



## **Disclosure Document for Financial Planning Services**

An Investment Advisory Service of  
PNC Investments LLC

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This brochure provides information about the qualifications and business practices of PNC Investments LLC and our Financial Planning Services. If you have any questions about the contents of this brochure, please contact us at (800) 762-6111. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

PNC Investments LLC, a registered broker-dealer and member of [FINRA](http://www.finra.org) and [SIPC](http://www.sipc.org), is a wholly owned subsidiary of PNC Financial Services Group, Inc. Additional information about PNC Investments LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

<b>Not FDIC Insured • Not Bank Guaranteed • May Lose Value</b>
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## **Material Changes**

This brochure is a new document prepared in accordance with the 2010 amendments to SEC Form ADV. It is materially different from our previous filings, and includes certain new information that our previous filings did not require.

In the future, this item will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. It will also reference the date of the last annual update of our brochure.

## Table of Contents

	<b>Page</b>
<b>1. Introduction .....</b>	<b>4</b>
<b>2. Advisory Services.....</b>	<b>4</b>
<b>3. Fees and Compensation .....</b>	<b>5</b>
<b>4. Performance-Based Fees and Side-by-Side Management.....</b>	<b>5</b>
<b>5. Types of Clients.....</b>	<b>5</b>
<b>6. Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>5</b>
<b>7. Disciplinary Information .....</b>	<b>5</b>
<b>8. Other Financial Industry Activities and Affiliations .....</b>	<b>6</b>
<b>9. Codes of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</b>	<b>7</b>
<b>10. Brokerage Practices.....</b>	<b>7</b>
<b>11. Review of Accounts.....</b>	<b>7</b>
<b>12. Client Referrals and Other Compensation .....</b>	<b>8</b>
<b>13. Custody.....</b>	<b>8</b>
<b>14. Investment Discretion .....</b>	<b>8</b>
<b>15. Voting Client Securities .....</b>	<b>9</b>
<b>16. Financial Information .....</b>	<b>9</b>

## **1. Introduction**

The PNC Financial Services Group, Inc. (“PNC”) is a diversified financial institution with assets of more than \$264 billion. With roots in commercial banking and investment management dating back to the early 1800s, it is one of the nation’s oldest and largest financial services companies. Through its wholly owned subsidiary, PNC Bank, National Association (“PNC Bank”), PNC offers regional banking accounts and services in 14 states and the District of Columbia. Through its wholly owned subsidiary, PNC Investments LLC (“PNC Investments”), a registered broker-dealer and member of FINRA and SIPC, the firm offers financial planning, retail brokerage and investment advisory services in the same 14 states and the District of Columbia. PNC Investments serves as sponsor or portfolio manager of wrap fee investment programs.

Throughout this document, the terms “client,” “you” and “yours” are used to refer to the individual(s), institution(s) or organization(s) who contract with us for the services described here. “PNC Investments,” “we,” “our,” “us” and “the firm” refer to PNC Investments LLC, together with our Affiliates, including but not limited to, The PNC Financial Services Group, Inc. and its agents with respect to any services provided by those agents. “Affiliate” means any entity that is controlled by, controls or is under common control with PNC Investments. Each Affiliate is a separate legal entity and not responsible for the obligations of any other Affiliate.

“Account” means any brokerage and/or advisory Account you open with us, including any and all mutual funds, exchange traded funds, money, securities, financial instruments and/or other property you have deposited with us. “Wrap Fee” refers to an Account that charges a quarterly or annual fee based on the average assets under management. The “Wrap Fee” covers administrative, commission, execution and management expenses. “Business Day” means Monday through Friday, excluding New York Stock Exchange holidays.

## **2. Advisory Services**

Certain Financial Advisors (“FAs”) provide financial planning services to existing and prospective PNC Investments clients based on information provided to us by those clients. If you contract with us for financial planning services, your FA may review your investment statements, tax returns and insurance policies, among other documents, but cannot and will not offer legal or tax advice. On the basis of the information you provide, your FA will help you develop a plan for achieving your financial objectives and will offer to help you implement your plan. The financial planning service is non-discretionary; our function is solely to make recommendations, and you are under no obligation to act upon our recommendations or to use PNC Investments products to implement the financial plan we provide. You may also elect to use our services for investment advice on a more limited basis. This may include advice on an isolated area of concern, such as retirement planning, education planning, insurance analysis, or stock options.

As sponsors of a variety of wrap fee advisory programs, we either organize and administer the program, or select and/or provide advice regarding the selection of other investment advisers in the program. Our role depends on how much discretion you grant us over your investment in the program. As the portfolio manager of a wrap fee program, we will work with you to

develop an initial investment strategy, provide ongoing counseling and continue to make recommendations regarding changes in strategy based on your financial position and investment objectives. We will provide you with a separate wrap fee brochure for all of the programs we recommend. The brochures contain detailed information about the strategy, risk profile and fees associated with the programs. You should read each brochure carefully before you invest, being aware that past performance is no guarantee of future results.

As of December 31, 2010, PNC Investments had \$2,389,196,945 of discretionary assets and \$1,381,021,253 of non-discretionary assets, for a total of \$3,770,218,198 in assets under management.

### **3. Fees and Compensation**

The fee for preparation of a financial plan is negotiable, depending on the complexity of the plan and the amount of time required to formulate it. Complex plans will result in higher fees. Since you are under no obligation to act on the recommendations in your plan, or to use PNC Investments products and services to implement it, you will incur no other fees or expenses for the plan. You will, however, be charged separately for any additional investment advisory services you engage us to provide. Review the individual wrap fee brochure for a detailed explanation of the fee structure of any investment advisory program you are considering.

### **4. Performance-Based Fees and Side-by-Side Management**

This item is not applicable to the financial planning services provided by the Firm.

### **5. Types of Clients**

PNC Investments generally provides financial planning services to individuals and high-net-worth individuals. The firm provides investment advice to individuals, high-net-worth individuals, banks and thrift institutions, pension and profit-sharing plans, charitable organizations and corporations.

### **6. Methods of Analysis, Investment Strategies and Risk of Loss**

This item is not applicable to the financial planning services provided by the Firm.

### **7. Disciplinary Information**

In 2009, FINRA cited PNC Investments for failure to have supervisory systems and procedures reasonably designed to achieve compliance with its suitability obligations relating to the sale of variable annuity contracts under FINRA rules. FINRA found (1) that PNC Investments failed to collect or record all the information necessary to assess suitability of variable annuity transactions; (2) that PNC Investments failed to give adequate guidance to supervisors regarding factors it identified as relevant to the suitability analysis; and (3) that PNC Investments failed to identify or investigate patterns of transactions involving guaranteed minimum income benefit riders. Without admitting or denying these findings, PNC Investments consented to a fine of \$250,000, to undertaking a comprehensive review of its policies and procedures concerning suitability of variable annuity transactions and to certify in writing to FINRA that we had conducted the review and put in place policies and procedures adequate to ensure compliance.

## 8. Other Financial Industry Activities and Affiliations

PNC Investments' principal business is that of a full-service general securities broker-dealer, registered with the U.S. Securities and Exchange Commission ("SEC"), and as a member of FINRA. Our primary retail brokerage activities include the sale of corporate equities, corporate debt, municipal securities and funds, including private placements of the aforementioned securities.

PNC Investments is affiliated with a number of other investment advisers and registered broker-dealers through our parent, The PNC Financial Group, Inc., including our parent's ownership interest in BlackRock Inc. Our Affiliates include:

- **PNC Capital Advisors LLC** is a wholly owned subsidiary of PNC Bank, and provides discretionary investment advisory services to registered investment companies, institutional Accounts and personal investment management Accounts.
- **PNC Realty Investors, Inc.** is an indirect, wholly owned subsidiary of The PNC Financial Services Group, Inc. and provides investment supervisory services to institutional investors regarding commercial real estate throughout the United States.
- **PNC Capital Markets, LLC** is an indirect, wholly owned subsidiary of The PNC Financial Services Group, Inc. and offers loan syndication, public finance underwriting and advisory services, securities underwriting and trading, private placements, asset securitizations and merger and acquisition advisory services.
- **Harris Williams LLC** is a subsidiary of The PNC Financial Services Group, Inc., and is one of the largest mergers and acquisitions advisory firms in the country focused exclusively on the middle market.
- **BlackRock Inc.** (BlackRock) is the largest publicly traded investment management firm in the United States. BlackRock manages assets on behalf of institutions and individuals worldwide, through a variety of equity, balanced, fixed income, cash management and alternative investment products. The PNC Financial Services Group, Inc. owns approximately 20% of BlackRock, and PNC Investments is indirectly affiliated with a significant number of BlackRock investment adviser and broker-dealer subsidiaries.

BlackRock's subsidiaries include State Street Research & Management Company, BlackRock Realty Advisors, BlackRock Advisors LLC, BlackRock Financial Management, Inc., BlackRock Institutional Management Corp., BlackRock International, Limited, BlackRock Capital Management, Inc., BlackRock Investments, Inc., BlackRock Investment Management LLC, BlackRock Capital Markets LLC, BlackRock Fund Advisors, BlackRock Execution, BlackRock Fund Distribution and BlackRock Kelso Capital Advisors.

- **PNC Insurance Services LLC** is a wholly owned subsidiary of PNC Bank and a licensed insurance agency. It provides a variety of insurance products and advice.

PNC Investments and/or our Affiliates may from time to time recommend transactions in which we or our affiliates act as an FA or a broker-dealer, or recommend investment in securities that are underwritten, issued, packaged or serviced by one of our Affiliates.

The wrap fee programs we and our FAs recommend may include investments in funds advised or serviced by one of more of our Affiliates, including BlackRock and PNC Capital Advisors, who receive compensation for their investment advisory services. The services they

provide and the fees associated with those services vary and are generally disclosed in each fund's prospectus. All such fees are paid directly by the fund and affect the fund's total return on investment. They may, therefore, reduce the total return of your investment in the fund.

## **9. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

PNC Investments has adopted a Code of Ethics, which consists of certain general principles including the following:

- Advisory personnel must place client interests before their own.
- The personal securities transactions of our personnel must avoid even the appearance of a conflict with client interests.
- Our personnel must avoid actions or activities that allow, or appear to allow, them to profit or benefit from their position with respect to clients, or that would otherwise bring into question their independence or judgment.

In addition, the Code of Ethics requires our employees to report their personal securities transactions and holdings. A copy of our Code of Ethics will be provided to any client or prospective client upon request.

Our employees are also subject to the PNC Employee Conduct Policies, which cover matters including compliance with law, conflicts of interest, insider trading, outside activities and safeguarding confidential information.

## **10. Brokerage Practices**

This item is not applicable to the Firm's financial planning activities. If as a result of your financial plan, you choose to invest in a wrap fee program sponsored by PNC Investments, you will generally pay a quarterly or annual fee for a suite of services, including advice, brokerage commissions and other transaction fees. There may be other fees and expenses that are not covered by the wrap fee charged for the program. You should refer to the individual wrap fee program brochure for further information about brokerage practices and any potential conflicts of interest that may be created before you invest in any program.

## **11. Review of Accounts**

When you open a wrap fee Program Account, we review and must approve your investment objectives and strategy for consistency with Program guidelines. Thereafter, we will review the Account with you on a transaction, monthly, quarterly or annual basis, as applicable, to monitor its performance, the appropriateness of the individual securities and funds in it, and any restrictions that might apply.

Your FA or one of our other representatives will contact you at least annually to determine whether there have been any material changes in your financial situation, investment objectives or instructions. We will also notify you in writing quarterly to contact us if there have been any changes in your financial situation, investment objectives or instructions, and you agree to inform us in writing of any such changes that might affect the manner in which

your assets should be invested. Your FA will act on any changes deemed material or appropriate as soon as practicable after we become aware of them.

Finally, your FA and any other representatives responsible for making investment decisions for your Account will be reasonably available to you for consultation about the Account.

## **12. Client Referrals and Other Compensation**

A portion of the fees charged for the services described in this brochure may be paid to your FA or other PNC Investments employees in connection with the introduction of Accounts, as well as for providing client-related services. This compensation may be more or less than an FA or other employee would receive if you paid separately for investment advice, brokerage and/or other services.

From time to time, PNC Investments initiates incentive programs for its employees. These programs include, but are not limited to, programs that compensate associates for attracting new assets and clients or referring business to our Affiliates (such as referrals for mortgages, trusts, or insurance services); programs that reward them for promoting investment advisory services, participating in advanced training and improving client service; and programs that reward employees who meet total production criteria.

FAs and other employees who participate in these incentive programs may be rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. These programs may be partly subsidized by external vendors or our Affiliates, such as mutual fund companies, insurance carriers or money managers. Therefore, our FAs and other employees may have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services that we offer.

Our supervisory procedures, the documentation supporting our sales process and our account review processes are all intended to ensure that you are sold investment products and services that meet your investment needs, and that decisions relating to your investments are independent of any such goals or incentives.

PNC Investments has related persons who are investment advisers who may act as general partners in partnerships in which our clients may be solicited. We would not have knowledge of such solicitations should they occur, and consequently, would not be a participant in them; nor would we receive any compensation for them.

## **13. Custody**

This item is not applicable to the Firm's financial planning activities. If you choose to invest in a wrap fee program, you should refer to the individual program brochure for further information about custody arrangements, custodial statements and the information those statements may contain.

## **14. Investment Discretion**

PNC Investments offers both discretionary and non-discretionary wrap fee programs. The discretionary authority which we, your FA or the investment manager you select has over the



investments in each Account is set forth in the Account Agreement you sign when you open the Account.

## **15. Voting Client Securities**

PNC Investments will not be required to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in your Account(s), except as provided for ERISA clients.

The Employee Retirement Income Security Act of 1974 (“ERISA”) is the federal law governing private pension plan administration and investment practices. “Plan” refers to any brokerage or advised Account opened or maintained by the sponsor of an ERISA Plan.

For ERISA clients, we are expressly precluded from taking any action or rendering any advice with respect to voting proxies solicited by or with respect to issuers of securities held in your Account, unless the Plan’s sponsor notifies us in writing that the Plan’s governing instruments require us to take responsibility for and authority to vote such proxies. Otherwise, our obligations with respect to any solicitation shall be limited exclusively to forwarding materials or other information regarding a solicitation that we receive from the issuer or third parties to the Plan’s sponsor within a reasonable period of time, and acting upon the express instructions of the Plan’s sponsor for any such proxy.

We vote proxies for certain other advisory programs in which we exercise discretion over the Accounts. In those cases, we have adopted proxy voting policies and procedures that describe our practices. Our proxy voting policies and procedures and a record of the proxies we vote on your behalf are available from your FA on request.

## **16. Financial Information**

In certain circumstances, registered investment advisers are required in this item to provide you with financial information or disclosures about their financial condition.

PNC Investments has no financial commitments that impair our ability to meet our contractual and fiduciary commitments to our clients, and has never been the subject of a bankruptcy proceeding.