PNC FINANCIAL SERVICES GROUP INC
Form 424B5
February 04, 2010

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CALCULATION OF REGISTRATION FEE

Class of securities offered	Aggregate offering price	Amount of registration fee(1)
Fixed Rate Senior Notes	$ 2,000,000,000	$ 142,600

(1) The filing fee of $142,600 is calculated in accordance with Rule 457(r) of the Securities Act of 1933.

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Filed Pursuant to Rule 424(b)(5)
File No. 333-164364-01
and 333-164364

Prospectus supplement

(To Prospectus dated January 15, 2010)

$2,000,000,000

PNC Funding Corp

$1,000,000,000 3.625% Senior Notes due February 8, 2015

$1,000,000,000 5.125% Senior Notes due February 8, 2020

Unconditionally Guaranteed by

The PNC Financial Services Group, Inc.

The senior notes in the initial aggregate principal amount of $1,000,000,000 will mature on February 8, 2015 and bear interest at 3.625% per annum, payable semi-annually in arrears on February 8 and August 8 of each year, commencing on August 8, 2010 (the 2015 Notes). The senior notes in the initial aggregate principal amount of $1,000,000,000 will mature on February 8, 2020 and bear interest at 5.125% per annum, payable semi-annually in arrears on February 8 and August 8 of each year, commencing on August 8, 2010 (the 2020 Notes). The 2015 Notes and the 2020 Notes are collectively referred to as the senior notes. The senior notes are not redeemable prior to maturity. There is no sinking fund for the senior notes.

The senior notes will rank equally with all other existing and future senior unsecured indebtedness of PNC Funding Corp. The PNC Financial Services Group, Inc. will guarantee the senior notes, and the guarantees will rank equally with the existing and future senior unsecured indebtedness of The PNC Financial Services Group, Inc.

See Risk Factors on page S-5 to read about important factors you should consider before buying the senior notes. The senior notes and the guarantees are not deposits of a bank and are not insured by the United States Federal Deposit Insurance Corporation or any other insurer or government agency. The senior notes are not guaranteed under the Federal Deposit Insurance Corporation s Temporary Liquidity Guarantee Program.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined that this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Price to Public(1)	Underwriting Discounts	Proceeds to us
Per 2015 Note	99.900%	0.35%	99.550%
Per 2020 Note	99.861%	0.45%	99.411%
Total	$ 1,997,610,000	$ 8,000,000	$ 1,989,610,000

(1) Plus accrued interest, if any, from the original issue date.

The senior notes will not be listed on any securities exchange. Currently, there is no public trading market for the senior notes.

The underwriters expect to deliver the senior notes to purchasers in book-entry form through the facilities of The Depository Trust Company and its direct participants, including Euroclear and Clearstream, on or about February 8, 2010.

Joint Book-Running Managers

J.P. Morgan **Morgan Stanley**

PNC Capital Markets LLC

Barclays Capital **BofA Merrill Lynch** **Citi**

February 3, 2010

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information.

We are not making an offer of the senior notes covered by this prospectus supplement in any jurisdiction where the offer is not permitted.

You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the respective dates thereof.

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About this prospectus supplement

You should read both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading Where you can find more information in the accompanying prospectus and in Incorporation of certain documents by reference in this prospectus supplement.

References to PNC in this prospectus supplement and in the accompanying prospectus are references to The PNC Financial Services Group, Inc., specifically, references to PNC Funding in this prospectus supplement and the accompanying prospectus are references to PNC Funding Corp, a wholly owned indirect subsidiary of PNC, specifically, and references to we, us and our are references collectively to PNC and PNC Funding. References to The PNC Financial Services Group, Inc. and its subsidiaries, on a consolidated basis, are specifically made where applicable.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

Currency amounts in this prospectus supplement are stated in U.S. dollars.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. This prospectus supplement may be used only for the purpose for which it has been prepared. No one is authorized to give information other than that contained in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference herein and in the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer to sell the senior notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement or any document incorporated by reference herein or in the accompanying prospectus is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

Cautionary statement regarding forward-looking statements

This prospectus supplement and the accompanying prospectus, including information incorporated in them by reference, have statements regarding our outlook or expectations for earnings, revenues, expenses, capital levels, liquidity levels, asset quality and/or other matters regarding or affecting PNC that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words such as believe, plan, expect, anticipate, intend, outlook, estimate, fore project and other similar words and expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made. We do not assume any duty and do not undertake to update our forward-looking statements. Actual results or future events could differ, possibly materially, from those that we anticipated in our forward-looking statements, and future results could differ materially from our historical performance. Our forward-looking statements are subject to the following principal risks and uncertainties. We provide greater

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detail regarding some of these factors in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 and in our Annual Report on Form 10-K for the year ended December 31, 2008, filed with the Securities and Exchange Commission (SEC) and available on the SEC s website at *www.sec.gov*, including in the Risk Factors and Risk Management sections of those reports. Our forward-looking statements may also be subject to other risks and uncertainties, including those discussed elsewhere in this prospectus supplement and the accompanying prospectus or in our other filings with the SEC.

Our businesses and financial results are affected by business and economic conditions, both generally and specifically in the principal markets in which we operate. In particular, our businesses and financial results may be impacted by:

- Changes in interest rates and valuations in the debt, equity and other financial markets.
- Disruptions in the liquidity and other functioning of financial markets, including such disruptions in the markets for real estate and other assets commonly securing financial products.
- Actions by the Federal Reserve and other government agencies, including those that impact money supply and market interest rates.
- Changes in our customers , suppliers and other counterparties performance in general and their creditworthiness in particular.
- Changes in levels of unemployment.
- Changes in customer preferences and behavior, whether as a result of changing business and economic conditions or other factors.

A continuation of recent turbulence in significant portions of the U.S. and global financial markets, particularly if it worsens, could impact our performance, both directly by affecting our revenues and the value of our assets and liabilities and indirectly by affecting our counterparties and the economy generally.

Our business and financial performance could be impacted as the financial industry restructures in the current environment, both by changes in the creditworthiness and performance of our counterparties and by changes in the competitive and regulatory landscape.

Given current economic and financial market conditions, our forward-looking financial statements are subject to the risk that those conditions will be substantially different than we are currently expecting. These statements are based on our current expectations that interest rates will remain low in the first half of 2010 but will move upward in the second half of the year and our view that the modest economic recovery that began last year will extend through 2010.

Legal and regulatory developments could have an impact on our ability to operate our businesses or our financial condition or results of operations or our competitive position or reputation. Reputational impacts, in turn, could affect matters such as business generation and retention, our ability to attract and retain management, liquidity and funding. These legal and regulatory developments could include:

- Changes resulting from the legislative and regulatory responses to the current economic and financial industry environment, including current and future conditions or restrictions imposed as a result of our participation in the TARP Capital Purchase Program.

Other legislative and regulatory reforms, including broad-based restructuring of financial industry regulation as well as changes to laws and regulations involving tax, pension, bankruptcy, consumer protection and other aspects of the financial institution industry.

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Increased litigation risk from recent regulatory and other governmental developments.

Unfavorable resolution of legal proceedings or other claims and regulatory and other governmental inquiries.

The results of the regulatory examination and supervision process, including our failure to satisfy the requirements of agreements with governmental agencies.

Changes in accounting policies and principles.

Changes to regulations governing bank capital, including as a result of the so-called Basel 3 initiative.

If we do not redeem the Series N Preferred Stock we issued to the U.S. Department of the Treasury, such securities may limit our ability to return capital to our shareholders and are dilutive to our common shares. The dividend rate will increase substantially after five years if we are unable to redeem the securities before then. Although we intend to redeem such securities, the consummation of this offering is not conditioned upon such redemption.

Our business and operating results are affected by our ability to identify and effectively manage risks inherent in our businesses, including, where appropriate, through the effective use of third-party insurance, derivatives, and capital management techniques and by our ability to meet evolving regulatory capital standards.

The adequacy of our intellectual property protection, and the extent of any costs associated with obtaining rights in intellectual property claimed by others, can impact our business and operating results.

Our ability to anticipate and respond to technological changes can have an impact on our ability to respond to customer needs and to meet competitive demands.

Our ability to implement our business initiatives and strategies could affect our financial performance over the next several years.

Competition can have an impact on customer acquisition, growth and retention, as well as on our credit spreads and product pricing, which can affect market share, deposits and revenues.

Our business and operating results can also be affected by widespread natural disasters, terrorist activities or international hostilities, either as a result of the impact on the economy and capital and other financial markets generally or on us or on our customers, suppliers or other counterparties specifically.

Also, risks and uncertainties that could affect the results anticipated in forward-looking statements or from historical performance relating to our equity interest in BlackRock, Inc. are discussed in more detail in BlackRock s filings with the SEC, including in the Risk Factors sections of BlackRock s reports. BlackRock s SEC filings are accessible on the SEC s website and on or through BlackRock s website at *www.blackrock.com*. This material is referenced for informational purposes only and should not be deemed to constitute a part of this prospectus supplement or the accompanying prospectus.

In addition, our acquisition of National City Corporation (National City) on December 31, 2008 presents us with a number of risks and uncertainties both related to the acquisition itself and to the integration of the acquired businesses into PNC. These risks and uncertainties include the following:

The anticipated benefits of the transaction, including anticipated cost savings and strategic gains, may be significantly harder or take longer to achieve than expected or may not be achieved in their entirety as a result of unexpected factors or events.

Our ability to achieve anticipated results from this transaction is dependent on the state going-forward of the economic and financial markets, which have been under significant stress recently. Specifically, we may incur more credit losses from National City s loan portfolio than expected. Other issues related to achieving anticipated financial results include the possibility that deposit attrition or attrition in key client, partner and other relationships may be greater than expected.

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Legal proceedings or other claims made and governmental investigations currently pending against National City, as well as others that may be filed, made or commenced relating to National City s business and activities before the acquisition, could adversely impact our financial results.

Our ability to achieve anticipated results is also dependent on our ability to bring National City s systems, operating models and controls into conformity with ours and to do so on our planned time schedule. The integration of National City s business and operations into PNC, which includes conversion of National City s different systems and procedures, may take longer than anticipated or be more costly than anticipated or have unanticipated adverse results relating to National City s or PNC s existing businesses. PNC s ability to integrate National City successfully may be adversely affected by the fact that this transaction has resulted in PNC entering several markets where PNC did not previously have any meaningful retail presence.

In addition to the National City transaction, we grow our business from time to time by acquiring other financial services companies. Acquisitions in general present us with risks, in addition to those presented by the nature of the business acquired, similar to some or all of those described above relating to the National City acquisition.

Incorporation of certain documents by reference

The SEC allows us to incorporate information in this document by reference to other documents filed separately with the SEC. This means that PNC can disclose important information to you by referring you to those other documents. 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. You may read and copy this information at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the SEC s Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, who file electronically with the SEC. The address of the website is *www.sec.gov*. The reports and other information filed by PNC with the SEC are also available at our Internet website, *www.pnc.com*. We have included the web addresses of the SEC and PNC as inactive textual references only. Except as specifically incorporated by reference into this document, information on those websites is not part of this document.

This document incorporates by reference the documents listed below that we previously filed with the SEC. They contain important information about PNC and its financial condition.

Filing	**Period or date filed**
Annual Report on Form 10-K (as updated by our Current Report on Form 8-K filed on January 15, 2010)	Year ended December 31, 2008
Quarterly Reports on Form 10-Q	Quarters ended March 31, 2009, June 30, 2009 and September 30, 2009
Current Reports on Form 8-K	January 2, 2009 (two filings), February 13, 2009, February 19, 2009, March 3, 2009 (with respect to Item 8.01 information only), April 3, 2009, April 14, 2009, May 4, 2009, May 14, 2009, May 27, 2009 (the Item 8.01 8-K only), June 9, 2009, August 21, 2009, September 21, 2009, November 20, 2009, December 23, 2009, January 15, 2010 (two filings), January 21, 2010 (Exhibit 99.1 of the first 8-K furnished thereon only, Fourth Quarter and Full Year 2009 Earnings Release) (other than the third paragraph thereof), February 2, 2010 and February 3, 2010

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In addition, PNC also incorporates by reference additional documents that we file with the SEC under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act between the date of this document and the date of the termination of the offer pursuant to this prospectus. These documents include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as well as proxy statements.

Notwithstanding the foregoing, PNC is not incorporating any document or information (other than Exhibit 99.1, Fourth Quarter and Full Year 2009 Earnings Release, to the first current report on Form 8-K that it furnished on January 21, 2010 and the current report on Form 8-K that it furnished on February 2, 2010) that it furnished rather than filed with the SEC.

Any statement contained in a document incorporated by reference, or deemed to be incorporated by reference, in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is incorporated by reference in this prospectus modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Statements contained in this prospectus supplement or the accompanying prospectus as to the contents of any contract or other document referred to in this prospectus supplement or the accompanying prospectus do not purport to be complete, and where reference is made to the particular provisions of such contract or other document, such provisions are qualified in all respects by reference to all of the provisions of such contract or other document. We will provide without charge to each person to whom a copy of this prospectus supplement and the accompanying prospectus has been delivered, on the written or oral request of such person, a copy of any or all of the documents which have been or may be incorporated in this prospectus supplement or the accompanying prospectus by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference in any such documents) and a copy of any or all other contracts or documents which are referred to in this prospectus supplement or the accompanying prospectus. You may request a copy of these filings at the address and telephone number set forth below.

In reviewing any agreements incorporated by reference, please remember they are included to provide you with information regarding the terms of such agreements and are not intended to provide any other factual or disclosure information about PNC. The agreements may contain representations and warranties by PNC or other parties, which should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate. The representations and warranties were made only as of the date of the relevant agreement or such other date or dates as may be specified in such agreement and are subject to more recent developments. Accordingly, these representations and warranties alone may not describe the actual state of affairs as of the date they were made or at any other time.

Documents incorporated by reference are available from PNC without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this document. You can obtain documents incorporated by reference in this document by requesting them in writing or by telephone at the following address:

The PNC Financial Services Group, Inc. One PNC Plaza 249 Fifth Avenue Pittsburgh, Pennsylvania 15222-2707 Attention: Shareholder Services Telephone: (800) 982-7652 Email: webqueries@computershare.com

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Summary

The following information about this offering summarizes, and should be read in conjunction with, the information contained in this prospectus supplement and in the accompanying prospectus, and the documents incorporated therein by reference.

About The PNC Financial Services Group, Inc.

PNC is one of the largest diversified financial services companies in the United States and is headquartered in Pittsburgh, Pennsylvania. PNC was incorporated under the laws of the Commonwealth of Pennsylvania in 1983 with the consolidation of Pittsburgh National Corporation and Provident National Corporation. Since 1983, we have diversified our geographical presence, business mix and product capabilities through internal growth, strategic bank and non-bank acquisitions and equity investments and the formation of various non-banking subsidiaries.

PNC and its subsidiaries have businesses engaged in retail banking, corporate and institutional banking, asset management, residential mortgage banking and global investment servicing, providing many of its products and services nationally and others in PNC s primary geographic markets located in Pennsylvania, Ohio, New Jersey, Michigan, Maryland, Illinois, Indiana, Kentucky, Florida, Missouri, Virginia, Delaware, Washington, D.C. and Wisconsin. PNC also provides certain investment servicing internationally. See further discussion below regarding the sale of our global investment servicing business.

PNC stock is listed on the New York Stock Exchange under the symbol PNC. As of December 31, 2009, PNC had total consolidated assets of approximately $269.9 billion, total consolidated deposits of approximately $186.9 billion and total consolidated shareholders equity of approximately $29.9 billion. PNC is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries. PNC s subsidiaries that operate in the banking and securities businesses can pay dividends only if they are in compliance with the applicable regulatory requirements imposed on them by federal and state bank regulatory authorities and securities regulators. PNC s subsidiaries may be party to credit or other agreements that also may restrict their ability to pay dividends. PNC currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect PNC s ability to service its own debt. PNC must also maintain the required capital levels of a bank holding company before it may pay dividends on its stock.

Under the regulations of the Federal Reserve, a bank holding company is expected to act as a source of financial strength for its subsidiary banks. As a result of this regulatory policy, the Federal Reserve might require PNC to commit resources to its subsidiary bank, even when doing so is not otherwise in the interests of PNC or its shareholders or creditors.

PNC s principal executive offices are located at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707, and its telephone number is 412-762-2000.

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Recent developments

Repurchase of outstanding TARP preferred stock

On December 31, 2008, we issued 75,792 shares of our Fixed Rate Cumulative Perpetual Preferred Shares, Series N (our Series N Preferred Stock) to the U.S. Department of the Treasury pursuant to a Letter Agreement dated December 31, 2008 and the Securities Purchase Agreement Standard Terms attached thereto for an aggregate purchase price of approximately $7.6 billion pursuant to the Department of the Treasury s TARP Capital Purchase Program. In connection with purchasing the Series N Preferred Stock, the Department of the Treasury also received a warrant to purchase 16,885,192 shares of our common stock at an initial per share exercise price of $67.33, subject to adjustment, which expires ten years from the issuance date, and we agreed to provide the Department of the Treasury with registration rights covering the warrant and the underlying shares of common stock.

As announced on February 2, 2010, we expect to redeem all 75,792 shares of our Series N Preferred Stock issued to the Department of the Treasury. We are not exercising our right to repurchase the related warrants at the time we redeem the Series N Preferred Stock. We will use the net proceeds from this offering together with the proceeds described below under Common stock offering and other funds, for the redemption of the Series N Preferred Stock. In connection with the redemption of the Series N Preferred Stock as approved by the Federal Reserve Board, we have agreed to undertake the common stock offering and to sell PNC Global Investment Servicing Inc., as described below under Pending sale of PNC Global Investment Servicing. We have also agreed that, if the sale of PNC Global Investment Servicing has not been completed by November 1, 2010, we will, on or before that date, raise approximately $700 million to $1.6 billion in additional Tier 1 common capital either through the sale of assets approved by the Federal Reserve and/or through the issuance of additional common stock.

In the period in which we repurchase the Series N Preferred Stock, we will accelerate the accretion of the issuance discount on the Series N Preferred Stock and record a corresponding reduction in retained earnings, resulting in a one-time, noncash reduction in the calculation of diluted earnings per common share (i.e., a reduction in net income available to common stockholders in an amount equal to the issuance discount accelerated). The issuance discount is due to the carrying value of the TARP preferred stock being at a discount to its liquidation value as a result of the initial recognition of TARP preferred stock and the related warrants based on their relative fair values at issuance. As of December 31, 2009, the amount of the issuance discount on the Series N Preferred Stock was $250.0 million.

Following the common stock offering and redemption of the Series N Preferred Stock, and taking into account the anticipated impact of the sale of PNC Global Investment Servicing, we expect that PNC s pro forma Tier 1 capital and Tier 1 common equity ratios as of December 31, 2009, would be 10.3% and 8.0%, respectively, based on the December 31, 2009 estimated ratios of 11.5% and 6.0%, respectively, contained in our earnings release (or 9.5% and 7.2%, respectively, without the impact of the sale of PNC Global Investment Servicing). Our pro forma capital and common equity ratios are forward-looking statements that are subject to assumptions, risks and uncertainties. See Cautionary statement regarding forward-looking statements.

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Pending sale of PNC Global Investment Servicing

On February 2, 2010, we announced that we had entered into a definitive agreement to sell PNC Global Investment Servicing Inc., a leading provider of processing, technology and business intelligence services to asset managers, broker-dealers and financial advisors worldwide, for $2.3 billion in cash. Upon completion of the sale, PNC expects to report an after-tax gain of approximately $500 million. PNC currently anticipates closing the transaction in the third quarter of 2010. Completion of the transaction is subject to regulatory approvals and certain other closing conditions.

Common stock offering

On February 2, 2010, we commenced a $3.0 billion common stock offering (the common stock offering), the net proceeds of which will be used in connection with the redemption of the Series N Preferred Stock. There can be no assurances that the common stock offering will be completed. The completion of this offering is not conditioned upon the completion of the common stock offering. This prospectus is not an offer to sell common stock; any offer to sell common stock will be made only by a separate prospectus.

Fourth quarter and full year 2009 financial results

On January 21, 2010, PNC reported its unaudited preliminary financial results for the full year and quarter ended December 31, 2009. PNC reported 2009 net income of $2.4 billion, or $4.36 per diluted common share, compared with 2008 net income of $914 million, or $2.44 per diluted common share. (Earnings results for 2008 do not include operating results for National City.) PNC also reported fourth quarter 2009 net income of $1.1 billion, or $2.17 per diluted common share, compared with net income of $559 million, or $1.00 per diluted common share, for the third quarter of 2009. PNC reported total consolidated assets of approximately $269.9 billion, total consolidated deposits of approximately $186.9 billion and total consolidated shareholders equity of approximately $29.9 billion, each as of December 31, 2009. For more details regarding our financial results, please see our Fourth Quarter and Full Year 2009 Earnings Release, which was furnished as Exhibit 99.1 to the first Current Report on Form 8-K furnished on January 21, 2010 and is incorporated herein by reference. The audit of our results for the year ended December 31, 2009 will not be completed until immediately prior to the filing of our Annual Report on Form 10-K for the year ended December 31, 2009.

The preliminary financial data referred to above has been prepared by, and is the responsibility of, PNC s management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Conflicts of interest

PNC Capital Markets LLC is an affiliate of PNC Funding Corp and The PNC Financial Services Group, Inc. The distribution arrangements for this offering comply with the requirements of Rule 2720 of the Conduct Rules of the Financial Industry Regulatory Authority (FINRA) regarding a FINRA member firm s participation in the distribution of securities of an affiliate. In accordance with Rule 2720, no FINRA member firm may make sales in this offering to any discretionary account without the prior approval of the customer. Our affiliates, including PNC Capital Markets LLC and other affiliates may use this prospectus supplement and the attached prospectus in connection with offers and sales of the senior notes in the secondary market. These affiliates may act as principal or agent in those transactions. Secondary market sales will be made at prices related to market prices at the time of sale.

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The offering

The following summary of the offering contains basic information about the offering and the terms of the senior notes. It is not intended to be complete, and it does not contain all the information that is important to you. For a more complete understanding of the senior notes, please refer to the section of this prospectus supplement entitled Certain terms of the senior notes and the section in the accompanying prospectus entitled Description of debt securities and guarantees.

Securities offered	3.625% Senior Notes due February 8, 2015 5.125% Senior Notes due February 8, 2020
Issuer	PNC Funding Corp
Guarantor	The PNC Financial Services Group, Inc.
Aggregate principal amount	2015 Notes: $1,000,000,000 2020 Notes: $1,000,000,000
Maturity date	2015 Notes: February 8, 2015 2020 Notes: February 8, 2020
Issue date	February 8, 2010
Issue price	2015 Notes: 99.900% plus accrued interest, if any, from and including February 8, 2010 2020 Notes: 99.861% plus accrued interest, if any, from and including February 8, 2010
Interest rate	2015 Notes: 3.625% annually 2020 Notes: 5.125% annually
Interest payment dates	Each February 8 and August 8, commencing August 8, 2010
Record dates	Each February 1 and August 1
Form	Fully-registered global notes in book-entry form

Denominations	$2,000 and integral multiples of $1,000 in excess thereof
Further issuance	The 2015 Notes will be limited initially to $1 billion in aggregate principal amount and the 2020 Notes will be limited initially to $1 billion in aggregate principal amount. PNC may, however, reopen each series of senior notes and issue unlimited principal amount of additional senior notes of that series in the future without the consent of the holders.
Use of proceeds	We estimate that the net proceeds of this offering will be approximately $1.99 billion, after deducting underwriting discounts and commissions and estimated expenses. We expect to use the net proceeds from the sale of the senior notes, together with the proceeds of the common stock offering described above under Summary Recent developments Common stock offering and other funds, to redeem all of our Series N Preferred Stock.
Risk factors	Investing in the senior notes involves certain risks. See page S-5.

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Risk factors

Your investment in the senior notes involves risks. This prospectus supplement does not describe all of those risks. Before purchasing any senior notes, you should carefully consider the following risk factors, which are specific to the senior notes being offered, as well as the risks and other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, including the discussions in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 and in our Annual Report on Form 10-K for the year ended December 31, 2008, including in the Risk Factors and Risk Management sections of those reports, as such discussions may be amended or updated in other reports filed by us with the SEC.

Our credit ratings are reviewed periodically and we could be subject to downgrades in the future.

Our credit ratings are an important factor in determining the cost and availability of short- and long-term funding, as well as collateral requirements for certain derivative instruments. In general, rating agencies base their ratings on many quantitative and qualitative factors, including capital adequacy, liquidity, asset quality, business mix and level and quality of earnings, and there can be no assurance that we will maintain our current credit ratings. In addition, ratings agencies have themselves been subject to scrutiny arising from the financial crisis and there is no assurance that rating agencies will not make or be required to make substantial changes to their ratings policies and practices or that such changes would not affect ratings of our securities or of securities in which we have an economic interest. Any decrease, or potential decrease, in credit ratings could impact access to the capital markets and/or increase the cost of debt, and thereby adversely affect liquidity and financial condition. Credit ratings as of December 31, 2009 for PNC and PNC Bank, N.A. are as follows:

	Moody s	**Standard & Poor s**	**Fitch**	**DBRS**
The PNC Financial Services Group, Inc.				
Senior debt	A3	A	A+	A (high)
Subordinated debt	Baa1	A-	A	A
Preferred stock	Baa2	BBB	A	
PNC Bank, N.A.				
Subordinated debt	A2	A	A	A (high)
Long-term deposits	A1	A+	AA-	AA (low)
Short-term deposits	P-1	A-1	F1+	R-1 (middle)

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Use of proceeds

We estimate that the net proceeds of this offering will be approximately $1.99 billion, after deducting underwriting discounts and commissions and estimated expenses. We expect to use the net proceeds from the sale of the senior notes, together with the proceeds of the common stock offering described above under Summary Recent developments Common stock offering and other funds, to redeem all of our Series N Preferred Stock.

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Certain terms of the senior notes

The senior notes offered by this prospectus supplement will be issued by PNC Funding under an Indenture dated as of December 1, 1991, among PNC, PNC Funding and The Bank of New York Mellon, which was formerly known as The Bank of New York, as successor to JPMorgan Chase Bank, which was formerly known as The Chase Manhattan Bank, as Trustee, as supplemented by a Supplemental Indenture dated as of February 15, 1993, a Second Supplemental Indenture dated as of February 15, 2000, a Third Supplemental Indenture dated as of December 19, 2008, a Fourth Supplemental Indenture dated as of December 19, 2008 and a Fifth Supplemental Indenture dated as of March 31, 2009. References to the Indenture in this section will mean the Indenture as so supplemented. The accompanying prospectus provides a more complete description of the Indenture. The senior notes will be Senior Debt Securities, as such term is defined in the accompanying prospectus. The following description of the particular terms of the senior notes supplements, and to the extent inconsistent therewith replaces, the description of the general terms and provisions of the Senior Debt Securities in the accompanying prospectus, to which description we refer you. The accompanying prospectus sets forth the meaning of certain capitalized terms used herein and not otherwise defined.

General

The 2015 Notes issued in this offering initially will be limited to $1,000,000,000 aggregate principal amount. The 2015 Notes will mature on February 8, 2015. The 2020 Notes issued in this offering initially will be limited to $1,000,000,000 aggregate principal amount. The 2020 Notes will mature on February 8, 2020. The senior notes may not be redeemed by PNC Funding or at the option of the holder prior to maturity. There is no sinking fund for the senior notes. The senior notes are not convertible into, or exchangeable for, equity securities of PNC or PNC Funding. The senior notes will rank equally with all of PNC Funding s other senior unsecured indebtedness. Based on our unaudited preliminary results as of December 31, 2009, PNC Funding had $7.7 billion of outstanding senior unsecured indebtedness.

The senior notes are not guaranteed under the Federal Deposit Insurance Corporation s Temporary Liquidity Guarantee Program.

Interest

The 2015 Notes will bear interest at the rate of 3.625% per annum. The 2020 Notes will bear interest at the rate of 5.125% per annum. Interest on the senior notes will accrue from and including February 8, 2010 and will be payable semi-annually in arrears on February 8 and August 8 of each year (each an interest payment date), commencing on August 8, 2010. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Interest on the senior notes will accrue from and including February 8, 2010, to, but excluding, the first interest payment date and then from, and including, the immediately preceding interest payment date to which interest has been paid or duly provided for to, but excluding, the next interest payment date or the maturity date, as the case may be. Each of these periods is referred to as an interest period for the senior notes. If an interest payment date or the maturity date for the senior notes falls on a day that is not a business day, PNC Funding will postpone the interest payment or the payment of principal and interest at maturity to the next succeeding business day, but the payments made on such dates will be treated as being made on the date that the payment was first due and the holders of the senior notes will not be entitled to any further interest or other payments with respect to such postponements.

When we use the term business day , we mean any day except a Saturday, a Sunday or a legal holiday in the City of New York or the City of Pittsburgh on which banking institutions are authorized or obligated by law, regulation or executive order to close. The interest payable on the senior notes on any interest payment date,

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subject to certain exceptions, will be paid to the person in whose name the senior notes are registered at the close of business on February 1 and August 1, whether or not a business day, immediately preceding the interest payment date. However, interest that PNC Funding pays on the maturity date will be paid to the person to whom the principal will be payable. Interest will be payable by wire transfer in immediately available funds in U.S. dollars at the office of the principal paying agent in New York, New York or at PNC Funding s option in the event the senior notes are not represented by Global Notes (as defined below) by check mailed to the address of the person specified for payment in the preceding sentences.

Guarantees

The senior notes are unconditionally guaranteed by PNC. The PNC guarantee of the senior notes will rank equally with the existing and future senior unsecured indebtedness of PNC. Based on our unaudited preliminary results as of December 31, 2009, the outstanding senior indebtedness of PNC was approximately $9.8 billion, which as of that date consisted of the guarantee of senior indebtedness of PNC Funding of $7.7 billion and $2.1 billion of senior indebtedness of National City, for which PNC became the obligor upon consummation of the merger with National City. The senior notes are not guaranteed by the subsidiaries of PNC. Because PNC is a holding company, the PNC guarantee is effectively subordinated to all indebtedness and other liabilities (including trade payables and deposits) of PNC s subsidiaries.

Further issuances

PNC Funding may from time to time, without the consent of the holders of the senior notes, create and issue further senior notes having the same terms and conditions as either series of the senior notes equal in rank to the senior notes offered by this prospectus supplement in all respects (or in all respects except for the payment of interest accruing prior to the issue date of the further senior notes or except in some cases for the first payment of interest following the issue date of the further senior notes). These further senior notes may be consolidated and form a single series with this series of the senior notes and will have the same terms as to status or otherwise as the senior notes.

Delivery and form

The senior notes will be represented by one or more permanent global certificates (each a Global Note and collectively, the Global Notes) deposited with, or on behalf of, The Depository Trust Company (DTC) and registered in the name of Cede & Co. (DTC s partnership nominee). The senior notes will be available for purchase in denominations of $2,000 and integral multiples of $1,000 in excess thereof in book-entry form only. Unless and until certificated senior notes are issued under the limited circumstances described in the accompanying prospectus, no beneficial owner of a senior note shall be entitled to receive a definitive certificate representing senior notes. So long as DTC or any successor depositary (collectively, the Depositary) or its nominee is the registered owner of the Global Notes, the Depositary, or such nominee, as the case may be, will be considered to be the sole owner or holder of the senior notes for all purposes of the Indenture. Beneficial interests in the Global Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may elect to hold interests in the Global Notes through DTC either directly if they are participants in DTC or indirectly through organizations that are participants in DTC, including Euroclear and Clearstream.

Clearance and settlement procedures

Initial settlement for the senior notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds.

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Certain United States federal income tax consequences

The following is a summary of certain United States federal income tax consequences of the acquisition, ownership and disposition of the senior notes by U.S. Holders (as defined below) and Non-U.S. Holders (as defined below), but does not purport to be a complete analysis of all the potential tax considerations. This summary is based upon the United States Internal Revenue Code of 1986, as amended (the Code), the Treasury Regulations (the Regulations) promulgated thereunder, and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change, possibly on a retroactive basis. This summary is limited to the tax consequences with respect to senior notes that were purchased by an initial holder at their original issue price for cash and that are held as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). This summary does not address the tax consequences to subsequent purchasers of the senior notes. This summary assumes that the senior notes will be treated as debt instruments for United States federal income tax purposes. This summary does not purport to deal with all aspects of United States federal income taxation that might be relevant to particular holders in light of their circumstances or status, nor does it address specific tax consequences that may be relevant to particular holders (including, for example, financial institutions, broker-dealers, traders in securities that elect mark-to-market treatment, insurance companies, partnerships or other pass-through entities, United States expatriates, tax-exempt organizations, U.S. Holders that have a functional currency other than the United States dollar, or persons who hold senior notes as part of a straddle, hedge, conversion or other integrated financial transaction). In addition, this summary does not address United States federal alternative minimum, estate and gift tax consequences or consequences under the tax laws of any state, local or foreign jurisdiction. We have not sought, and will not seek, any ruling from the Internal Revenue Service (the IRS) with respect to the statements made and the conclusions reached in this summary, and we cannot assure you that the IRS will agree with such statements and conclusions.

If a partnership holds senior notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership holding senior notes, you should consult your tax advisor.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS OF THE SENIOR NOTES ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE UNITED STATES FEDERAL INCOME TAXATION AND OTHER TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE SENIOR NOTES, AS WELL AS THE APPLICATION OF STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX LAWS.

For purposes of the following summary, a U.S. Holder is a beneficial owner of senior notes that is, for United States federal income tax purposes, (i) a citizen or individual resident of the United States; (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate, the income of which is subject to United States federal income tax regardless of its source; or (iv) a trust, if a court within the United States is able to exercise primary supervision over the trust s administration and one or more United States persons have the authority to control all of its substantial decisions or if a valid election to be treated as a United States person is in effect with respect to such trust. A Non-U.S. Holder is a beneficial owner of senior notes that is neither a U.S. Holder nor a partnership for United States federal income tax purposes.

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United States Federal Income Taxation of U.S. Holders

Payments of Stated Interest

Stated interest on a senior note will be taxable to a U.S. Holder as ordinary income at the time such interest is received or accrued, depending on the holder s regular method of accounting for United States federal income tax purposes.

Disposition of the Senior Notes

Upon the sale, exchange or other taxable disposition of a senior note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between (i) the sum of all cash plus the fair market value of all other property received on such disposition (except to the extent such cash or other property is attributable to accrued but unpaid interest, which is treated as interest as described above) and (ii) such holder s adjusted tax basis in the senior note. A U.S. Holder s adjusted tax basis in a senior note generally will equal the cost of the senior note to such holder. Any gain or loss recognized on the disposition of a senior note generally will be capital gain or loss, and will be long-term capital gain or loss if, at the time of such disposition, the U.S. Holder s holding period for the senior note is more than one year.

Backup Withholding and Information Reporting

For each calendar year in which the senior notes are outstanding, we generally are required to provide the IRS with certain information, including the beneficial owner s name, address and taxpayer identification number, the aggregate amount of interest paid to that beneficial owner during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to payments to certain types of U.S. Holders, including corporations and tax-exempt organizations, provided that they establish entitlement to an exemption.

In the event that a U.S. Holder subject to the reporting requirements described above fails to provide its correct taxpayer identification number in the manner required by applicable law, or underreports its tax liability, we, our agent or paying agents, or a broker may be required to backup withhold a tax at the current rate of 28% of each payment on the senior notes and on the proceeds from a sale of the senior notes. The backup withholding obligation, however, does not apply with respect to payments to certain types of U.S. Holders, including corporations and tax-exempt organizations, provided that they establish entitlement to an exemption.

Backup withholding is not an additional tax and may be refunded or credited against the U.S. Holder s United States federal income tax liability, provided that the required information is timely furnished to the IRS.

U.S. Holders should consult their own tax advisors regarding their qualifications for an exemption from backup withholding, and the procedure for establishing such exemption, if applicable.