a monopoly in any banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the communities to be served.<sup>20</sup>

PNC and BBVA Bancshares have subsidiary banks that compete directly in 14 banking markets in Alabama, Florida, and Texas. The Board has considered the competitive effects of the proposal in these banking markets. In particular, the Board has considered the relative share of total deposits in insured depository institutions in the markets (“market deposits”) that PNC would control;<sup>21</sup> the concentration level of market

---

<sup>18</sup> See Ala. Code § 5-13B-23(b); Fla. Stat. § 658.2953; Tex. Fin. Code § 203.004.

<sup>19</sup> 12 U.S.C. § 1842(c)(1)(A).

<sup>20</sup> 12 U.S.C. § 1842(c)(1)(B).

<sup>21</sup> Local deposit and market-share data are as of June 30, 2020, and are based on calculations in which the deposits of thrift institutions are included at 50 percent. The Board previously has indicated that thrift institutions have become, or have the potential to become, significant competitors to commercial banks. See, e.g., Midwest Financial Group, 75 Federal Reserve Bulletin 386 (1989); National City Corporation, 70 Federal Reserve Bulletin 743 (1984). Thus, the Board regularly has included thrift deposits in the market-share calculation on a 50 percent weighted basis. See, e.g., First Hawaiian, Inc., 77 Federal Reserve Bulletin 52 (1991).

deposits and the increase in this level, as measured by the Herfindahl-Hirschman Index (“HHI”) under the Department of Justice (“DOJ”) Bank Merger Competitive Review guidelines (“DOJ Bank Merger Guidelines”);<sup>22</sup> the number of competitors that would remain in each market; and other characteristics of the markets.

Consummation of the proposal would be consistent with Board precedent and within the thresholds in the DOJ Bank Merger Guidelines in each of the banking markets in which PNC Bank and BBVA Bank compete. On consummation of the proposal, four banking markets would remain highly concentrated, and 10 banking markets would remain moderately concentrated, as measured by the HHI, according to the DOJ Bank Merger Guidelines. The change in the HHI in these markets is consistent with Board precedent and within the thresholds in the DOJ Bank Merger Guidelines. In addition, numerous competitors would remain in each of these banking markets.<sup>23</sup>

The DOJ also has conducted a review of the potential competitive effects of the proposal and has advised the Board that consummation of the proposal would not likely have a significantly adverse effect on competition in these markets or in any other

---

<sup>22</sup> In applying the DOJ Bank Merger Guidelines issued in 1995 ([see https://www.justice.gov/atr/bank-merger-competitive-review-introduction-and-overview-1995](https://www.justice.gov/atr/bank-merger-competitive-review-introduction-and-overview-1995)), the Board looks to the DOJ’s Horizontal Merger Guidelines issued in 1992, and amended in 1997, for the characterization of a market’s concentration. [See https://www.justice.gov/atr/horizontal-merger-guidelines-0](https://www.justice.gov/atr/horizontal-merger-guidelines-0). Under these Horizontal Merger Guidelines, which were in effect prior to 2010, a market is considered unconcentrated if the post-merger HHI is under 1000, moderately concentrated if the post-merger HHI is between 1000 and 1800, and highly concentrated if the post-merger HHI exceeds 1800. The DOJ has informed the Board that a bank merger or acquisition generally would not be challenged (in the absence of other factors indicating anticompetitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. Although the DOJ and the Federal Trade Commission issued revised Horizontal Merger Guidelines in 2010 ([see https://www.justice.gov/atr/horizontal-merger-guidelines-08192010](https://www.justice.gov/atr/horizontal-merger-guidelines-08192010)), the DOJ has confirmed that its Bank Merger Guidelines, which were issued in 1995, were not modified. [See Press Release, Department of Justice \(August 19, 2010\), available at www.justice.gov/opa/pr/2010/August/10-at-938.html](http://www.justice.gov/opa/pr/2010/August/10-at-938.html).

<sup>23</sup> These banking markets and the competitive effects of the proposal in these markets are described in the Appendix.

relevant banking market. In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on all of the facts of record, the Board concludes that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in the banking markets in which PNC and BBVA Bancshares compete directly or in any other relevant banking market. Accordingly, the Board determines that competitive considerations are consistent with approval.

#### Financial, Managerial, and Other Supervisory Considerations

In reviewing a proposal under section 3 of the BHC Act, the Board considers the financial and managerial resources and the future prospects of the institutions involved, the effectiveness of the institutions in combatting money laundering, and any public comments on the proposal.<sup>24</sup> In its evaluation of financial factors, the Board reviews information regarding the financial condition of the organizations involved on both parent-only and consolidated bases, as well as information regarding the financial condition of the subsidiary depository institutions and the organizations' significant nonbanking operations. In this evaluation, the Board considers a variety of public and supervisory information regarding capital adequacy, asset quality, liquidity, and earnings performance, as well as the impact of the proposed funding of the transaction. The Board evaluates the financial condition of the combined organization, including its capital position, asset quality, liquidity, earnings prospects, and the impact of the proposed funding of the transaction. The Board also considers the ability of the organization to absorb the costs of the proposal and to complete effectively the proposed integration of the operations of the institutions. In assessing financial factors, the Board considers capital adequacy to be especially important. The Board considers the future prospects of the organizations involved in the proposal in light of their financial and managerial resources and the proposed business plan.

---

<sup>24</sup> 12 U.S.C. § 1842(c)(2), (5), and (6).



PNC, BBVA Bancshares, and their subsidiary depository institutions are well capitalized, and the combined organization would remain so on consummation of the proposal. The proposed transaction is a bank holding company acquisition that is structured as a cash purchase.<sup>25</sup> The capital, asset quality, earnings, and liquidity of PNC and BBVA Bancshares are consistent with approval, and PNC and BBVA Bancshares appear to have adequate resources to absorb the related costs of the proposal and to complete the integration of the institutions' operations. In addition, future prospects are considered consistent with approval.

The Board also has considered the managerial resources of the organizations involved and of the proposed combined organization. The Board has reviewed the examination records of PNC, BBVA Bancshares, and their subsidiary depository institutions, including assessments of their management, risk-management systems, and operations. In addition, the Board has considered information provided by PNC; the Board's supervisory experiences and those of other relevant bank supervisory agencies with the organizations; and the organizations' records of compliance with applicable banking, consumer protection, and anti-money-laundering laws.

PNC, BBVA Bancshares, and their subsidiary depository institutions are each considered to be well managed. PNC has a record of successfully integrating organizations into its operations and risk-management systems after acquisitions. PNC's directors and senior executive officers have knowledge of and experience in the banking and financial services sectors, and PNC's risk-management program appears consistent with approval of this expansionary proposal.

The Board also has considered PNC's plans for implementing the proposal. PNC has conducted comprehensive due diligence and is devoting significant financial

---

<sup>25</sup> PNC would effect the acquisition by acquiring and merging BBVA Bancshares with and into PNC Financial, with PNC Financial as the survivor. Shortly thereafter, PNC Financial would contribute all the shares of BBVA Bank to PNC Bancorp. PNC has represented that it intends to merge BBVA Bank with and into PNC Bank at some time after the holding company transaction. PNC has the financial resources to effect the proposed acquisition.

and other resources to address all aspects of the post-acquisition integration process for this proposal. PNC would implement its risk-management policies, procedures, and controls at the combined organization, and these are considered acceptable from a supervisory perspective. In addition, PNC's management has the experience and resources to operate the combined organization in a safe and sound manner.

Based on all the facts of record, including PNC's supervisory record, managerial and operational resources, and plans for operating the combined organization after consummation, the Board determines that considerations relating to the financial and managerial resources and the future prospects of the organizations involved in the proposal, as well as the records of effectiveness of PNC and BBVA Bancshares in combatting money-laundering activities, are consistent with approval.

#### Convenience and Needs Considerations

In acting on a proposal under section 3 of the BHC Act, the Board considers the effects of the proposal on the convenience and needs of the communities to be served.<sup>26</sup> In its evaluation, the Board considers whether the relevant institutions are helping to meet the credit needs of the communities they serve, as well as other potential effects of the proposal on the convenience and needs of these communities. The Board places particular emphasis on the records of the relevant depository institutions under the CRA. The CRA requires the federal financial supervisory agencies to encourage insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with the institutions' safe and sound operation.<sup>27</sup> The CRA also requires the appropriate federal financial supervisory agency to assess a depository institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income ("LMI") neighborhoods, in evaluating bank expansionary proposals.<sup>28</sup>

---

<sup>26</sup> 12 U.S.C. § 1842(c)(2).

<sup>27</sup> 12 U.S.C. § 2901(b).

<sup>28</sup> 12 U.S.C. § 2903.

In addition, the Board considers the banks' overall compliance records and recent fair lending examinations. Fair lending laws require all lending institutions to provide applicants with equal access to credit, regardless of their race, ethnicity, or certain other characteristics. The Board also considers assessments of other relevant supervisors, the supervisory views of examiners, other supervisory information, information provided by the applicant, and public comments on the proposal. The Board also may consider the institution's business model and marketing and outreach plans, the institution's plans after consummation, and any other information the Board deems relevant.

In assessing the convenience and needs factor in this case, the Board has considered all the facts of record, including reports of examination of the CRA performance of PNC Bank and BBVA Bank; the fair lending and compliance records of both banks; the supervisory views of the OCC, the Federal Reserve Bank of Atlanta, and the Consumer Financial Protection Bureau ("CFPB"); confidential supervisory information; information provided by PNC; and the public comments received on the proposal.

#### *Summary of Public Comments*

The Board received comments from 116 commenters, all of whom expressed support for the proposal. In general, these commenters asserted that PNC provides valuable support to their communities, including with respect to small businesses, minority businesses, charitable donations, community development grants and investments, and financial literacy programs for low-income and minority communities. Commenters asserted that the proposal would provide expanded opportunities for community groups, LMI persons, and small businesses. Many commenters also praised PNC Bank's community outreach efforts and support for community programs and initiatives, including volunteer activity by PNC employees.

*Records of Performance under the CRA*

In evaluating the CRA performance of the involved institutions, the Board generally considers each institution's most recent CRA evaluation, as well as other information and the supervisory views from relevant federal supervisors,<sup>29</sup> which in this case are the OCC for PNC Bank and the Federal Reserve Bank of Atlanta for BBVA Bank. In addition, the Board considers information provided by the applicant and by public commenters.

The CRA requires that the appropriate federal financial supervisor for a depository institution prepare a written evaluation of the institution's record of helping to meet the credit needs of its entire community, including LMI neighborhoods.<sup>30</sup> An institution's most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation by the institution's primary federal supervisor of the institution's overall record of lending in its communities.

In general, federal financial supervisors apply a lending test ("Lending Test"), an investment test ("Investment Test"), and a service test ("Service Test") to evaluate the performance of large insured depository institutions, such as PNC Bank and BBVA Bank, in helping to meet the credit needs of the communities they serve. The Lending Test specifically evaluates the institution's home mortgage, small business, small farm, and community development lending to determine whether the institution is helping to meet the credit needs of individuals and geographies of all income levels. As part of the Lending Test, examiners review and analyze an institution's data reported under the Home Mortgage Disclosure Act of 1975 ("HMDA"),<sup>31</sup> in addition to small business, small farm, and community development

---

<sup>29</sup> See Interagency Questions and Answers Regarding Community Reinvestment, 81 Fed. Reg. 48506, 48548 (July 25, 2016).

<sup>30</sup> 12 U.S.C. § 2906.

<sup>31</sup> 12 U.S.C. § 2801 et seq.

loan data collected and reported under the CRA regulations, to assess an institution's lending activities with respect to borrowers and geographies of different income levels. The institution's lending performance is based on a variety of factors, including (1) the number and amounts of home mortgage, small business, small farm, and consumer loans (as applicable) in the institution's assessment areas ("AAs"); (2) the geographic distribution of the institution's lending, including the proportion and dispersion of the institution's lending in its AAs and the number and amounts of loans in low-, moderate-, middle-, and upper-income geographies; (3) the distribution of loans based on borrower characteristics, including, for home mortgage loans, the number and amounts of loans to low-, moderate-, middle-, and upper-income individuals;<sup>32</sup> (4) the institution's community development lending, including the number and amounts of community development loans and their complexity and innovativeness; and (5) the institution's use of innovative or flexible lending practices to address the credit needs of LMI individuals and geographies.<sup>33</sup> The Investment Test evaluates the number and amounts of qualified investments that benefit the institution's AAs, and the Service Test evaluates the availability and effectiveness of the institution's systems for delivering retail banking services and the extent and innovativeness of the institution's community development services.<sup>34</sup>

#### *CRA Performance of PNC Bank*

PNC Bank was assigned an overall "Outstanding" rating at its most recent CRA performance evaluation by the OCC, as of March 19, 2018 ("PNC Bank

---

<sup>32</sup> Examiners also consider the number and amounts of small business and small farm loans to businesses and farms with gross annual revenues of \$1 million or less, small business and small farm loans by loan amount at origination, and consumer loans, if applicable, to low-, moderate-, middle-, and upper-income individuals. See, e.g., 12 CFR 228.22(b)(3).

<sup>33</sup> See 12 CFR 228.22(b).

<sup>34</sup> See 12 CFR part 228, subpart B.

Evaluation”).<sup>35</sup> PNC Bank received “Outstanding” ratings for each of the Lending, Investment, and Service Tests.

With respect to the Lending Test, examiners found that PNC Bank’s overall lending levels reflected excellent responsiveness to the credit needs of its AAs. According to examiners, the bank’s geographic distribution of home mortgage loans and small business loans reflected excellent penetration throughout the bank’s AAs. Examiners also found that PNC Bank’s lending to borrowers reflected excellent penetration among businesses of different sizes, as well as retail customers of different incomes. Examiners noted that PNC Bank originated an excellent level of community development loans. Examiners also noted that the bank’s community development loans were effective in addressing community credit needs.

With respect to the Investment Test, examiners found that PNC Bank’s qualified investments were effective and responsive in addressing community credit

---

<sup>35</sup> The PNC Bank Evaluation was conducted using Large Bank CRA Examination Procedures. Examiners reviewed home mortgage lending data, other CRA data (small loans to businesses and farms), and retail services from January 1, 2012, through December 31, 2016, as well as community development activity from July 9, 2012, to December 31, 2016. The PNC Bank Evaluation covered PNC Bank’s 138 AAs located in 17 states and 15 multistate metropolitan statistical areas (“MMAs”). The states are as follows: Alabama; Delaware; Florida; Georgia; Illinois; Indiana; Kentucky; Maryland; Michigan; New Jersey; North Carolina; Ohio; Pennsylvania; South Carolina; Virginia; West Virginia; and Wisconsin. The MMAs are as follows: Allentown-Bethlehem-Easton, Pennsylvania-New Jersey; Charlotte-Concord-Gastonia, North Carolina-South Carolina; Chicago-Naperville-Elgin, Illinois-Indiana-Wisconsin; Cincinnati, Ohio-Kentucky-Indiana ; Cumberland, MD-WV; Huntington-Ashland, West Virginia-Kentucky-Ohio; Louisville-Jefferson County, Kentucky-Indiana; Myrtle Beach-Conway-North Myrtle Beach, South Carolina-North Carolina; New York-Newark-Jersey City, New York-New Jersey-Pennsylvania; Philadelphia-Camden-Wilmington, Pennsylvania-New Jersey-Delaware-Maryland; Salisbury, Maryland-Delaware; St. Louis, Missouri-Illinois; Virginia Beach-Norfolk-Newport News, Virginia-North Carolina; Washington-Arlington-Alexandria, DC-Virginia-Maryland-West Virginia; and Youngstown-Warren-Boardman, Ohio-Pennsylvania. The PNC Bank Evaluation included a full-scope review of one or more AAs in every state and an MMA where PNC Bank had an office. In total, 36 AAs were subject to a full-scope review, and a limited-scope review was conducted of the remaining 102 AAs.

needs. Examiners noted that PNC Bank made extensive use of innovative or complex investments to support community development initiatives.

With respect to the Service Test, examiners found that PNC Bank's branches and alternative delivery systems were accessible to geographies and individuals of different income levels and responsive in providing services across all portions of the bank's AAs. Examiners found that PNC Bank's community development services were effective and responsive in addressing community needs. Examiners also found that PNC Bank conducted or supported a high number of community development services.

*PNC Bank's Efforts Since the PNC Bank CRA Evaluation*

PNC represents that PNC Bank has continued to support its local communities, including LMI individuals, families, and neighborhoods, since the PNC Bank Evaluation. PNC represents that, between 2017 and September 2020, PNC Bank originated numerous home mortgage loans, small loans to businesses, and community development loans, and made a number of qualified investments and grants. In addition, PNC notes that, in the same period, PNC Bank employees engaged in substantial community development service activities within their local communities. PNC represents that, in 2018, PNC Bank created the role of LMI Territory Advisor to help increase its support to small businesses in LMI communities. PNC further represents that PNC Bank has used community development products and programs to support affordable housing and economic development, including through sponsorship and investment in Affordable Rental Housing Preservation funds. PNC reports that PNC Bank has provided financial education classes tailored to the needs of LMI individuals. Finally, PNC represents that PNC Bank took several actions to assist its customers and communities in response to the impact of the COVID-19 pandemic, including originating loans under the Paycheck Protection Program.

*CRA Performance of BBVA Bank*

BBVA Bank was assigned an overall "Outstanding" rating at its most recent CRA performance evaluation by the Federal Reserve Bank of Atlanta, as of

April 2, 2018 (“BBVA Bank Evaluation”).<sup>36</sup> BBVA Bank received “Outstanding” ratings for the Lending and Investment Tests and a “High Satisfactory” rating for the Service Test.

With respect to the Lending Test, examiners found that BBVA Bank’s overall geographic distribution of HMDA-reportable loans reflected good penetration in LMI geographies, and the overall geographic distribution of small business loans reflected excellent penetration in LMI geographies. Examiners also found that the overall distribution of HMDA-reportable loans among borrowers of different income levels was good and that the overall distribution of small business loans among businesses of different sizes was excellent. Examiners noted that BBVA Bank made an excellent level of community development loans and was often in a leadership position.

With respect to the Investment Test, examiners found that BBVA Bank made an excellent level of qualified community development investments in response to the community development needs of its AAs and was often in a leadership position. Examiners identified BBVA Bank as a leader in financing affordable housing through investments in low-income housing tax credits. Examiners also identified BBVA Bank as a national leader in providing support for community development financial institutions.

With respect to the Service Test, examiners found that BBVA Bank’s retail delivery systems were reasonably accessible to geographies and individuals of different income levels in the bank’s AAs. Examiners also found that BBVA Bank provided an

---

<sup>36</sup> At the time of the BBVA Bank Evaluation, BBVA Bank was known as Compass Bank. The BBVA Bank Evaluation was conducted using Large Bank CRA Examination Procedures. Examiners reviewed HMDA-reportable loans, CRA small business loans, and retail banking services from January 1, 2015, to December 31, 2016, as well as community development activity from April 1, 2015, to December 31, 2017. The BBVA Bank Evaluation covered 78 AAs located in the following seven states: Alabama, Arizona, California, Colorado, Florida, New Mexico, and Texas. The BBVA Bank Evaluation included a full-scope review of 12 of these AAs, and a limited-scope review of the remaining 66 AAs.



excellent level of community development services in the bank's AAs. Examiners noted that BBVA Bank's record of opening and closing of branches had not adversely affected the accessibility of banking services to LMI geographies throughout the bank's footprint. Examiners found that BBVA Bank's services and business hours did not vary in a way that inconvenienced the bank's AAs, particularly LMI individuals and LMI geographies.

*BBVA Bank's Efforts Since the BBVA Bank CRA Evaluation*

PNC represents that, during 2017 through September 30, 2020, BBVA Bank originated numerous home mortgage and small business loans. In addition, PNC represents that BBVA Bank continued to engage in community development lending and made a number of qualified investments and grants. PNC notes that, in the same period, BBVA Bank employees engaged in a number of volunteer service hours across BBVA Bank's AAs. PNC further represents that BBVA Bank has taken a number of actions to assist its customers affected by the COVID-19 pandemic, including originating Paycheck Protection Program loans.

*Additional Supervisory Views*

In connection with its review of the proposal, the Board consulted the OCC as the primary federal supervisor of PNC Bank. The Board considered the views of the OCC regarding PNC Bank's CRA and consumer compliance records, record of compliance with fair lending laws and regulations, and policies and procedures relating to fair lending and other consumer protection laws and regulations. The Board also considered the views of the Federal Reserve Bank of Atlanta regarding BBVA Bank's CRA and consumer compliance records, record of compliance with fair lending laws and regulations, and policies and procedures relating to fair lending and other consumer protection laws and regulations. In addition, the Board considered the views of the CFPB regarding the consumer compliance records of both PNC Bank and BBVA Bank.

The Board has taken the views of the OCC, Federal Reserve Bank of Atlanta, and CFPB, as well as all of the information discussed above, into account in evaluating this proposal. The Board has considered whether PNC has the experience and

resources to ensure that the combined organization effectively implements policies and programs that would allow the combined organization to help meet the credit needs of the communities within its AAs.

*Additional Convenience and Needs Considerations*

The Board also considers other potential effects of the proposal on the convenience and needs of the communities to be served. PNC represents that existing customers of both PNC Bank and BBVA Bank would have access to a more extensive branch and ATM network. PNC also represents that customers of BBVA Bank would benefit from PNC Bank's broader selection of products across multiple lines of business, including home equity products and commercial lending, and that customers of PNC Bank would benefit from certain services of BBVA that PNC intends to retain, such as BBVA's money transmission services. PNC asserts that employees of both banking organizations would benefit from new growth and development opportunities at the combined organization. PNC contends that the communities served by BBVA Bank would benefit from PNC's charitable initiatives, including a program that supports early childhood education for LMI children and communities. PNC also contends that PNC Bank would extend its community reinvestment program to the communities currently served by BBVA Bank, while integrating the successful local strategies and programs of BBVA Bank where appropriate.

*Conclusion on Convenience and Needs Considerations*

The Board has considered all the facts of record, including the records of the relevant depository institutions under the CRA; the institutions' records of compliance with fair lending and other consumer protection laws; the views of the OCC, Federal Reserve Bank of Atlanta, and CFPB; confidential supervisory information; information provided by PNC; public comments on the proposal; and other potential effects of the proposal on the convenience and needs of the communities to be served. Based on that review, the Board determines that the convenience and needs factor is consistent with approval.

## Financial Stability

Section 3 of the BHC Act requires the Board to consider “the extent to which a proposed acquisition, merger, or consolidation would result in greater or more concentrated risks to the stability of the United States banking or financial system.”<sup>37</sup>

To assess the likely effect of a proposed transaction on the stability of the U.S. banking or financial system, the Board considers a variety of metrics that capture the systemic “footprint” of the combined organization and the incremental effect of the transaction on the systemic footprint of the acquiring institution. These metrics include measures of the size of the combined organization, the availability of substitute providers for any critical products and services offered by the combined organization, the interconnectedness of the combined organization with the banking or financial system, the extent to which the combined organization contributes to the complexity of the financial system, and the extent of the cross-border activities of the combined organization.<sup>38</sup> These categories are not exhaustive, and additional categories could inform the Board’s decision. In addition to these quantitative measures, the Board considers qualitative factors, such as the opacity and complexity of an institution’s internal organization, that are indicative of the relative degree of difficulty of resolving the combined organization. A financial institution that can be resolved in an orderly manner is less likely to inflict material damage to the broader economy.<sup>39</sup>

In this case, the Board has considered information relevant to risks to the stability of the U.S. banking or financial system. The Board also has considered the relative degree of difficulty of resolving the combined organization. The Board reviewed publicly available data, comments received from the public, data compiled through the

---

<sup>37</sup> 12 U.S.C. § 1842(c)(7).

<sup>38</sup> Many of the metrics considered by the Board measure an institution’s activities relative to the U.S. financial system.

<sup>39</sup> For further discussion of the financial stability standard, see Capital One Financial Corporation, FRB Order No. 2012-2 (Feb. 14, 2012).

supervisory process, and data obtained through information requests to the institutions involved in the proposal, as well as qualitative information.

*Size.* An organization's size is one important indicator of the risk that the organization may pose to the U.S. banking or financial system. Congress has imposed specific size-based limitations on the amount of deposits and liabilities a banking organization may control.<sup>40</sup> In addition, section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), as amended by the Economic Growth, Regulatory Relief, and Consumer Protection Act ("EGRRCPA"), requires the Board to apply enhanced prudential standards to bank holding companies with \$250 billion or more in total consolidated assets.<sup>41</sup> Size also is among the factors that the Board must take into consideration in differentiating among banking organizations under section 165.<sup>42</sup>

In this case, the Board has considered measures of the combined organization's size relative to the U.S. financial system, including the combined organization's consolidated assets, consolidated liabilities,<sup>43</sup> total exposures, and U.S. deposits. As a result of the proposed acquisition, the combined organization would become the seventh largest U.S. financial institution<sup>44</sup> based on total assets. Its total

---

<sup>40</sup> 12 U.S.C. §§ 1842(d)(2)(A) & 1852 (imposing a 10 percent nationwide deposit limit and a 10 percent nationwide liabilities limit on potential combinations by banking organizations).

<sup>41</sup> See 12 U.S.C. § 5365.

<sup>42</sup> See EGRRCPA § 401(a)(1)(B)(i) (codified at 12 U.S.C. § 5365(a)(2)(A)). The Board has previously used size as a simple measure of a banking organization's potential systemic impact and risk and has differentiated the stringency of capital and liquidity requirements based on total consolidated asset size.

<sup>43</sup> The Board has considered both consolidated liabilities on the combined organization's pro forma balance sheet and liabilities as computed under the limitations on consolidated liabilities in section 622 of the Dodd-Frank Act. See 12 U.S.C. § 1852.

<sup>44</sup> In this context, a U.S. financial institution includes all insured depository institutions, insured depository institution holding companies, nonbank financial companies

exposures would account for 2.54 percent of the total for institutions that file the FR Y-15 form.<sup>45</sup> Based on deposits, the combined organization would become the fifth largest U.S. financial institution, with 2.77 percent of the total deposits. These measures suggest that, although the combined organization would be large on an absolute basis, its shares of United States financial system assets, liabilities, total exposures, and deposits would remain moderate, and its shares of national deposits and liabilities would fall well below the 10 percent limitations set by Congress.

Although the proposed transaction would increase PNC's size, the combined organization's larger size must be viewed in conjunction with other metrics. Accordingly, the Board has considered other factors, both individually and in combination with size, to evaluate the likely impact of this transaction on the stability of the U.S. banking or financial system.<sup>46</sup>

---

supervised by the Board under Title I of the Dodd-Frank Act, and any foreign bank or company treated as a bank holding company. See 12 U.S.C. § 1852(a)(2).

<sup>45</sup> The FR Y-15 form collects data on systemic importance indicators, including total exposures, which the Board used in its assessment of the financial stability implications of the proposal. For this reason, this Order often discusses the financial stability metrics of the combined organization relative to institutions that file the FR Y-15 form. The panel of institutions that file the FR Y-15 form consists of U.S. bank holding companies ("BHCs") and covered savings and loan holding companies with total consolidated assets of \$100 billion or more; foreign banking organizations ("FBOs") with combined U.S. assets of \$100 billion or more, including, if applicable, any U.S. intermediate holding company ("IHC") of the FBO regardless of the size of the IHC; and U.S.-based organizations designated as Global Systemically Important Banks ("G-SIBs") that do not otherwise meet the consolidated assets threshold.

<sup>46</sup> In addition, the Board also considered the G-SIB method 1 score of the combined organization. The G-SIB method 1 score is a measure of an institution's systemic importance and is a weighted sum of an institution's indicators of size, interconnectedness, complexity, cross-jurisdictional activity, and substitutability. See 80 Fed. Reg. 49082 (August 14, 2015). On consummation of the proposal, the combined organization would have a G-SIB method 1 score of 42 points, well below the threshold (130 basis points) that identifies a financial institution as a G-SIB. Finally, this score is close to PNC's current method 1 score, indicating that the transaction would not increase materially PNC's systemic importance.

*Substitutability.* The Board has considered whether PNC or BBVA Bancshares engage in any activities that are critical to the functioning of the U.S. financial system and whether there would be adequate substitute providers that could quickly perform such activities should the combined organization suddenly be unable to do so as a result of severe financial distress. The Board primarily evaluated the roles of PNC and BBVA Bancshares in payments activities, assets under custody activities, and underwriting activities. Neither PNC nor BBVA Bancshares is a major provider of these services. The combined organization would account for approximately 0.30 percent of payments activities, 0.08 percent of assets under custody, and 0.92 percent of underwriting activities of the total reported by institutions that file the FR Y-15 form. Repurchase agreement activity by PNC and BBVA Bancshares is also modest. For most of these activities, the combined organization would have a small share on a nationwide basis, and numerous competitors would remain.

*Interconnectedness.* The Board has reviewed data to determine whether financial distress experienced by the combined organization could create financial instability by being transmitted to any other institutions or markets within the U.S. banking or financial system. Specifically, the Board considered measures of interconnectedness between the combined organization and the rest of the financial system during financial distress, such as potential direct losses to counterparties, asset-price declines due to fire sales, and contagion effects.

PNC and BBVA Bancshares do not engage in business activities or participate in markets to a degree that would pose significant risk to other institutions in the event of financial distress of the combined organization. The combined organization's ratio of short-term wholesale funding to average risk-weighted assets would be approximately 10 percent, which is low relative to FR Y-15 filers. The combined organization's shares of United States financial system intra-financial system assets and liabilities would also be less than 0.25 percent of the total for FR Y-15 filers.

*Complexity.* The Board has considered the extent to which the combined organization would contribute to the overall complexity of the U.S. banking or financial

system. In this analysis, the Board considered PNC's and BBVA Bancshares' over-the-counter derivatives exposures ("OTC derivatives"), holdings of Level 3 assets,<sup>47</sup> and volume of trading book and available-for-sale securities. The combined organization's level of notional OTC derivatives exposures would represent less than 1 percent of the total for institutions that file the FR Y-15 form. The combined organization's Level 3 assets represent approximately 3.35 percent of the total for the same group of institutions. Finally, the combined organization's amount of trading and available-for-sale securities would account for less than 2 percent of the total for that group as well.

The Board also has considered whether the complexity of the combined organization's assets and liabilities would hinder the organization's timely and efficient resolution in the event the organization were to experience financial distress. PNC and BBVA Bancshares do not engage in complex activities, such as being a core clearing and settlement organization for critical financial markets, that might complicate the resolution process by increasing the complexity, costs, or timeframes involved in a resolution. Also, PNC would not acquire any foreign institution as part of the proposal. Under the circumstances, resolving the combined organization would not appear to involve a level of cost, time, or difficulty such that it would cause a significant increase in risk to the stability of the U.S. banking or financial system.

*Cross-Border Activity.* The Board has reviewed the cross-border activities of PNC and BBVA Bancshares to determine whether the cross-border presence of the combined organization would create difficulties in coordinating any resolution, which could significantly increase the risk to stability of the U.S. banking or financial system. At consummation, the combined organization would engage in limited activities outside

---

<sup>47</sup> Level 3 assets are defined in the Statement of Financial Accounting Standards No. 157 ("Fair Value Measurements") as assets whose accounting valuations are derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. These assets are deemed complex to evaluate and cannot be measured at fair value because there is not a clear market price or a standard valuation model. A higher share of these assets could lead to disorderly resolution of an entity in case of failure.

the United States. In particular, the combined organization would account for less than 0.25 percent of either total cross-border claims or total cross-border liabilities of institutions filing the FR Y-15.

*Financial Stability Factors in Combination.* The Board has assessed the foregoing factors individually and in combination to determine whether interactions among them might mitigate or exacerbate risks suggested by looking at them individually. The Board also has considered whether the proposed transaction would provide any stability benefits and whether prudential standards applicable to the combined organization would offset any potential risks.<sup>48</sup>

For instance, concerns regarding the combined organization's size would be greater if PNC or BBVA Bancshares also were highly interconnected to many different segments of the U.S. banking or financial system through counterparty relationships or other channels or if the combined organization were to participate to a larger extent than PNC or BBVA Bancshares does in short-term funding and capital markets. The Board's level of concern also would be greater if the structure and activities of the combined organization were sufficiently complex that, if the combined organization were to fail, it would be difficult to resolve the organization without causing significant disruptions to other financial institutions or markets.

As discussed, the combined organization would not be highly interconnected. Furthermore, the organizational structure and operations of the combined organization would be centered on a commercial banking business, and in the event of distress, the resolution process would be handled in a predictable manner by relevant authorities. The Board also has considered other measures that are suggestive of the degree of difficulty with which the combined organization could be resolved in the event of a failure, such as the organizational and legal complexity and cross-border activities of the combined organization. These measures suggest that the combined organization

---

<sup>48</sup> See 12 U.S.C. § 5365.



would be significantly less complicated to resolve than the largest U.S. financial institutions.

In addition, both PNC and BBVA Bancshares are predominately engaged in banking relationships with individuals and nonfinancial institutions.<sup>49</sup> The combined organization would have minimal cross-border activities and would not exhibit an organizational structure, complex interrelationships, or unique characteristics that would complicate resolution of the institution in the event of financial distress. In addition, the combined organization would not be a critical services provider or so interconnected with other institutions or the markets that it would pose significant risk to the financial system in the event of financial distress.

In light of all the facts and circumstances, this transaction would not appear to result in meaningfully greater or more concentrated risks to the stability of the U.S. banking or financial system. Based on these and all other facts of record, the Board determines that considerations relating to financial stability are consistent with approval.

#### Conclusion

Based on the foregoing and all the facts of record, the Board determines that the application should be, and hereby is, approved. In reaching its conclusion, the Board has considered all the facts of record in light of the factors that it is required to consider under the BHC Act and other applicable statutes. The Board's approval is specifically conditioned on compliance by PNC with all the conditions imposed in this order and on any commitments made to the Board in connection with the proposal. The

---

<sup>49</sup> The combined organization would primarily offer retail and commercial deposit products; consumer and commercial loan products; commercial lease financing and related services; securities brokerage and underwriting; insurance agency and brokerage; capital markets services; investment advisory, asset management, wealth management, trust operations and fiduciary services; risk-management and asset management services; community development investment; payments; merchant services; and treasury management services. In each of its activities, the combined organization would have a small market share on a nationwide basis, and numerous competitors would remain for these services.

Board's approval also is conditioned on receipt by PNC of all required regulatory approvals. For purposes of this action, the conditions and commitments are deemed to be conditions imposed in writing by the Board in connection with its findings and decision herein and, as such, may be enforced in proceedings under applicable law.

The proposal may not be consummated before the fifteenth calendar day after the effective date of this order or later than three months thereafter, unless such period is extended for good cause by the Board or the Federal Reserve Bank of Cleveland, acting under delegated authority.

By order of the Board of Governors,<sup>50</sup> effective May 14, 2021.

*Ann E. Misback (signed)*  
**Ann E. Misback**  
Secretary of the Board

---

<sup>50</sup> Voting for this action: Chair Powell, Vice Chair Clarida, Vice Chair for Supervision Quarles, and Governors Bowman and Waller. Governor Brainard abstained.

## Appendix

<b>PNC/BBVA Bancshares Banking Markets Consistent with Board Precedent and DOJ Bank Merger Guidelines</b>						
Data are as of June 30, 2020. All rankings, market deposit shares, and HHIs are based on thrift deposits weighted at 50 percent. The remaining number of competitors noted in each market includes thrift institutions.						
<b>Auburn/Opelika Area, Alabama</b> – Lee County, Alabama (minus the portion that is within 12 road miles of Phenix City, Alabama, or Columbus, Georgia).						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	10	\$166.4M	4.7	1212	130	16
<i>BBVA Bancshares</i>	2	\$494.4M	13.9			
<i>PNC Post-Consummation</i>	2	\$660.8M	18.6			
<b>Birmingham, Alabama</b> – Bibb, Blount, Chilton, Jefferson, Saint Clair, Shelby, Talladega, and Walker Counties, Alabama.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	9	\$903.1M	1.7	1815	85	52
<i>BBVA Bancshares</i>	2	\$13.8B	25.5			
<i>PNC Post-Consummation</i>	2	\$14.7B	27.2			
<b>Decatur Area, Alabama</b> – Morgan and Lawrence Counties, Alabama.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	7	\$164.4M	6.2	1364	105	12
<i>BBVA Bancshares</i>	4	\$224.0M	8.5			
<i>PNC Post-Consummation</i>	3	\$388.4M	14.7			

<b>Gulf Shores Area, Alabama</b> – The towns of Elberta, Foley, Gulf Shores, Lillian, Magnolia Springs, and Orange Beach in Baldwin County, Alabama.						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	7	\$124.2M	6.2	1212	26	16
<i>BBVA Bancshares</i>	11	\$42.3M	2.1			
<i>PNC Post-Consummation</i>	4	\$166.5M	8.3			
<b>Huntsville Area, Alabama</b> – Madison County, Alabama; and Limestone County, Alabama (minus the town of Ardmore).						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	11	\$303.2M	2.9	1084	68	31
<i>BBVA Bancshares</i>	2	\$1.2B	11.8			
<i>PNC Post-Consummation</i>	2	\$1.5B	14.7			
<b>Mobile Area, Alabama</b> – Mobile County, Alabama; and the towns of Bay Minette, Daphne, Fairhope, Loxley, Point Clear, Robertsdale, Silverhill, Spanish Fort and Summerdale in Baldwin County, Alabama.						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	4	\$1.1B	9.2	1515	222	31
<i>BBVA Bancshares</i>	2	\$1.4B	12.0			
<i>PNC Post-Consummation</i>	2	\$2.5B	21.2			
<b>Montgomery Area, Alabama</b> – Autauga, Elmore, Lowndes and Montgomery Counties, Alabama; and the town of Tallassee in Tallapoosa County, Alabama.						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	12	\$150.7M	1.6	1146	54	23
<i>BBVA Bancshares</i>	2	\$1.6B	17.0			
<i>PNC Post-Consummation</i>	2	\$1.7B	18.6			
<b>Tuscaloosa Area, Alabama</b> – Tuscaloosa County, Alabama; and the city of Moundville in Hale County, Alabama.						

	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	9	\$160.9M	3.9	1206	44	21
<i>BBVA Bancshares</i>	8	\$227.1M	5.5			
<i>PNC Post-Consummation</i>	4	\$388.0M	9.5			
<b>Gainesville Area, Florida</b> – Alachua, Gilchrist, and Levy Counties, Florida.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	13	\$80.8M	1.4	1343	27	17
<i>BBVA Bancshares</i>	3	\$589.4M	9.9			
<i>PNC Post-Consummation</i>	3	\$670.2M	11.3			
<b>Ocala Area, Florida</b> – Marion County, Florida.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	16	\$32.5M	0.5	1252	13	18
<i>BBVA Bancshares</i>	4	\$775.9M	12.1			
<i>PNC Post-Consummation</i>	4	\$808.4M	12.6			
<b>Tampa Bay Area, Florida</b> – Hernando, Hillsborough, Pinellas, and Pasco Counties, Florida.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
<i>PNC Pre-Consummation</i>	11	\$1.7B	1.7	1250	1	54
<i>BBVA Bancshares</i>	28	\$349.0M	0.4			
<i>PNC Post-Consummation</i>	10	\$2.1B	2.1			
<b>Dallas, Texas</b> – Dallas and Rockwall Counties, Texas; the southeastern quadrant of Denton County, Texas, including Denton and Lewisville; the southwestern quadrant of Collin County, Texas, including McKinney and Plano; the communities of Forney and Terrell in Kaufman County, Texas; and Midlothian, Waxahachie, and Ferris in Ellis County, Texas.						
	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors

<i>PNC Pre-Consummation</i>	104	\$37.3M	0.0	1927	0	140
<i>BBVA Bancshares</i>	5	\$9.0B	2.9			
<i>PNC Post-Consummation</i>	5	\$9.0B	2.9			
<b>Fort Worth, Texas</b> – Tarrant, Johnson, and Wise Counties, Texas; Parker County, Texas (minus Mineral Wells); and the southwestern quadrant of Denton County, Texas, including Roanoke.						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	68	\$24.0M	0.0	4975	0	84
<i>BBVA Bancshares</i>	6	\$3.6B	1.9			
<i>PNC Post-Consummation</i>	6	\$3.6B	1.9			
<b>Houston, Texas</b> – Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller Counties, Texas.						
	<b>Rank</b>	<b>Amount of Deposits</b>	<b>Market Deposit Shares (%)</b>	<b>Resulting HHI</b>	<b>Change in HHI</b>	<b>Remaining Number of Competitors</b>
<i>PNC Pre-Consummation</i>	94	\$4.9M	0.0	2558	0	95
<i>BBVA Bancshares</i>	4	\$16.1B	5.4			
<i>PNC Post-Consummation</i>	4	\$16.1B	5.4			