

**NOTICE OF CLASS ACTION SETTLEMENT, SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS’ FEES AND REIMBURSEMENT OF ATTORNEY EXPENSES**

This notice advises you of the Settlement of *Ferguson, et al. v. BBVA Compass Bancshares, Inc., et al.*, Case No. 2:19-cv-01135-MHH (N.D. Ala.) (the “Action”), a class action lawsuit brought by Gloria Ferguson and Cassandra McClinton (“Plaintiffs”) on behalf of themselves, the Compass Bancshares SmartInvestor 401(k) Plan (the “Plan”), and the Members of the Settlement Class described below against PNC Financial Services Group, Inc. (“Defendant” or “PNC”) (collectively with Plaintiffs, the “Parties”), as successor in interest to BBVA Compass Bancshares, Inc. (“BBVA”). The Action was brought under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Settlement releases Defendant and related parties from any claims filed against it in the Action. The terms and conditions of the Settlement are set forth in a Stipulation of Settlement (the “Stipulation”). Capitalized terms used in this notice but not defined in this notice have the meanings assigned to them in the Stipulation. The Stipulation and additional information with respect to the Action and the Settlement are available at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com) or by contacting Class Counsel as described below.

The Parties have agreed to settle this case for \$6,100,000 (the “Settlement Amount”). The Court has preliminarily approved the Settlement, which provides for allocation of Settlement funds to Members of the Settlement Class.

The Court has scheduled a hearing concerning final approval of the Settlement and Class Counsel’s motion for attorneys’ fees and expenses and for compensation to the Plaintiffs. That hearing, before the Honorable Madeline H. Haikala, is scheduled on April 18, 2024, at 11:00 a.m. CST in Courtroom 7B at the Hugo L. Black United States Courthouse, 1729 5th Avenue North, Birmingham, AL 35203. If final approval is granted, the Settlement will bind you as a Member of the Settlement Class. You may appear at this hearing and/or object to the Settlement. Any objections to the Settlement or the motion for attorneys’ fees and expenses must be served in writing on Class Counsel. More information about the hearing and how to object is explained below.

**YOUR LEGAL RIGHTS WILL BE AFFECTED WHETHER OR NOT YOU TAKE ANY ACTION. READ THIS NOTICE CAREFULLY. PLEASE DO NOT CONTACT DEFENDANT OR THE COURT. THEY WILL NOT BE ABLE TO ANSWER YOUR QUESTIONS.**

| <b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>                                  |   |
|--|---|
| <b>You can do nothing.</b> (No action is necessary to receive an allocated payment.)     | If the Settlement is approved by the Court and you are a Member of the Settlement Class entitled to a payment under the Plan of Allocation, you do not need to do anything to receive a payment.                                |
| <b>You can submit an objection.</b> (It must be mailed and postmarked by April 4, 2024.) | If you wish to object to any part of the Settlement, you may write to Class Counsel and explain why, as described below.  |
| <b>You can appear and speak at the Fairness Hearing on April 18, 2024.</b>               | If you submit a written objection to the Settlement before the Court-approved deadline and a notice of intent to appear (as described below), you may (but do not have to) speak in Court about the fairness of the Settlement. |

- Your rights and options—and the deadlines to exercise them—are explained in this notice.
- Information concerning your individual share of the Net Settlement Fund, if any, will not be available for several months after the Court grants final approval of the Settlement and any appeals are resolved. Thank you for your patience.

## **SUMMARY OF CASE**

As described in more detail below and in Plaintiffs' Amended Complaint, this Action alleges that BBVA breached fiduciary duties owed to participants in and beneficiaries of the Plan during the Class Period. BBVA and Defendant, as successor in interest to BBVA, vigorously deny the allegations. A copy of the Stipulation of Settlement is available at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com).

## **SUMMARY OF SETTLEMENT**

The Stipulation provides that Defendant will pay or cause its fiduciary insurance carrier to pay \$6,100,000 in cash, which will be deposited into an account called the Settlement Fund. After payment of attorneys' fees and expenses, costs of notice, costs and expenses of an Independent Fiduciary, payments to the Plaintiffs, if any, and any excess fees and expenses related to administration of the Settlement, the amount remaining in the account shall constitute the Net Settlement Fund. The Net Settlement Fund will be allocated among Members of the Settlement Class according to a Plan of Allocation to be approved by the Court.

## **STATEMENT OF POTENTIAL OUTCOME OF THE ACTION**

Class Counsel believe that the claims against Defendant are well-grounded in law and fact and that breaches of fiduciary duty under ERISA occurred in this case. However, as with any litigated case, Members of the Settlement Class would face an uncertain outcome if the Action were to continue against Defendant. Continued litigation of the Action could result in a range of possible recoveries, including a judgment or verdict greater or less than the recovery under the Stipulation, or no recovery at all. Class Counsel also have taken into account the limited availability of insurance.

Class Counsel believe that this Settlement reflects a reasonable compromise in light of the range of possible outcomes. Class Counsel believe that the Settlement is preferable to continued litigation and is in the best interest of the Members of the Settlement Class because the Settlement provides certainty with respect to the amount of recovery and results in a prompt recovery.

Throughout this litigation, BBVA and Defendant have denied and continue to deny the claims and contentions alleged by Plaintiffs. Nevertheless, Defendant has concluded that it is desirable for the Action to be fully and finally settled as to it and the other Releasees on the terms and conditions set forth in the Stipulation.

The Court has not ruled in favor of either side. Both sides agreed to the Settlement to ensure a resolution and avoid the cost and risk of further litigation.

## **STATEMENT OF FEES AND EXPENSES INCURRED BY THE INDEPENDENT FIDUCIARY AND THE SETTLEMENT ADMINISTRATOR**

An Independent Fiduciary is evaluating the Settlement and will be asked to authorize the Settlement on behalf of the Plan. The fees and expenses incurred by the Independent Fiduciary (including fees and expenses incurred by consultants, attorneys, and other professionals retained or employed by the Independent Fiduciary) in the course of evaluating and authorizing the Settlement on behalf of the Plan will be paid from the Settlement Fund.

A Settlement Administrator has been engaged to mail the notice to the Members of the Settlement Class, administer the Settlement and allocate the Net Settlement Fund among Members of the Settlement Class. The fees and expenses for the Settlement Administrator will be paid from the Settlement Fund.

## **STATEMENT OF ATTORNEYS' FEES AND EXPENSES SOUGHT IN THE ACTION**

Class Counsel will submit a fee petition to the Court in which they will ask the Court to award them attorneys' fees, plus reimbursement of costs and expenses.

## QUESTIONS AND ANSWERS

### Why did I receive a notice in the mail?

You received a notice because you or someone in your family is or may have been a participant in or beneficiary of the Compass Bancshares SmartInvestor 401(k) Plan (the “Plan”) at some time between July 17, 2013 and **October 9, 2021**.

The Court ordered this notice to be sent to you because you have a right to know about the Settlement and all of the options available to you regarding the Settlement before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, the Net Settlement Fund will be allocated among Members of the Settlement Class according to a Court-approved Plan of Allocation.

The Court in charge of this case is the United States District Court for the Northern District of Alabama. The individuals who sued are called “Plaintiffs,” and the entity they sued is called the “Defendant.” The legal action that is the subject of this notice and the Settlement is titled *Ferguson, et al. v. BBVA Compass Bancshares, Inc., et al.*, Case No. 2:19-cv-01135-MHH (N.D. Ala.).

### What is the Action about?

The Action claims that BBVA was a fiduciary to the Plan and violated fiduciary duties under ERISA that it owed to the Plan’s participants and beneficiaries. Plaintiffs allege BBVA breached its fiduciary duties by failing to replace the SEI Stable Value Fund (“SEI SVF”) with another stable value option after removing the SEI SVF from the Plan, by failing to monitor the performance of the Plan’s money market option and replace it with a stable value option, and by utilizing an active management strategy for which the costs of the actively managed funds were not justified by returns. In the Amended Complaint, Plaintiffs have asserted causes of action for losses they contend were suffered by the Plan as the result of these alleged breaches of fiduciary duty by BBVA.

BBVA and Defendant PNC Financial Services Group, Inc., as successor in interest to BBVA, referred to as the “Defendant,” vigorously deny each and every allegation of wrongdoing made in the Amended Complaint and Defendant contends that it has no liability in the Action. Defendant specifically denies the allegations that BBVA breached any fiduciary duty or any other provisions of ERISA in connection with the SEI SVF, the monitoring and decision not to replace the Plan’s money market option, and the use of an active management strategy, and further denies that BBVA in any way failed to act prudently or loyally to the Plan’s participants and beneficiaries.

### Why is this case a class action?

In a class action, one or more plaintiffs called “Class Representatives” sue on behalf of a large number of people who have similar claims. All of the individuals on whose behalf the Class Representatives are suing are “Class Members.” One court resolves the issues for all Class Members. In its order setting the Fairness Hearing, the Court preliminarily certified the Settlement Class in the Action.

The Class Representatives in this Action, Gloria Ferguson and Cassandra McClinton, were participants in the Plan during the Class Period and are referred to as the “Plaintiffs.”

### **Why is there a Settlement?**

The Court has not reached any final decision in connection with Plaintiffs' claims against Defendant. Instead, Plaintiffs and Defendant have agreed to a Settlement. In reaching the Settlement, they have avoided the cost, risks, time, and disruption of prolonged litigation and trial.

Class Counsel believe that the Settlement is the best option for the Settlement Class Members, as described above in the section entitled "Statement of Potential Outcome of the Action." BBVA and Defendant have denied and continue to deny the claims and contentions alleged by Plaintiffs. Nevertheless, Defendant has concluded that it is desirable for the Action to be fully and finally settled as to it and the other Releasees on the terms and conditions set forth in the Stipulation and to avoid the cost and risk of further litigation.

### **How do I know whether I am part of the Settlement?**

The Court has conditionally certified that this Settlement shall proceed on behalf of everyone who fits the following description:

- (a) All persons, other than Defendant, who were participants as of July 17, 2013 in the Compass Bancshares SmartInvestor 401(k) Plan, including (i) beneficiaries of deceased participants who, as of July 17, 2013, were receiving benefit payments or will be entitled to receive benefit payments in the future, and (ii) alternate payees under a Qualified Domestic Relations Order who, as of July 17, 2013, were receiving benefit payments or will be entitled to receive benefit payments in the future; and (b) all persons, other than BBVA, who have been participants or beneficiaries in either the Plan and had account balances in the Plan at any time between July 17, 2013 through October 9, 2021.

The "Class Period" is defined as July 17, 2013 through October 9, 2021.

## **THE SETTLEMENT BENEFITS**

### **What does the Settlement provide?**

The Settlement provides that Defendant and/or Defendant's insurance carrier will deposit \$6,100,000 (the "Settlement Amount") into an account at a financial institution identified by Class Counsel, which shall constitute the Settlement Fund. The net amount of the Settlement Fund, after payment of Court-approved attorneys' fees and expenses, awards to the Plaintiffs, if any, fees and expenses incurred by the Independent Fiduciary, and any fees and expenses incurred by the Settlement Administrator, (the "Net Settlement Fund") will be allocated to the Members of the Settlement Class according to a Plan of Allocation to be approved by the Court if and when the Court enters an order finally approving the Settlement.

### **How much will my payment be?**

If you qualify, you will receive a *pro rata* share of the Net Settlement Fund. The Settlement payment is a compromise. It does not compensate participants for 100% of the losses alleged in the Action.

Class Counsel will file a detailed Plan of Allocation in advance of the Fairness Hearing. The Plan of Allocation will describe the manner in which the Net Settlement Fund will be distributed to Members of the Settlement Class. In general terms, the Plan of Allocation will provide that each Settlement Class Member's share of the Net Settlement Fund will be calculated as follows:

- (1) Calculate the sum of each Class Member's account balances for each year of the Class Period ("Balance");
- (2) Sum the Balance for all Class Members;
- (3) Allocate each Class Member a share of the Net Settlement Amount in proportion to the sum of that Class Member's balance as compared to the sum of the Balance for all Class Members, i.e., where the numerator is the Class Member's Balance and the denominator is the sum of all Class Members' Balances.

Those Members of the Settlement Class who are former participants and whose *pro rata* share is less than \$9.99 (the “*De Minimis* Amount”) shall have their *pro rata* share rounded up to \$9.99, and receive an allocation of \$9.99 from the Net Settlement Fund.

The Settlement Administrator will perform all calculations and determine your *pro rata* amount. The Settlement Administrator will have access to all available records, so you do not need to be concerned if you no longer have your account statements. The Court will be asked to approve the Plan of Allocation, a copy of which will be available along with other settlement documents at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com) after it has been filed.

#### **How can I get a payment?**

If the Settlement is given final approval, you will **not** have to do anything to get a payment from the Settlement if you are entitled to one under the Plan of Allocation.

#### **When will I get my payment?**

The balance of the Net Settlement Fund will be allocated to Members of the Settlement Class pursuant to the Plan of Allocation as soon as possible after final approval has been obtained for the Settlement, including any appeals. Final approval of the settlement may take months and any appeal of the final approval may take a year or more. Please be patient.

#### **There will be no payments if the Settlement is terminated.**

The Stipulation may be terminated on several grounds, which are described in the Stipulation. In the event any of these conditions occur, there will be no settlement payment made, and the litigation will resume.

#### **Can I opt out of the Settlement?**

No. In some class actions, class members have the opportunity to exclude themselves from the Settlement. This is sometimes referred to as “opting out” of the Settlement. Because of the legal issues involved in the Action, however, the class of participants affected by this Settlement has been preliminarily certified as a mandatory class. This means you cannot opt out of the benefits of the Settlement in order to pursue you own claims or for any other reason. **Therefore, you will be bound by any judgments or orders that are entered in this Action, and if the Settlement is approved, you will be deemed to have released Defendant from any and all claims that were or could have been asserted in this case on your behalf or on behalf of the Plans or that are otherwise included in the Release in the Settlement, other than your right to obtain the relief provided to you, if any, by the Settlement.**

Although you cannot opt out of the Settlement, you can object to the Settlement and ask the Court not to approve the Settlement, as described below.

### **THE LAWYERS REPRESENTING YOU**

#### **Do I have a lawyer in the Action?**

The Court has preliminarily designated Wiggins, Childs, Pantazis, Fisher & Goldfarb, LLC, the Law Office of Lange Clark, P.C., and the James White Firm, LLC as Class Counsel for the Settlement Class. If you want to be represented by your own lawyer, you may hire one at your own expense.

#### **How will the lawyers be paid?**

Class Counsel will file a petition for the award of attorneys’ fees and expenses by March 21, 2024, after which a copy will be posted at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com). This petition will be considered at the Fairness Hearing. Defendant has agreed not to oppose the amount of attorneys’ fees, costs, or expenses or any award to the Plaintiffs to the extent such fees, costs, expenses, and awards are consistent with the terms of the Stipulation.

Plaintiffs will also request a case contribution award from the Settlement Fund to compensate them for the time and effort they spent assisting with the investigation and prosecution of the case. Class Counsel will request that the Court approve case contribution awards of \$10,000 for each of the two Plaintiffs.

You have the right to object to this aspect of the Settlement even if you approve of the other aspects of the Settlement.

### **OBJECTING TO THE SETTLEMENT OR THE ATTORNEYS' FEES**

You can tell the Court that you do not agree with the Settlement or some part of it.

#### **How do I tell the Court that I object to the Settlement?**

If you are a Member of the Settlement Class, you can object to the Settlement if you do not agree with any part of it. You must give reasons why you think the Court should not approve the Settlement. The Court will consider your views. To object, you must send a letter or other written filing stating that you object to the Settlement to the address listed below. Be sure to include the following case caption and notation: “*Ferguson, et al. v. BBVA Compass Bancshares, Inc., et al.*, Case No. 2:19-cv-01135-MHH (N.D. Ala.) Objection to Class Action Settlement.” In addition, your objection must also include your name, address, telephone number, and physical signature and the reasons why you object to the Settlement. **Any objection must be physically signed by the Settlement Class Member even if an attorney is retained by the Settlement Class Member. Mail the objection to the address listed below, postmarked no later than April 4, 2024. You must mail your objection by this date. If you fail to do so, the Court will not consider your objections.** If you plan to speak at the Fairness Hearing, you must send a separate Notice of Intention to Appear along with your objection, as described below.

#### **CLASS COUNSEL**

D.G. Pantazis, Jr.  
Wiggins Childs Pantazis  
Fisher & Goldfarb  
301 19<sup>th</sup> Street North  
Birmingham, AL 35205

### **THE COURT'S FAIRNESS HEARING**

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but it is not necessary.

#### **When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Fairness Hearing to decide whether to approve the Settlement as fair, reasonable, and adequate. You may attend the Fairness Hearing, and you may ask to speak, but you do not have to attend. The Court will hold the Fairness Hearing on April 18, 2024 at 11:00 A.M. CST in Courtroom 7B at the Hugo L. Black United States Courthouse, 1729 5th Avenue North, Birmingham, AL 35203. If there are objections, the Court will consider them. After the Fairness Hearing, the Court will decide whether to approve the Settlement. The Court will also rule on the motion for attorneys' fees and expenses.

#### **Do I have to come to the hearing?**

No, but you are welcome to come at your own expense. If you send an objection, you do not have to attend the Fairness Hearing to voice your objection in person. As long as you mail your written objection on time, the Court will consider it when determining whether to approve the Settlement as fair, reasonable, and adequate. You also may pay your own lawyer to attend the Fairness Hearing, but attendance is not necessary.

### **May I speak at the hearing?**

**Only if** you have previously timely filed an objection to the Settlement, as detailed above, may you ask the Court for permission to speak at the Fairness Hearing. To speak at the hearing, you must send a letter or other paper called a “Notice of Intention to Appear at Fairness Hearing in *Ferguson, et al. v. BBVA Compass Bancshares, Inc., et al.*, Case No. 2:19-cv-01135-MHH (N.D. Ala.)” to Class Counsel at the address listed above. Be sure to include your name, address, telephone number, and physical signature. Your Notice of Intention to Appear must be postmarked no later than April 4, 2024.

### **IF YOU DO NOTHING**

### **What happens if I do nothing at all?**

If you do nothing and you are a Member of the Settlement Class and the Settlement is approved, you will participate in the Settlement of the Action as described in this notice.

### **GETTING MORE INFORMATION**

### **Are there more details about the Settlement?**

This notice summarizes the proposed Settlement. The complete Settlement is set forth in the Stipulation of Settlement. You may obtain a copy of the Stipulation of Settlement at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com).

### **How do I get more information?**

Class Counsel may be reached at:

(205) 314-0500  
D.G. Pantazis, Jr.  
Wiggins Childs Pantazis Fisher & Goldfarb  
301 19<sup>th</sup> Street North  
Birmingham, AL 35203

You may obtain a copy of the Stipulation of Settlement at [www.bbva401ksettlement.com](http://www.bbva401ksettlement.com).

Documents are also available at the office of the Clerk located at the Hugo L. Black United States Courthouse, 1729 5th Avenue North, Birmingham, AL 35203.