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**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

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CLERK, US DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE, FLORIDA

**David K. Parsons,
on behalf of himself and on
behalf of the Anheuser-Busch
Deferred Income Stock Purchase and
Savings Plan (For Employees Covered
by a Collective Bargaining Agreement),**

Plaintiffs

v.

Case No: 3:09-cv-584-J-25MCR

**Anheuser-Busch Companies, Inc. and
BNY Mellon, National Association,**

Defendants

COMPLAINT

Plaintiffs, David K. Parsons on behalf of himself and on behalf of the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan (For Employees Covered by a Collective Bargaining Agreement), sue defendants, Anheuser-Busch Companies, Inc. and BNY Mellon Bank, National Association, and allege as follows:

Introduction

1. This is a civil action under ERISA to recover losses and for other appropriate equitable and remedial relief under section 1132(a)(2) of Title 29 of the United States Code (section 502(a)(2) of ERISA) for imposition of liability under section 1109(a) of Title 29 of the United States Code (section 409(a) of ERISA) resulting from the breach of fiduciary responsibilities, obligations, and duties by

the defendants, Anheuser-Busch Companies, Inc. (hereinafter "Anheuser-Busch") and BNY Mellon Bank, National Association (hereinafter "Mellon").

2. Anheuser-Busch, as plan administrator, and Mellon, as trustee of plan assets, are named fiduciaries under the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan (For Employees Covered by a Collective Bargaining Agreement) (hereinafter the "Plan") and are also fiduciaries as defined by section 1002(21)(A) of Title 29 of the United States Code (section 3(21)(A) of ERISA).
3. Anheuser-Busch and Mellon breached their fiduciary responsibilities, obligations, and duties with respect to the Plan and the Plan's participants and beneficiaries in connection with the transfer and investment of the Plan's cash proceeds from the conversion of the Plan's common stock of Anheuser-Busch that resulted from the November 18, 2008 closing of Anheuser-Busch's acquisition by InBev N.V./S.A. (hereinafter "InBev"). Within a period of less than three days, the Plan suffered losses in excess of seven and one-half percent (7.5%) of the cash that was transferred and invested by Anheuser-Busch and Mellon into the Indexed Balanced Fund, a mixed index stock and bond fund managed in part by Mellon Capital Management Corporation, an affiliate of the trustee, Mellon. The loss to the Plan allocable to David K. Parsons (hereinafter "Parsons") exceeds twenty thousand dollars (\$20,000).

Parties, Jurisdiction, and Venue

4. Plaintiff, David K. Parsons, is an individual residing in St. Johns County, Florida who has been employed for over thirty (30) years by Anheuser-Busch.
5. The Anheuser-Busch Deferred Income Stock Purchase and Savings Plan (For Employees Covered by a Collective Bargaining Agreement) is an ERISA qualified defined contribution 401(k) plan with an employee stock ownership plan component which served to provide participants with beneficial ownership of Anheuser-Busch common stock.
6. Parsons has been a participant and beneficiary of the Plan since its beginning many years ago and may make this claim on behalf of himself and the Plan under section 1132(a)(2) of Title 29 of the United States Code (section 502(a)(2) of ERISA), as interpreted by the United States Supreme Court in *LaRue v. DeWolff, Boberg & Associates, Inc.*, 552 U.S. ___, 128 S.Ct. 1028 (2008) and the United States Court of Appeals for the Sixth Circuit in *Tullis v. UMB Bank, N.A.*, 515 F.3d 673 (6th Cir. 2008).
7. Defendant, Anheuser-Busch Companies, Inc. is a Delaware corporation authorized and registered to transact business in Florida, including operating a brewery in Jacksonville, Florida. Anheuser-Busch is the plan administrator of the Plan. On November 18, 2008, InBev, through the merger of its wholly owned subsidiary into Anheuser-Busch, acquired Anheuser-Busch with the former shareholders of the common stock of Anheuser-Busch receiving seventy dollars (\$70.00) per share of Anheuser-Busch common. Anheuser-Busch is the

surviving entity. According to Anheuser-Busch's definitive proxy filed with the Securities and Exchange Commission, approximately fifty four billion and eight hundred million dollars (\$54,800,000,000) in cash was needed to complete the acquisition. This made the InBev acquisition of Anheuser-Busch the largest cash acquisition of a publicly traded company in the history of the world.

8. Defendant, BNY Mellon Bank, National Association, which was formerly known as Mellon Bank, N.A., is a United States national banking association authorized to transact business in Florida, including having a sister national association with a branch in Jacksonville, Florida. Mellon is the trustee of the Master Defined Contribution Trust Agreement for Certain Defined Contribution Plans of Anheuser-Busch Companies, Inc. and Its Subsidiaries (hereinafter the "Trust Agreement"), whose assets included the cash proceeds from the acquisition of the Plan's common stock of Anheuser-Busch that resulted from the November 18, 2008 closing of its acquisition by InBev. Parsons is not aware of Mellon assigning its rights and obligations under the Trust Agreement to another affiliate.
9. Jurisdiction is proper in the United States District Court for the Middle District of Florida, Jacksonville Division, under section 1132(e)(1) of Title 29 of the United States Code (section 502(e)(1) of ERISA) and under section 1331 of Title 28 of the United States Code.
10. Venue is proper in the United States District Court for the Middle District of Florida, Jacksonville Division, under section 1132(e)(2) of Title 29 of the United

States Code (section 502(e)(1) of ERISA) and under section 1391(b)(3)-(c) of Title 28 of the United States Code because Anheuser-Busch may be found in Jacksonville, Florida, and Anheuser-Busch resides in Florida.

Background Facts

11. In a Form 11-k annual report filed with the Securities and Exchange Commission on September 29, 2008, the Plan reported that as of March 31, 2008 the value of its Anheuser-Busch common stock was \$1,815,855,755, when the closing price per share on that day was \$47.45. As of March 31, 2008, Mellon is believed to have held as Plan assets under the Trust Agreement more than thirty-eight million (38,000,000) shares of Anheuser-Busch common stock.
12. On July 13, 2008, Anheuser-Busch and InBev entered into a merger agreement that provided for payment of seventy dollars (\$70.00) per share of Anheuser-Busch common to Anheuser-Busch shareholders upon the closing of the merger. Anheuser-Busch and InBev announced the transaction that afternoon, July 13, 2008, in a joint press release.
13. On October 6, 2008, Anheuser-Busch filed with the Securities and Exchange Commission its definitive proxy on the InBev acquisition. The proxy was mailed to Anheuser-Busch shareholders on October 10, 2008. Anheuser-Busch set its shareholder meeting to vote on approving the merger for November 12, 2008. Anheuser-Busch shareholders approved the merger on November 12, 2008 and the transaction was closed on November 18, 2008. The cash proceeds were

delivered to the paying agent, BNY Mellon Shareholder Services, another affiliate of Mellon, and then paid to Mellon as trustee for the Plan assets, which had included the Anheuser-Busch common stock. The cash proceeds paid to Mellon as trustee for the Plan assets are believed to have been well in excess of two billion dollars (\$2,000,000,000).

14. Under section 4.5 of the Trust Agreement, Mellon "is a fiduciary with respect to management and control of the assets of the Master Trust Fund, . . . [and] shall discharge all of its duties and exercise all of its powers hereunder (i) solely in the interests of the participants and their beneficiaries under the Plans, (ii) for the exclusive purpose of providing benefits to such participants and beneficiaries and defraying reasonable expenses of administering the Plans, (iii) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man who is familiar with such matters would use in discharging such duties and exercising such powers, and (iv) in accordance with the documents and instruments governing the Plans."

15. Under section 2.2 of the Trust Agreement, Mellon shall with respect to the moneys and other property paid to it by Anheuser-Busch "hold, invest, reinvest, manage, administer and distribute such monies and other property and the increments, proceeds, earnings, and income thereof for the exclusive benefit of participants in the Plans and their beneficiaries." In addition under section 2.3 of the Trust Agreement, the assets of the Plan "shall be held by the Master Trustee [Mellon] in trust and dealt with in accordance with the provisions of this

Agreement and in accordance with ERISA and the [IRS] Code.” Further under section 2.5(a) of the Trust Agreement Mellon, “shall not make payments from the Master Trust Fund without the written direction of the Investment Committee [of Anheuser-Busch] or Plan Administrator [Anheuser-Busch], except as may otherwise be required by a court of competent jurisdiction or a trustee appointed by such court.” In summary, the Trust Agreement in section 3.1 requires that Mellon “shall perform all services under this Agreement consistent with the highest standards of its profession and in accordance with ERISA.” The Trust Agreement in section 12.14 confirms: “The Master Trustee [Mellon] retains sole and absolute discretion, control, and judgment in the manner and means of performing its duties and responsibilities under this Agreement except as provided herein.”

16. In particular with respect to the cash proceeds of the InBev acquisition, section 3.11(a) of the Trust Agreement provides: “The Plan Administrator [Anheuser-Busch] will ordinarily direct the Master Trustee [Mellon], in accordance with Plan participant instructions, as to the allocation among the Investment Funds of assets transferred to the Master Trust Fund. In the absence of directions from the Plan Administrator, the assets transferred from another funding medium of the Plan shall be invested by the Master Trustee. The Master Trustee shall, upon direction of the Plan Administrator, transfer assets from any one Investment Fund to any other Investment Fund.” Section 3.12 of the Trust Agreement provides that with respect to “any amount

received by the Master Trustee [Mellon] as a result of holding such Qualifying Employer Securities [Anheuser-Busch common stock] shall be invested and reinvested exclusively in Qualifying Employer Securities, except as otherwise provided herein. Notwithstanding the foregoing, the Master Trustee shall place amounts received by it for such Investment Funds in temporary investments if in the opinion of the Master Trustee market conditions are such that investment in Qualifying Employer Securities would be disruptive or could not be accomplished." Further, the Trust Agreement under section 4.4(c) requires that Mellon "shall at no time have uninvested cash in its custody in an amount greater than \$99.99; . . . The Master Trustee [Mellon] shall be responsible for investing all cash in its custody in short term Investment Vehicles selected and/or maintained by the Master Trustee for the number of calendar days such cash is available for investment." This section of the Trust Agreement defines those short-term investment vehicles as including direct obligations of the United States government, certificates of deposit with FDIC insured banks, A-1 or Prime-1 rated commercial paper, banker's acceptances, and obligations of States of the United States. Stocks and corporate bonds are not included.

17. The Plan itself in section 9.7 provides that with respect to the assets of the "Company Stock Fund" they "shall be invested by the Trustee [Mellon] only in Shares [of Anheuser-Busch]; . . . Cash contributions to the Company Stock Fund and any proceeds from any Shares held therein which were tendered or exchanged in a tender or exchange offer shall be applied by the Trustee to the

purchase of Shares or other Qualifying Employer Securities if such securities are available for purchase at a price determined to be appropriate by the Trustee . .

."

18. The Plan did not authorize Mellon or Anheuser-Busch to transfer and invest the Plan's cash proceeds resulting from the InBev acquisition into the Indexed Balanced Fund.
19. The Plan in sections 9.5 and 9.6 as amended by the sixth amendment allows a participant to give investment directions on transferring certain accumulated balances "by delivery of instructions to the Company [Anheuser-Busch] at the time and in the manner prescribed by the Company," including in the case of participants over fifty (50) years of age seeking to diversify his or her investment in Anheuser-Busch common in the Company Stock Fund.
20. The Plan did not provide for or authorize a default procedure for the transfer and investment of the Plan's cash proceeds resulting from the InBev acquisition into the Indexed Balanced Fund.
21. The Plan in section 9.4(c) as amended by the second amendment did provide for a default investment for certain contributions, which provided that if there were no investment direction on file by the participant, the contributions "shall be invested in the Short-Term Fixed Income Fund."
22. Anheuser-Busch has asserted that an important flyer was inserted with the quarterly statements mailed to Plan participants on October 28, 2008. A copy of the flyer Anheuser-Busch claims was mailed is attached to this complaint as

Exhibit A. The front of the flyer states in pertinent part: "Beginning now, you have an opportunity to make an election to reallocate the cash that will be in your 401(k) A-B Stock Fund after the InBev transaction. From now, through November 7, 2008*, you may visit the 401(k) Plan participant web site (www.ab401k.com) to make your allocation. . . . The Special Election will take effect up the liquidation of the A-B Stock Fund when the cash is deposited to your account. **If you do not make this Special Election to allocate your A-B Stock Fund to one or more of the remaining investment options during the window period described in #1 above, your balance in the A-B Stock Fund will be transferred to the Indexed Balanced Fund.**" The emphasis and asterisk are in the original with the description of the asterisk being: "This date may be later depending on the InBev merger transaction date. The window will remain open until approximately one week before the expected transaction date. Please check www.ab401k.com frequently for updates." The back of the flyer recommended: "We encourage you to review your allocations with a financial advisor and take this opportunity to make a special election to allocate your A-B Stock Fund balance and select appropriate investment elections." The flyer also stated "The allocation you make for the Special Election (#1 above) will not take place until the A-B Stock Fund is liquidated." Finally, the back of the flyer stated: "Any allocation defaulted to the Indexed Balanced Fund may be transferred at any time by visiting the web site. Check the web site frequently for news and updates regarding this transaction."

23. The flyer that Anheuser-Busch asserts was mailed on October 28, 2008 with the quarterly statements did not describe in any manner the investment securities contained in, the risks and returns associated with, and the manager, including fees and expenses, of the Indexed Balance Fund.
24. The Plan in section 9.13 as amended by the third amendment, effective February 1, 2004, generally describes the Indexed Balanced Fund as being comprised of a sixty/forty (60/40) mix of stocks and bonds comprised of "units of participation in two or more funds managed by an investment manager selected by the Company [Anheuser-Busch] from time to time." According to section 9.13 of the Plan as amended by the third amendment, the only exception to the above investments was "for interim investments of the type permitted by the Short-Term Fixed Income Funding pending investment." The January 1, 2008 summary plan description for the Plan describes the Indexed Balanced Fund as being comprised of portions of other funds for which Plan assets may be invested with the "primary objective of this fund is to achieve a total return that approximates the performance of a 60/40 mix of indexed stocks and bonds investments." According to the summary plain description, one of the investment managers for the Indexed Balance Fund was "Mellon Capital Management Corporation, an affiliate of the Trustee [Mellon]." In particular, according to the summary plan description, Mellon Capital Management Corporation was the investment manager for the Plan's Large Cap Stock Index Fund and the Plan's Mid/Small Index Fund, which comprise fifty

percent (50%) of the investments in the Indexed Balanced Fund. According to the summary plan description the "specific investments in the Indexed Balanced Fund are selected by Mellon Capital Management Corporation, affiliate of the Trustee [Mellon]," and the other investment manager. Mellon Capital Management Corporation was paid a management fee for managing the Indexed Balance Fund.

25. The Indexed Balanced Fund was much riskier in terms of volatility of principal and returns than the Short-Term Fixed Income Fund also offered by the Plan and described in the Plan's summary plan description as having a performance benchmark of the "90-day United States Treasury Bill." The summary plan description states the "primary objective of this [Short-Term Fixed Income] fund is to achieve a total return over any three-year period, which exceeds the performance of the average money market fund." The Plan in section 9.8 as amended by the third amendment describes the permissible investments for the Short-Term Fixed Income Fund as including obligations of the United States, savings and deposit accounts in national and state banks, fixed income debt obligations, that are highly rated by Standard & Poor's or Moody's and that have an expected maturity of three years or less. The investment manager of the Short-Term Fixed Income Fund has no known affiliation with Mellon.
26. On November 18, 2008, Anheuser-Busch and Mellon transferred \$271,024.21 of Parsons' allocated Plan cash proceeds resulting from the InBev

acquisition, which had been in the Company Stock Fund under the Plan, and invested the proceeds in the Indexed Balanced Fund. Parsons never authorized, instructed, directed, or gave permission to either Anheuser-Busch or Mellon to make the transfer or investment.

27. Between November 18, 2008 and November 20, 2008, the value of the Indexed Balanced Fund declined by more than seven and one-half percent (7.5%). The Plan's Large Cap Stock Index Fund and the Plan's Mid/Small Index Fund, which comprise fifty percent (50%) of the investments in the Indexed Balanced Fund are believed to have declined by more than twelve percent (12%) on November 19, 2008 and November 20, 2008.

28. Late in the afternoon of November 19, 2008, Parsons learned that InBev had acquired Anheuser-Busch. Parsons then accessed the Internet and learned his allocable Plan cash proceeds resulting from the InBev acquisition had been transferred and invested into the Indexed Balanced Fund without his knowledge or permission. Parsons immediately sought to transfer his allocable Plan assets into the Short-Term Fixed Income Fund and gave direction through the Internet on the early evening of November 19, 2008 at approximately 6:26 p.m. Parsons did not know of a loss as of that time because the balance shown on the Internet was \$271,024.21. The transfer of the Plan assets from the Indexed Balanced Fund to the Short-Term Fixed Income Fund was completed on the following day, November 20, 2008. Parsons learned that day, November 20, 2008, that his allocable Plan assets had declined by the time of the

completion of his directed transfer to the Short-Term Fixed Income Fund. Between November 18, 2008 and November 20, 2008, Parson's allocable Plan assets had lost in excess of twenty thousand dollars (\$20,000).

29. Pursuant to Plan procedure, Parsons sent Anheuser-Busch a claim letter dated November 30, 2008 because in Parsons' words Anheuser-Busch "transferred 100% of my proceeds from this acquisition by InBev into the 'Indexed Balanced Fund' without my authorization. . . I lost \$20,527.52 in two days due to Anheuser-Busch transferring my funds into a highly volatile 'Indexed Balance Fund'." Parsons requested "reimbursement of my \$20,527.52 into my 'Short Term Fixed Income Fund' and information on why Anheuser-Busch Plan Administrator made this transfer of my funds to the Indexed Balance Fund without my authorization."

30. In a letter dated January 30, 2009, Anheuser-Busch responded to Parsons, denied his claim, and stated that "information about the impact of InBev merger transaction on the A-B Stock Fund was communicated to participants in a number of ways," including the flyer allegedly mailed on October 28, 2008, an email on October 30, 2008, information of websites beginning on October 30, 2008, a notice on 401(k) online accounts beginning on October 27, 2008, and flyers provided to human resource representatives for posting on October 30, 2008. Anheuser-Busch confirmed that the online election window was only October 27, 2008 to November 7, 2008.

31. In Anheuser-Busch's January 30, 2009 response to Parsons it explained: "As a result of the merger, the 401(k) Plan was amended to eliminate the A-B Stock Fund as an investment option and to permit participants to designate which of the remaining funds any proceeds received in connection with the merger transaction were to be invested. For participants who did not designate an investment fund, the proceeds were invested in the Indexed Balanced Fund." "Since the Company Stock Fund was eliminated after the InBev transaction occurred, the cash proceeds could not remain in participants' accounts in that Fund." These statements by Anheuser-Busch were untrue as the Plan, as of June 3, 2009, has not been not amended to eliminate the Company (i.e. A-B) Stock Fund and the Company Stock Fund has not been eliminated. The cash proceeds resulting from the InBev acquisition could have remained in the Company Stock Fund. Mellon, in accordance with the Trust Agreement, was required to have invested the cash proceeds in the manner required under the Trust Agreement until such time as the Plan participants and beneficiaries gave direction or Anheuser-Busch followed applicable ERISA provisions relating to default investment alternatives.

32. Anheuser-Busch's January 30, 2009 response to Parsons also asserted that the "Indexed Balanced Fund was selected as the default investment because it is a diverse fund, investing in both stocks and bonds, and it satisfies the requirements for a 'qualified default investment alternative' under applicable guidance issued by the Department of Labor." Any attempted use of the

Indexed Balanced Fund purportedly as a qualified default investment alternative was not in compliance with the applicable regulation, section 2550.404c-5 of Title 29 of the Code of Federal Regulations, because reasonable notice of a default investment alternative was not given, there was a limited election window to direct a transfer other than to the Indexed Balanced Fund, and there was never any description of the Indexed Balanced Fund in the flyer, including its objectives, its risks and returns, and fees and expenses as required by the regulation. Further, participants in the Plan were not exercising control within the meaning of section 1104(c) of Title 29 of the United States Code (section 404(c) of ERISA) over the transfer and investment by Anheuser-Busch and Mellon of the allocable Plan cash proceeds resulting from the InBev acquisition in part because timely notice with sufficient investment information was not given to Plan participants and there was no compliance with section 2550.404c-1 of Title 29 of the Code of Federal Regulations.

33. Finally, Anheuser-Busch's January 30, 2009 response to Parsons after denying his claim asserted: "Our determination is consistent with the manner in which similar situations have been handled."

34. On February 5, 2009, Parsons, through counsel, sent an appeal letter approved in writing by Parsons, asserting in pertinent part:

The trustee, Mellon Trust, and the Plan Investment Committee knew of the material terms of the InBev Acquisition since mid July 2008. According to your January 30, 2008, the first time that any of the participants in the Plan who had contributions invested in the Company Stock Fund, i.e. Anheuser-Busch common, were informed of a limited election option was on or after October 27, 2008. This was

more than three months after the execution of the acquisition agreement and three weeks after the definitive proxy on the acquisition, which was a fixed cash transaction. And when the plan participants were informed of a limited election option it was for an election window of only ten or eleven days between October 27, 2008 to November 7, 2008.

No explanation is given in your letter for the over three-month delay in informing participants of the limited election option. There is also no explanation in your letter for the window, which expired more than ten days before the acquisition was consummated on November 18, 2008.

It appears that the Anheuser-Busch common held in the Company Stock Fund was a significant portion of the outstanding Anheuser-Busch common. This means that providing advance notice of election rights regarding the manner and procedure of investment of the proceeds of the acquisition should have been the most important issue dealt with by Mellon Trust, as trustee, and the Plan Investment Committee with respect to the impact of the acquisition on the participants of the Plan who had investments in the Company Stock Fund. It also likely means that the costs associated with giving direct individual notice to participants concerning election rights were essentially immaterial in relationship to the cash dollar amounts paid for Anheuser-Busch common held in the Company Stock Fund to the participants at the closing of the InBev acquisition on November 18, 2008. In the case of Mr. Parsons, there were approximately 3,870 shares in of Anheuser-Busch common held in the Company Stock Fund on his behalf at the time of closing of the acquisition. This means that the cost of a direct individual notice to Mr. Parsons most likely would have been considerably less than the annual dividend for one of those shares.

As best I can understand your January 30, 2009 letter, you appear to be claiming that the only notice of the limited election option window that may have went to Mr. Parsons was an "informational flyer was inserted with the quarterly account statements that were mailed to all Plan participants by ING on October 28." Your letter did not include a copy of the flyer and Mr. Parsons does not have it and cannot recall seeing it. The other notices mentioned in your letter were electronic ones, which Mr. Parsons did not receive. No explanation is given in your letter as to why a letter was not sent to Mr. Parsons explaining to him the decision, presumably of the trustee, Mellon Trust, and the Plan Investment Committee that it would be

investing the cash proceeds from the acquisition into the Indexed Balanced Fund and that Mr. Parsons had a window of only a few days to elect out of the Indexed Balanced Fund.

Nor does your letter give any explanation for the decision of the trustee, Mellon Trust, and the Plan Investment Committee to utilize the Indexed Balanced Fund as the default fund other than it being a diverse fund. Diversification in a mixed equity and aggregate bond fund still entails a much greater degree of risk than that found in the Short Term Fixed Income Fund, which according to the SPD had as its performance benchmark "the 90-day United States Treasury Bill." In addition broad equity and aggregate bond market indices for the period of September through November 2008 showed a markedly increase in volatility. The declination in the indexes over this time period is also a historical fact.

For a period of more than three months all of the participants in the Plan that had their investments in the Company Stock Fund were expecting a cash payment if the acquisition were consummated. Many of the participants who were over age 50, including Mr. Parsons, had the opportunity to move those investments into an equity fund, or into a mixed equity and aggregate bond fund, during that three month period but chose not to do so. It is difficult to understand given the above information why Mellon Trust, as trustee, and the Plan Investment Committee would select the riskier Indexed Balanced Fund over the Short Term Fixed Income Fund as the default investment for the cash proceeds when the acquisition closed on November 18, 2008.

In our view, the failure to provide adequate notice to Mr. Parsons of the limited election option window and the selection of the Indexed Balanced Fund as the default were in breach of the fiduciary duties of Mellon Trust and the Plan Investment Committee.

It should also be noted that Mellon Trust presumably financially benefited from inadequate notice and the selection of the Indexed Balanced Fund because an affiliate of Mellon Trust, Mellon Capital Management Corporation, is one of the investment managers of the Indexed Balanced Fund, while it is not an investment manager of the Short Term Fixed Income Fund according to the SPD. In addition, a Mellon affiliate, BNY Mellon Shareholder Services was the paying agent for the distribution of the cash proceeds from the InBev acquisition. The total payments to Mellon affiliates with respect to the investment and distribution of the cash proceeds of Mr. Parsons'

Anheuser Busch common into the Indexed Balanced Fund may have exceeded the cost of a direct individual notice to Mr. Parsons of election rights regarding the manner and procedure of investment of the proceeds of the acquisition.

Mr. Parsons in the brief time period between November 19, 2008 to November 20, 2008 lost over \$20,000 due to the imprudent actions of Mellon Trust, as trustee, and the Plan Investment Committee. I have enclosed the copies of the statements for your convenient reference. Mr. Parsons should be reimbursed these losses.

Please provide me with copies all documents that were referenced in your letter. Also please provide me with copies of all documents that relate to: (1) the consideration and denial of Mr. Parsons' claim; (2) available to be provided to Mr. Parsons under page 29 of the SPD while appealing the denial of his claim; (3) the selection of the Indexed Balanced Fund as the default; (4) the decision to offer only a limited election option window; (5) the notices to participants of the limited election option window; (6) the payments to Mellon Capital Management Corporation, as investment manager for the Indexed Balanced Fund; (7) the payments to BNY Mellon Shareholder Services, as paying agent on the InBev acquisition; and (8) the statement in your letter that "[o]ur determination is consistent with the manner in which similar situations have been handled." Also, please send me a copy of the entire plan document, including amendments, and trust agreement of the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan. Please also include all of these documents in the administrative record as Mr. Parsons desires that it be as complete as possible.

35. Anheuser-Busch failed to promptly provide Parsons with the documents requested in his February 5, 2009 appeal letter in violation of section 19.6(d) of the Plan as amended by the second amendment and section 2560.503-1(h)(2) of Title 29 of the Code of Federal Regulations.
36. Four months after Parsons' February 5, 2009 appeal letter, in a letter dated June 3, 2009, Anheuser-Busch responded to Parsons' appeal letter by sending a letter to Parsons directly without copying his counsel. The June 3, 2009 letter,

a copy of which is attached to this complaint as Exhibit B, denied Parsons' appeal and cited to the section of the Plan reciting no liability for the fluctuation in the value of various funds. The June 3, 2009 letter from Anheuser-Busch also included the documents that Anheuser-Busch deemed responsive to Parsons' request for documents. In particular, with respect to documents relating to "the selection of the Indexed Balanced Fund as the default," "the decision to offer only a limited election option window," and "the notices to participants of the limited election option window," the June 3, 2009 letter stated: "Nothing written regarding decision to offer limited election window (kind of dictated by the circumstance surrounding the change in control; no one knew for certain what day it would occur – Important Information flyer inserted with the quarterly statements mailed to participants' homes October 28 which includes information timeframe and default fund."

37. Anheuser-Busch failed to provide a single document concerning the decision to offer only a limited election window and the selection of the Indexed Balanced Fund as a default investment for over two billion dollars (\$2,000,000,000) in cash proceeds expected to be deposited with Mellon as Plan assets as the result of the InBev acquisition announced on July 13, 2008.

38. Parsons has exhausted all administrative remedies.

Breach of Fiduciary Responsibilities, Obligations, and Duties under ERISA

39. Under section 1104(a)(1) of Title 29 of the United States Code (section 404(a)(1) of ERISA), in general, Anheuser-Busch and Mellon were required to

discharge their fiduciary duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, by diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, and in accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the provisions of ERISA.

40. Under section 1109(a) of Title 29 of the United States Code (section 409(a) of ERISA), a plan fiduciary who breaches any of the responsibilities, obligations, or duties imposed under ERISA shall be personally liable to make good to such plan any losses to the plan resulting from such breach, and shall be subject to such other equitable or remedial relief as the court may deem appropriate.

41. Under section 1105(a) of Title 29 of the United States Code (section 405(a) of ERISA), a plan fiduciary is liable for a breach of fiduciary responsibilities of another plan fiduciary if he knowingly participates in an act that is a breach, by failure to comply with his fiduciary responsibilities in the administration of his specific responsibilities he has that enable such other fiduciary to commit a breach, or has knowledge of the breach of such other fiduciary and fails to make reasonable efforts to remedy it.

42. Under section 1132(a)(2) of Title 29 of the United States Code (section 502(a)(2) of ERISA), individual participants on behalf of themselves and on

behalf of the Plan have a remedy for recovery of losses and other appropriate equitable and remedial relief against fiduciaries who breach their responsibilities under section 1109(a) of Title 29 of the United States Code (section 409(a) of ERISA).

43. Anheuser-Busch with little or no thought and no documentation elected on its own accord to take the Plan's cash proceeds from the InBev transaction and transfer and invest them into the Indexed Balanced Fund at a time when the equity and bond markets in the United States were experiencing the greatest volatility in their history.
44. Under the Trust Agreement the Plan's cash proceeds resulting from the InBev acquisition of Anheuser-Busch common stock were required by the Trust Agreement to have been invested by Mellon in temporary short-term investment vehicles including direct obligations of the United States government, certificates of deposit with FDIC insured banks, A-1 rated commercial paper, banker's acceptances, and obligations of States of the United States. Stocks and corporate bonds are not included. The only Plan fund that reasonably could come close to the Trust Agreement's required investment of the cash proceeds was the Short-Term Fixed Income Fund also offered by the Plan and described as having a performance benchmark of the "90-day United States Treasury Bill" with returns similar to money market funds.
45. Anheuser-Busch and Mellon knew for months that upon closing the InBev acquisition, the Plan would likely be receiving cash proceeds in excess of two

billion dollars (\$2,000,000,000). Anheuser-Busch should have provided Plan participants with adequate notice and sufficient information well in advance of the Plan's and trust's receipt of the cash proceeds in order for Plan participants to have the opportunity and the sufficient information necessary for self-direction, including consulting financial advisors, as to the transfer and investment of the cash proceeds into the alternative funds under the Plan. The notice allegedly provided by Anheuser-Busch was tardy because it was too short a time period for a Plan participant to have a reasonable opportunity to consult with his or her financial advisors. The alleged notice also lacked necessary information concerning the investment fund alternatives, including historical returns and their relationship to any benchmark index, and management and investment related fees and expenses. The selection and use of the Indexed Balance Fund as a default fund was not in compliance with the guidance set forth in ERISA, including section 1104(c)(5) of Title 29 of the United States Code (section 404(c)(5) of ERISA) and its regulation, section 2550.404c-5 of Title 29 of the Code of Federal Regulations.

46. Mellon knew or should have known that Anheuser-Busch had failed to provide such adequate, sufficient, and necessary notice and information to Plan participants and that any direction by Anheuser-Busch to Mellon to transfer and invest the Plan's cash proceeds from the InBev acquisition based upon Anheuser-Busch's alleged notice and information sent to Plan participants was insufficient as a basis for Mellon to transfer and invest the cash proceeds into

the Indexed Balance Fund under the terms of the Trust Agreement, all of which enabled Anheuser-Busch to breach its fiduciary responsibilities, obligations, and duties.

47. For the reasons described in the preceding four paragraphs of this complaint, Anheuser-Busch and Mellon breached their fiduciary responsibilities, obligations, and duties with respect to the Plan and Parsons in violation of ERISA.

48. The Plan, including the allocable amount as to Parsons, has suffered losses due to the breach of fiduciary responsibilities, obligations, and duties by Anheuser-Busch and Mellon. Parsons' loss on his own behalf through the declination in allocable Plan assets exceeds twenty thousand dollars (\$20,000). Parsons does not know the amount of the total losses to the Plan.

49. Anheuser-Busch and Mellon should be required by this Court to make good to the Plan, including recovery of the allocable loss amount to Parsons, of all losses to the Plan resulting from their breach of fiduciary responsibilities, obligations, and duties, and should be subject to such other equitable or remedial relief as this Court may deem appropriate.

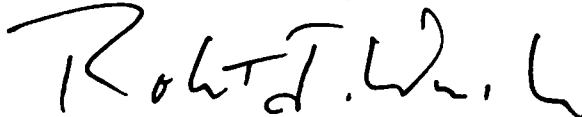
50. Under section 1132(g) of Title 29 of the United States Code (section 502(g) of ERISA), this Court in its discretion may award a reasonable attorney's fees and costs to plaintiffs after they prevail in this action. Plaintiffs have retained counsel to represent them in this litigation and have become obligated to pay attorney's fees and costs.

51. Copies of this complaint are being sent by certified United States Mail to the United States Secretary of Labor and the United States Secretary of the Treasury in accordance with section 1132(h) of Title 29 of the United States Code (section 502(h) of ERISA).

52. All conditions precedent to bringing this action have been fulfilled.

WHEREFORE, plaintiffs, David K. Parsons on behalf of himself and on behalf of the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan (For Employees Covered by a Collective Bargaining Agreement), requests the Court hold liable defendants, Anheuser-Busch Companies, Inc. and BNY Mellon Bank, National Association, for the losses caused by them, and provide a recovery of such losses to Parsons and the Plan, together with prejudgment interest, a reasonable attorney's fees and the costs of this action and such other equitable and remedial relief as is appropriate.

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Attorneys for Plaintiffs

Dated: June 23, 2009

EXHIBIT A

Important Information

for Participants in the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan ("401(k) Plan") Concerning your 401(k) Plan Account, the A-B Stock Fund, and the Pending InBev Transaction

Overview

Once the pending transaction with InBev is closed, the A-B Stock Fund will be converted to cash at \$70 per share and all accounts in the 401(k) Plan will be fully vested. This is not a distribution event – all funds remain in the 401(k) Plan and continue to be subject to the withdrawal and distribution rules of the Plan and the IRS.

Accordingly, we need to know how you wish to allocate the cash that will be in your account after the pending InBev transaction occurs and the A-B Stock Fund is liquidated. In addition, after the pending transaction with InBev is approved and the A-B Stock Fund is no longer available as an investment in the Plan, we also will need to know how to allocate future Company Match and your future contributions.

Participant Actions

We are asking you to make two separate elections: #1 - before the transaction and #2 - after the transaction is complete.

#1. Special Election before the transaction occurs

Special Election to direct investment of A-B Stock Fund cash proceeds:

Beginning now, you have an opportunity to make an election to reallocate the cash that will be in your 401(k) A-B Stock Fund after the InBev transaction.

From now, through November 7, 2008*, you may visit the 401(k) Plan participant web site (www.ab401k.com) to make your allocation election. Upon logging into your account, you will see a message directing you to a screen to make your Special Election. The Special Election will take effect upon the liquidation of the A-B Stock Fund when the cash is deposited to your account.

If you do not make this Special Election to allocate your A-B Stock Fund to one or more of the remaining investment options during the window period described in #1 above, your balance in the A-B Stock Fund will be transferred to the Indexed Balanced Fund.

If you do not have access to a computer there are paper forms available to make the Special Election. To obtain a form, or if you have questions, please contact the A-B Human Resources Service Center at 1-800-952-7522.

**This date may be later depending on the InBev merger transaction date. The window will remain open until approximately one week before the expected transaction date. Please check www.ab401k.com frequently for updates.*

continued

#2. Election after the transaction occurs and the A-B Stock Fund is no longer available. Company Match or allocation of your contributions into the A-B Stock Fund will be defaulted to the Indexed Balanced Fund until you make the election described below:

Future Employee Contribution and Future Company Match investment elections:

Under current plan rules you have the ability to make separate investment elections for each money type (i.e., before-tax matched, before-tax unmatched, after-tax matched and after-tax unmatched). Because the A-B Stock Fund will no longer be offered as an investment, we encourage you to review and update all investment elections for contributions made after the merger date. To do this, go to the "Manage Investments" section of the participant web site. Select "Change Elections" and you may elect the same allocations across all money types or make separate allocation elections for each individual money type. All contribution investment election changes will take effect the next business day. If you want to continue to invest in the A-B Stock Fund until the fund is no longer available, you should wait until after the InBev merger date to change your contribution investment elections.

Upon completion of the InBev merger, the "Change Elections" screen in the "Manage Investments" section of the participant web site will be changed to allow you to direct how you want your future Company Matching contributions to be invested.

If you do not make changes to your contribution investment elections described in #2 above after the transaction occurs, any contribution investment election percentage allocated to the A-B Stock Fund after the merger, including Company Match, will be defaulted to the Indexed Balanced Fund.

Summary & Key Reminders

- We encourage you to review your allocations with a financial advisor and take this opportunity to make a special election to allocate your A-B Stock Fund balance and select appropriate investment elections.
- Visit www.ab401k.com to log in to your account and make these important elections.
- The allocation you make for the Special Election (#1 above) will not take effect until the A-B Stock Fund is liquidated.
- When you update your Future Contributions on the participant web site (#2 above), the change will become effective on the next business day.
- Any allocation defaulted to the Indexed Balanced Fund may be transferred at any time by visiting the web site. Check the web site frequently for news and updates regarding this transaction.

EXHIBIT B



*One Busch Place
St. Louis, Missouri
63118-1852
tel: (314) 577-2000*

June 3, 2009

Mr. David Parsons

[REDACTED]
Ponte Vedra Beach, FL [REDACTED]

Dear Mr. Parsons:

The Stock Plans Appeal Committee has reviewed your request for reimbursement for a claimed investment loss under the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan (For Employees Covered by a Collective Bargaining Agreement) (401(k) Plan). After reviewing the attached documents, the information you provided and other relevant information, the Committee has denied your appeal.

The Committee's decision was based on the following information from A-B's records and the following provision of the 401 (k) Plan in effect:

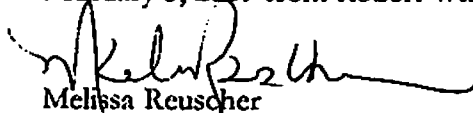
Plan Provision:

- Section 10.7 of the 401(k) Plan provides as follows: No Liability for Fluctuation in Value. The benefits provided by this Plan shall be payable solely from the Fund. Each Participant and all persons who may derive rights under this Plan through or from a Participant are hereby charged with actual notice that all Accounts will increase or decrease in value from time to time as the assets of the Fund fluctuate in value. The fact that a particular amount was credited to a Participant's Account at some time is no assurance that such amount will ultimately be distributable hereunder and neither the Company, any Participating Employer, the Committee, the Trustee, or any fund manager, guarantees in any way that the amount be equal to any amount at any time credited to such Participant's Account. Each Participant, by electing in this Plan, assumes the risk of possible declines in market value of the Participant's Account.

Other Information:

- The Important Information flyer inserted with the quarterly statements mailed to 401 (k) Plan participants' homes on October 28, 2008. This flyer includes information about the pending InBev transaction and participant actions.
 - Letter from you dated November 25, 2008.
 - Letter from Jeff Karrenbrock to you dated January 20, 2009.
 - Letter from Robert Winicki dated February 5, 2009.
-

For your convenience, I have attached the information the Committee reviewed in making its decision as well as information requested on your behalf in a letter dated February 5, 2009 from Robert Winicki.



Melissa Reuscher
Chair, Pension Plans Appeals Committee

Attachments

Documents requested by Robert Winicki, attorney for David Parsons :

1 – The consideration and denial of Mr. Parsons’ claim (2) available to be provided to Mr. Parsons under page 29 of the SPD while appealing the denial of his claim

- Letter from Mr. Parsons
- Claim denial letter from Jeff Karrenbrock

3 – the selection of the Indexed Balanced Fund as the default

4 - the decision to offer only a limited election option window

5 – the notices to participants of the limited election option window

- Nothing written regarding decision to offer limited election window (kind of dictated by the circumstances surrounding the change in control; no one knew for certain what day it would occur)
- Important Information flyer inserted with quarterly statements mailed to participants’ homes October 28 which includes information about timeframe and default fund

6 – the payments to Mellon Capital Management Corporation, as investment manager for the Indexed Balanced Fund

- Copy of most recent bill, which is for the second quarter, 2008

7 – the payments to BNY Mellon Shareholder Services, as paying agent on the InBev acquisition

- Do not have access to this information

8 – the statement in your letter that “our determination is consistent with the manner in which similar situations have been handled”

- See Plan Document, Article XIX, Section 19.6, Standard of Review

Plan document, including amendments

Trust agreement of the Anheuser-Busch Deferred Income Stock Purchase and Savings Plan