

**CHARTER
OF THE
PERSONNEL AND COMPENSATION COMMITTEE
OF THE
BOARD OF DIRECTORS OF
THE PNC FINANCIAL SERVICES GROUP, INC.**

**AS APPROVED AND AMENDED BY THE BOARD OF DIRECTORS
ON FEBRUARY 14, 2006**

I. LEGAL OR OTHER REQUIREMENTS; AUTHORITY; MINIMUM MEMBERSHIP; MEMBERSHIP REQUIREMENTS; MINIMUM NUMBER OF MEETINGS

The corporate governance rules of the New York Stock Exchange (NYSE) require each listed company to have a compensation committee composed entirely of independent directors. The Committee is established pursuant to Article V, Section 1.4 of the By-Laws of The PNC Financial Services Group, Inc. (the "Corporation"). Committee members are appointed annually by the Board on the recommendation of the Nominating and Governance Committee and may be replaced by the Board. The Committee must have at least three members, all of whom must meet the independence requirements of the NYSE and any standards of independence as may be prescribed for purposes of any federal securities, tax or other laws relating to the Committee's responsibilities. No member of the Committee shall be an officer or former officer of the Corporation. The Committee Chairman shall be appointed by the Board on the recommendation of the Nominating and Governance Committee.

The Committee may also appoint a Secretary, who need not be a director, and may delegate to its Chairman or other persons such power and authority as the Committee deems to be appropriate, except such powers and authorities required by law to be exercised by the whole Committee or by a subcommittee of at least two members.

The Committee will meet as often as the Committee or the Committee Chairman determines, but not less frequently than four times each year.

II. PURPOSES OF THE COMMITTEE

The Committee's purpose is to discharge the Board's responsibilities relating to the compensation of the Corporation's executive officers and other specified responsibilities related to personnel and compensation matters affecting the Corporation.

III. RESPONSIBILITIES OF THE COMMITTEE

The following will be the common recurring activities of the Committee in carrying out its purposes. These activities are set forth as a guide with the understanding that the Committee may diverge from this guide as it considers appropriate in the circumstances.

- A. The Committee shall be responsible for reviewing and recommending to the Board the appointment of each officer who is to be designated by the Board as an executive officer of the Corporation for purposes of Section 16 of the Securities Exchange Act of 1934, as amended and such other executive positions as the members of the Committee may from time to time determine to be appropriate, and shall evaluate, and report to the Board on, the performance of each such officer on at least an annual basis.
- B. The Committee shall be responsible for periodically reviewing and evaluating the Corporation's executive management succession plan.
- C. The Committee shall review with the Chief Executive Officer and the Head of Human Resources the material criteria generally used in evaluating executive officer performance and the objectives and processes used in establishing appropriate executive officer compensation, retention, incentive, severance and benefit policies and programs. As part of this process, the Committee shall seek appropriate assurances from management that compliance with the Corporation's Code of Business Conduct and Ethics and diversity initiatives, as well as effective participation in risk management, are made important components of an executive officer's performance evaluation, as appropriate in light of his or her job responsibilities.
- D. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used by the Committee to assist it in the evaluation of Chief Executive Officer or executive compensation and shall have the sole authority to approve the consultant's fees and other retention terms with respect to such service to the Committee.
- E. The Committee shall annually review and approve corporate goals and objectives relevant to Chief Executive Officer compensation and shall evaluate, in consultation with the Board's other independent directors, the Chief Executive Officer's performance in light of those goals and objectives. The Committee shall determine and approve the Chief Executive Officer's compensation level based on this evaluation. In determining the long-term incentive component of Chief Executive Officer compensation, the Committee will consider such factors as the Corporation's performance and relative shareholder return, the value of similar incentive grants or awards to chief executive officers at comparable companies, and market practice.
- F. The Committee shall have the authority to determine and approve, for the Chief Executive Officer (in accordance with Section III E.) and the corporate executive group of the Corporation: (a) the annual base salary level; (b) the annual incentive opportunity level; (c) the long-term incentive opportunity level; (d) employment agreements, severance arrangements, and change in control agreements/provisions; (e) any perquisites or other in-kind benefits; and (f) any special or supplemental grants or awards.

- G. The Committee shall periodically review and shall have the authority to approve or make recommendations to the Board with respect to the adoption of or changes to employee benefit, bonus, incentive compensation, severance, equity-based or other compensation or incentive plans of the Corporation that require Committee, Board, or shareholder approval and, where legally required or as the Committee may otherwise determine, such plans of its subsidiaries and controlled affiliates. As appropriate in connection with this process, the Committee shall seek appropriate assurances from internal or external advisors that all compensation and perquisites are appropriate, legally permissible and, where required, properly disclosed to, or approved by, the Corporation's shareholders.
- H. The Committee shall review and assess on a periodic basis the Corporation's guidelines or policies regarding Corporation stock ownership by the Corporation's executive officers.
- I. The Committee shall perform such duties and responsibilities as may be assigned to the Committee under the terms of any executive compensation, incentive, equity-based or other plan.

The Committee shall:

- (a) Report regularly to the Board on its activities;
- (b) Maintain minutes of its meetings and records relating to those meetings and the Committee's activities;
- (c) Have authority to obtain advice and assistance from internal or external legal, compensation, accounting, or other advisors;
- (d) Form and delegate authority to subcommittees of one or more Committee members when appropriate and as permitted by law;
- (e) Review and reassess the adequacy of this Charter annually and recommend to the Board any proposed changes to this Charter; and
- (f) Conduct an annual evaluation of the Committee's performance.

IV. GENERAL

In performing their responsibilities, Committee members are entitled to rely in good faith on information, opinions, reports or statements prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the Committee member reasonably believes to be reliable and competent in the matters presented;

- (b) Counsel, independent auditors, compensation consultants, or other persons as to matters which the Committee member reasonably believes to be within the professional or expert competence of such person; or
- (c) Another committee of the Board as to matters within its designated authority which committee the Committee member reasonably believes to merit confidence.