

PNC FINANCIAL SERVICES GROUP, INC.  
Form 8-K  
November 01, 2016

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**October 27, 2016**

**Date of Report (date of earliest event reported)**

**THE PNC FINANCIAL SERVICES GROUP, INC.**

**(exact name of registrant as specified in its charter)**

**Pennsylvania**  
**(state or other jurisdiction**  
**of incorporation or organization)**

**001-09718**  
**Commission**  
**File Number**

**25-1435979**  
**(I.R.S. Employer**  
**Identification Number)**

**The Tower at PNC Plaza**

**300 Fifth Avenue**

**Pittsburgh, Pennsylvania 15222-2401**

**(Address of principal executive offices, including zip code)**

**(412) 762-2000**

**(Registrant's telephone number, including area code)**

**Not Applicable**

**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 3.03 Material Modification to Rights of Security Holders.**

On October 28, 2016, The PNC Financial Services Group, Inc. (the Corporation) filed a Statement with Respect to Shares (the Statement) with the Secretary of State of the Commonwealth of Pennsylvania, establishing the rights, preferences, privileges, qualifications, restrictions and limitations of a new series of its preferred stock designated as the Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series S, \$1.00 par value per share (the Series S Preferred Stock). The Statement was filed in connection with an Underwriting Agreement, dated October 27, 2016 (the Underwriting Agreement), with J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC and PNC Capital Markets LLC (collectively, Underwriters), under which the Corporation agreed to sell to the Underwriters 525,000 depository shares (the Depository Shares), each representing a 1/100th ownership interest in a share of the Series S Preferred Stock. Each holder of a Depository Share will be entitled to the proportional rights of a share of Series S Preferred Stock represented by the Depository Share.

The Series S Preferred Stock ranks senior to the Corporation's common stock, equally with the Corporation's outstanding Series B, O, P, Q and R Preferred Stock, equally with the Corporation's Series H and I Preferred Stock when issued, and at least equally with each other series of preferred stock the Corporation may issue (except for any senior securities that may be issued with the requisite consent of the holders of the Series S Preferred Stock and all parity stock), with respect to payments of dividends and distributions of assets upon liquidation, dissolution or winding up.

Under the terms of the Series S Preferred Stock, the ability of the Corporation to pay dividends on, make distributions with respect to, or to redeem, purchase or acquire, or make a liquidation payment on its common stock or any preferred stock ranking on a parity with or junior to the Series S Preferred Stock, is subject to restrictions in the event that the Corporation does not declare dividends on the Series S Preferred Stock for the most recently completed dividend period, or, in the case of a liquidation payment, does not pay to holders of the Series S Preferred Stock the liquidation value of \$100,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

The terms of the Series S Preferred Stock are more fully described in the Statement which is included as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

**Item 5.03 Amendments to Articles of Incorporation or By-Laws; Change in Fiscal Year.**

On October 28, 2016, the Corporation filed the Statement with the Secretary of State of the Commonwealth of Pennsylvania, which became effective upon filing, amending our Amended and Restated Articles of Incorporation to establish the newly authorized Series S Preferred Stock of the Corporation consisting of 5,250 authorized shares.

Holders of Series S Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors of the Corporation (the Board) or a duly authorized committee of the Board, non-cumulative cash dividends based on the liquidation preference at a per annum rate equal to (1) 5.00% for each dividend period from the original issue date of the Series S Preferred Stock to, but excluding, November 1, 2026 (the Fixed Rate Period), and (2) a per annum rate equal to three-month LIBOR plus 3.30%, for each dividend period from November 1, 2026 through the redemption date of the Series S Preferred Stock, if any (the Floating Rate Period). If declared by the Board of Directors or a duly authorized committee of the Board during the Fixed Rate Period, dividends will be payable on the Series S Preferred Stock semi-annually, in arrears, on May 1 and November 1 of each year, beginning on May 1, 2017. If declared by the Board or a duly authorized committee of the Board during the Floating Rate Period, dividends will be payable on the Series S Preferred Stock quarterly, in arrears, on February 1, May 1, August 1 and November 1 of each year, beginning on February 1, 2027.

The Series S Preferred Stock has a liquidation preference of \$100,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Liquidating distributions will be made on the Series S Preferred Stock only to the extent the Corporation's assets are available after satisfaction of all liabilities to depositors and creditors and subject to the rights of holders of any security ranking senior to the Series S Preferred Stock, and *pro rata* with any other shares of the Corporation's stock ranking equal to the Series S Preferred Stock.

The Series S Preferred Stock does not have any maturity date. The Series S Preferred Stock is redeemable (i) in whole or in part, from time to time, on any dividend payment date on or after November 1, 2026 at a redemption price equal to \$100,000 per share (equivalent to \$1,000 per depositary share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends, or (ii) in whole but not in part, at any time within 90 days following a regulatory capital treatment event (as defined in the Statement), at a redemption price equal to \$100,000 per share (equivalent to \$1,000 per depositary share), plus any declared and unpaid dividends and any accrued (meaning the *pro rata* dividend from the prior scheduled dividend payment date, whether or not paid, up to the redemption date) and unpaid dividends (whether or not declared) to the redemption date. If the Corporation redeems the Preferred Stock, the depositary will redeem a proportionate number of depositary shares. Accordingly, the Series S Preferred Stock will remain outstanding indefinitely, unless and until the Corporation decides to redeem it and receives the prior approval of the Board of Governors of the Federal Reserve System applicable to bank holding companies. The Series S Preferred Stock has no preemptive or conversion rights.

The Series S Preferred Stock has no voting rights except with respect to (i) authorizing, increasing the authorized amount of, or issuing senior stock; (ii) authorizing adverse changes in the terms of the Series S Preferred Stock; (iii) certain merger events; (iv) in the case of certain dividend non-payments only, electing directors; and (v) as otherwise required under Pennsylvania law.

The terms of the Series S Preferred Stock are more fully described in the Statement which is included as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

**Item 8.01 Other Events.**

On November 1, 2016, the Corporation closed the public offering of 525,000 Depositary Shares pursuant to the Underwriting Agreement. The Depositary Shares and the Series S Preferred Stock have been registered under the Securities Act of 1933, as amended, by a registration statement on Form S-3 (File No. 333-209782) (the Registration Statement). The following documents are being filed with this report and incorporated by reference into the Registration Statement: (a) the Underwriting Agreement; (b) the Statement; (c) the Deposit Agreement dated November 1, 2016 between the Corporation, Computershare Trust Company N.A., Computershare Inc. and the holders from time to time of the Depositary Receipts described therein; (d) the Form of Certificate Representing the Series S Preferred Stock; (e) the Form of Depositary Receipt and (f) the validity opinion with respect to the Depositary Shares and the Series S Preferred Stock.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits. The exhibits listed on the Exhibit Index accompanying this Form 8-K are filed herewith.

**SIGNATURE**

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 hereunto duly authorized.

Date: November 1, 2016

The PNC Financial Services Group, Inc.

By: /s/ Gregory H. Kozich

Name: Gregory H. Kozich

Title: Senior Vice President and Controller

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**EXHIBIT INDEX**

<b>Number</b>	<b>Description</b>	<b>Method of Filing</b>
1.1	Underwriting Agreement, dated as of October 27, 2016, among the Corporation, J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC and PNC Capital Markets LLC	Filed herewith
3.1	Statement with Respect to Shares of the Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series S	Filed herewith
4.1	Form of Certificate Representing the Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series S	Filed herewith
4.2	Deposit Agreement, dated November 1, 2016, between the Corporation, Computershare Trust Company, N.A., Computershare Inc. and the holders from time to time of the Depositary Receipts described therein	Filed herewith
4.3	Form of Depositary Receipt (included as part of Exhibit 4.2)	Filed herewith
5.1	Opinion of Christi Davis	Filed herewith
23.1	Consent of Christi Davis (included in Exhibit 5.1)	Filed herewith