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February 12, 2021

VIA E-Apps

Ms. Meg Johnson
Vice President
Federal Reserve Bank of Cleveland
1455 East Sixth Street
Cleveland, Ohio 4411

Re: Updated Response to Additional Information Request on the
Application of The PNC Financial Services Group, Inc. and
PNC Bancorp, Inc. to Acquire BBVA USA Bancshares, Inc.
and/or BBVA USA

Dear Ms. Johnson:

This submission relates to the application that we submitted to the Board of Governors of the Federal Reserve System (the "Board") on December 29, 2020 (the "Federal Reserve Application"), requesting prior approval for The PNC Financial Services Group, Inc. ("PNC") and PNC Bancorp, Inc. ("PNC Bancorp") to acquire BBVA USA Bancshares, Inc. ("BBVA Bancshares") and/or its wholly owned subsidiary bank, BBVA USA, an Alabama-chartered bank ("BBVA USA," and together with BBVA Bancshares, "BBVA"), pursuant to sections 3(a)(3)

Ms. Meg Johnson
February 12, 2021
Page 2

and (5) of the Bank Holding Company Act (the “Holdco Transactions”). A few months after consummation of the Holdco Transactions, PNC and PNC Bancorp plan to merge BBVA USA with and into PNC Bank, National Association (“PNC Bank”), with PNC Bank as the surviving institution (the “Bank Merger” and, together with the Holdco Transactions, the “Proposed Transaction”).

Specifically, this submission provides an updated response to Item 16 in the requests for additional information on the Federal Reserve Application that we received in a letter dated January 22, 2021 (the “AI Request Letter”), from the Federal Reserve Bank of Cleveland (together with the Board, the “Federal Reserve”). In Item 16, the Federal Reserve requested updated versions of the Transitional Services Agreement and Reverse Transitional Services Agreement (“Transitional Services Agreements”), including a list of specific services to be performed by PNC and BBVA, and, to the extent an updated version is not yet available, a detailed summary of the anticipated services that will be provided pursuant to the Transitional Services Agreements. As noted in our response of February 3, 2021 to the AI Request Letter (the “February 3 Response”), the parties are in the process of negotiating final Transitional Services Agreements, and PNC will provide the Federal Reserve with copies of such agreements promptly after they are finalized. Attached to this letter, however, are summaries of the anticipated services to be provided under the Transitional Services Agreement and the Reverse Transitional Services Agreement in Confidential Appendix A and Confidential Appendix B, respectively.

In the February 3 Response, PNC indicated that it expected to be able to provide the requested pro forma balance sheets, income statement, regulatory capital and asset quality schedules as of December 31, 2020 (*see* Item 25 of the AI Request Letter) by February 19, 2021. PNC continues to expect to be able to submit the requested pro forma asset quality information as of December 31, 2020 by February 19, 2021. However, PNC now expects to be able to submit the requested pro forma balance sheets, income statement and regulatory capital information as of December 31, 2020 by March 5, 2021. As the Federal Reserve is aware, PNC is preparing to submit information for the combined PNC and BBVA organization as part of the 2021 Comprehensive Capital Analysis and Review (“CCAR”) process. Submitting the requested pro forma balance sheet, income statement and regulatory capital information on or before March 5, 2021 will allow PNC to leverage the processes being used to prepare for the 2021 CCAR submission, including the internal controls and governance process associated with the annual CCAR process and submission of the related FR Y-14A templates, and thus help ensure the robustness of the information submitted and its consistency with PNC’s expected CCAR 2021 submission.

Confidential treatment is being requested under the federal Freedom of Information Act, 5 U.S.C. § 552 (the “FOIA”), and the Board’s implementing regulations, for the information contained in the Confidential Appendices. The Confidential Appendices include, for example, nonpublic information regarding the financials, business strategies and plans of (1) PNC, PNC Bancorp and PNC Bank and (2) Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA Parent”),

Ms. Meg Johnson
February 12, 2021
Page 3

BBVA Bancshares and BBVA USA, and other information regarding additional matters of a similar nature, which is commercial or financial information that is both customarily and actually treated as private by PNC, PNC Bancorp, PNC Bank, BBVA Parent, BBVA Bancshares and BBVA USA and provided to the government under an assurance of privacy. None of this information is the type of information that would otherwise be made available to the public. All such information, if made public, could result in substantial and irreparable harm to PNC, PNC Bancorp, PNC Bank, BBVA Parent, BBVA Bancshares and BBVA USA. Other exemptions from disclosure under the FOIA may also apply. In addition, investors and potential investors could be influenced or misled by such information, which is not reported in any documents filed or to be filed in accordance with the disclosure requirements of applicable securities laws, as a result of which PNC or BBVA Parent could be exposed to potential inadvertent violations of law or exposure to legal claims. Accordingly, confidential treatment is respectfully requested for the Confidential Appendices under the FOIA and the Federal Reserve's implementing regulations.

Please contact me (212-403-1127) or my colleague, Richard K. Kim (212-403-1354), before any public release of any of this information pursuant to a request under the FOIA or a request or demand for disclosure by any governmental agency, congressional office or committee, court or grand jury. Such prior notice is necessary so that PNC, PNC Bancorp, PNC Bank, BBVA Parent, BBVA Bancshares and BBVA USA may take appropriate steps to protect such information from disclosure.

If you have any questions about this submission or the confidential treatment request, please do not hesitate to contact me.

Sincerely,



Patricia A. Robinson

Attachments and enclosures

cc:

David Reilly, Office of the Comptroller of the Currency (email)
Laurie A. Powell, Office of the Comptroller of the Currency (email)

(by email)

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Ms. Meg Johnson

February 12, 2021

Page 4

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