

Press Release



Contact: Susan Rivers
617-722-7193 or 857-472-8292
Susan.rivers@bnymellon.com

BNY Mellon Wealth Management Launches New Municipal Bond Strategy

Multidimensional Alpha Strategy Offers More Aggressive Approach

NEW YORK, Oct. 23, 2008 – BNY Mellon Wealth Management has launched a new municipal bond strategy that will invest predominately in investment grade municipal bonds and will seek to take advantage of the extraordinary market environment.

“The dislocation in the fixed income market, presents a unique opportunity for our fixed income team to pursue a more aggressive investment approach that takes advantage of market inefficiencies during these volatile market conditions,” said John Flahive. He is BNY Mellon Wealth Management’s Director of Fixed Income Group, which manages about \$24 billion of client assets as of September 30.

Mr. Flahive and Senior Portfolio Manager Gary G. Crofton will co-manage the portfolio that will have the Lehman Municipal Bond Index as its benchmark. “Our experience in uncovering value makes this an ideal time to generate alpha for our clients,” Mr. Flahive said.

This new strategy is designed for clients who want a tax-efficient fixed income approach and who are able to take additional risk on part of their fixed income allocation. The portfolio will invest in a wide range of instruments, including lower credit-quality vehicles, such as high-yield bonds, in contrast with BNY Mellon Wealth Management’s core municipal bond strategy.

“The current market environment, while extremely unsettling, is also creating opportunities for potential reward in the years ahead,” said Chief Investment Officer Leo Grohowski, who oversees the management of about \$158 billion of Wealth Management client assets as of September 30. “We are offering this timely strategy to high net worth investors who are looking for a diverse array of solutions.”

Managers of the strategy will seek to achieve higher tax-free yields and total return than the firm’s core strategy. But it also will carry more volatility relative to BNY Mellon Wealth Management’s typical strategy. The firm has set a target of \$100 million in assets for the first year and intends to cap it at \$500 million.

BNY Mellon Wealth Management is among the nation’s leading wealth managers, with more than two centuries of experience in providing investment management, wealth and estate planning, and private banking and finance services to financially successful individuals and families, their family offices and business enterprises, charitable gift programs, and endowments and foundations. It ranks as one of the top 10 US wealth managers with about \$158 billion in private client assets and a global network of offices in 16 states and three countries. BNY Mellon Wealth Management products and services are provided by subsidiary banks and trust companies of The Bank of New York Mellon Corporation.

– more –

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than \$22 trillion in assets under custody and administration, \$1.1 trillion in assets under management and it services approximately \$12 trillion in outstanding debt. Additional information is available at bnymellon.com.
