# BNY Mellon
## Trust Capabilities and Best Practices

June 11, 2012

Presented to:

The Commission on Indian Trust Administration and Reform

Presented by:

Lee Stephens, Executive Vice President, Global Client Management
Dan D’Ambrosio, Senior Relationship Manager
John Stroud, Director, Wealth Management

# Our Business

## BNY Mellon is a leader in Investment Management and Investment Services

### Investment Management[1]

$1.3 trillion total assets under management

### Investment Services[1]

$26.6 trillion assets under custody and administration

| Asset Management | Wealth Management | Securities Servicing | Treasury Services |
|---|---|---|---|
| Multi-boutique investment manager | Wealth management for individuals and families | Full range of financial operations offerings | Cash management and global payments services |
| **$1.2 trillion** assets under management[1] | **$176 billion** in private client assets[1] | **$26.6 trillion** assets under custody and administration[1] | **$1.4 trillion** average payments processed daily[1] |
| **8th largest** US asset manager[2] | **Top 3** ranked private bank in US[4] | **$11.9 trillion** outstanding debt serviced[1] | **170,000** transactions conducted daily[1] |
| **11th largest** global asset manager[3] | **Top 10** US wealth manager[5] | **$1.8 trillion** tri-party balances daily[1] | **100+ currencies** in which we transact |

Expertise Across Our Efforts

- Design and deliver innovations for managing and servicing investments
- Combine a wide range of financial services into a comprehensive, client-centered approach
- Provide unparalleled access and opportunities in markets around the world

*1 - As of March 31, 2012. 2 - Institutional Investor, 2011. 3 - Pensions & Investments, 2011. 4 - Barron's Penta, December 3, 2011. 5 – Barron's, September 19, 2011.*

# Investment Management

# Fiduciary Trust Planning

### Fiduciary Expertise

- Recognized leader in the trust business
- First to create and manage a trust in the U.S.
- Experience refined over centuries of managing complex wealth challenges
- Industry leadership in family office and charitable giving practices

### Sophisticated, Comprehensive Capabilities

- Ability to establish and manage virtually every type of trust vehicle
- Offshore and Delaware trust capabilities
- Expertise in asset-specific issues surrounding concentrated wealth, retirement planning, executive compensation and business ownership
- Specialization in trust real estate management
- Deep understanding of complex fiduciary accounting and tax reporting requirements
- Ability to serve as trustee and executor in most any state

### Expert Coordination and Execution

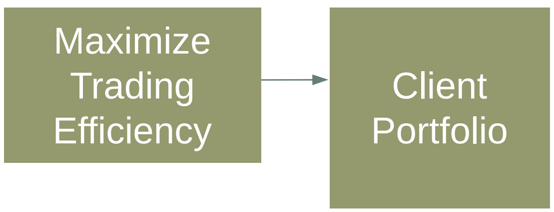
- Trust and estate expertise coupled with integrity to honor client wishes and beneficiary needs
- Strategies designed and implemented in thoughtful coordination with our clients' other advisors
- Among the industry's top trust wealth planning, and estate professionals

# Fixed Income Investments

## PROCESS

### Implementation

Tailored portfolios reflect investment discipline and trading value




**A Focus on Client Interests**

- Portfolios tailored to client objectives
- Yields and returns improved through trading efficiencies
- Portfolios tailored to your tax situation

No investment strategy or risk management technique can guarantee returns in any market environment.

# Private Workbench

# Capabilities Overview

## PRIVATE WORKBENCH

## Summary

### GROUP SUMMARY
- Select account group for further drilldown

### ACCOUNT SUMMARY
- **Drilldown from account groups to:**
  - Investment accounts
  - Brokerage accounts
  - Banking accounts
- **Sort by asset class**

### MY TEAM
- Portfolio team address, phone and fax numbers
- Team member photos, phone numbers and bios
- Link to email addresses

## Portfolio Details

### HOLDINGS
- By account or account group
- Sort by:
  - Asset class
  - As-of date
  - Basis
  - Partnerships
- Drilldown to position fundamentals

### ACCOUNT ACTIVITY
- Purchases
- Sales/Maturities
- Additions
- Withdrawals
- Income
- Foreign exchange
- All

### ESTIMATED INCOME
- Total taxable interest
- Total taxable dividends
- Total tax exempt interest
- Total income

### INVESTMENT OBJECTIVES
- Associated with account or group

## Reporting

### TRANSACTIONS
- Banking transaction details
- Brokerage transaction details
- Dividends and interest received
- Realized gain/loss transactions
- Statement of change in net assets
- Transaction details

### HOLDINGS
- Account summary by type
- Asset detail by asset type
- Asset summary by asset type
- Holdings unrealized gain/loss
- Holdings – Tax-lot detail
- Investment detail by sector

### OTHER
- Income Projections

### FORMS AND DOCUMENTS
- Statements
- Tax documents

## Settings

### MANAGE GROUPS
- Create, edit, delete or rearrange groups of accounts
- Create nicknames

### PREFERENCES
- Account summary views related to:
  - Assets & liabilities
  - Equity
  - Fixed income
- Portfolio views related to:
  - Holdings
  - Accounts
  - Estimated income

### MANAGE ALERTS
- Set or edit alerts
  - Asset class
  - Asset sub-class
  - Sector
  - Asset type
  - Holdings

### RESET PASSWORD
- Change login password

### CHANGE FORGOTTON PASSWORD ANSWERS
- Change answers to questions for Forgotten Password Service

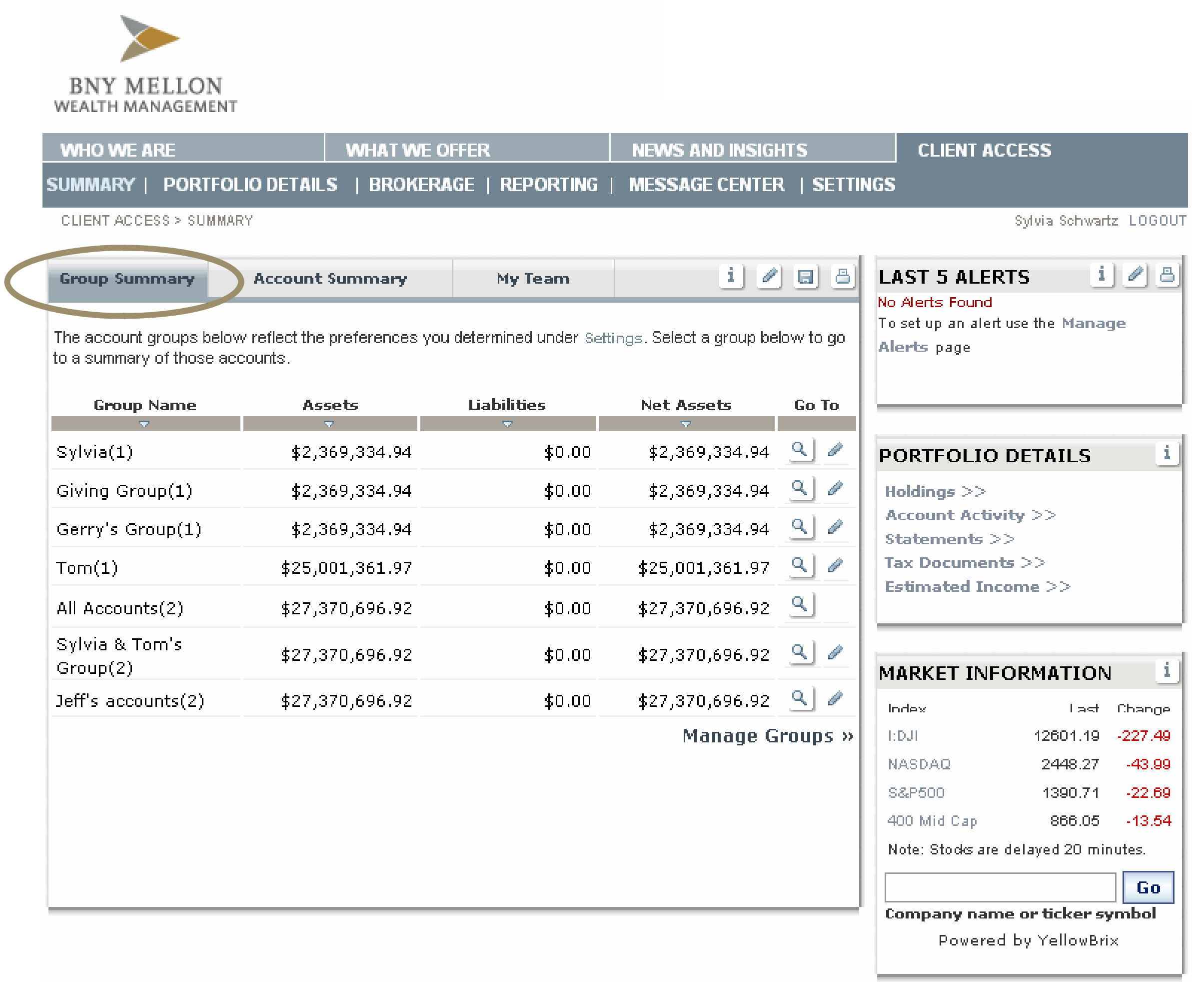
### REGISTER ANOTHER COMPUTER
- Access your portfolio from multiple computers

# Summary

## GROUP SUMMARY

### Account groups information

- Drilldown to account groups created and nicknamed by you
- Click on Manage Groups to edit or rearrange groups
- Click right-hand links to access:
  - Alerts
  - Portfolio Details
- View market information
  - By Index
  - By company name or ticker



# Portfolio Details

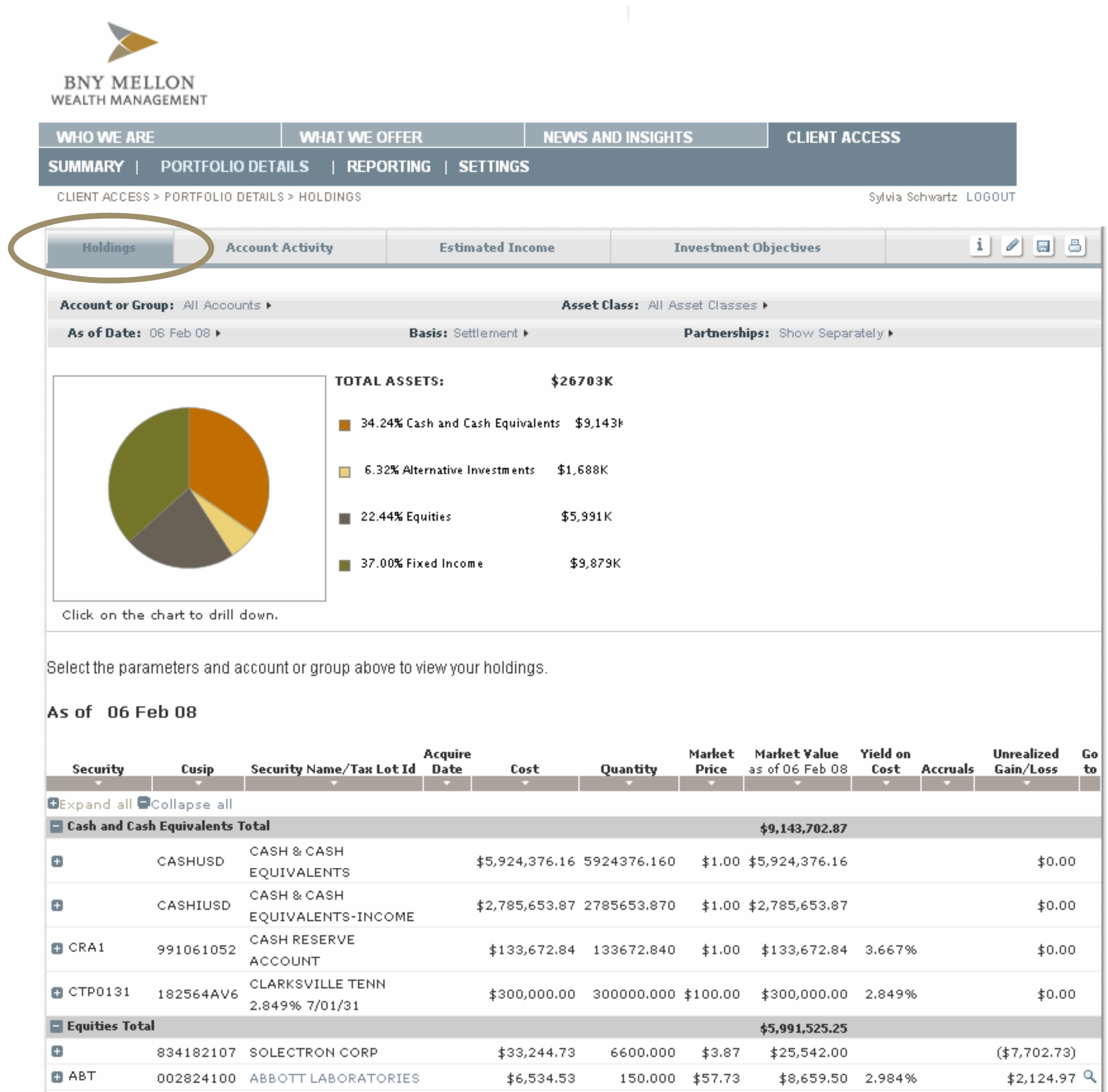
## HOLDINGS

**Individual or consolidated account holdings**

**Drilldown to asset class information and position fundamentals**

**Sort by:**

- Asset class
- As-of date
- Basis
- Partnerships




| Security | Cusip | Security Name/Tax Lot Id | Acquire Date | Cost | Quantity | Market Price | Market Value as of 06 Feb 08 | Yield on Cost | Accruals | Unrealized Gain/Loss | Go to |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash and Cash Equivalents Total | | | | | | | $9,143,702.87 | | | | |
| | CASHUSD | CASH & CASH EQUIVALENTS | | $5,924,376.16 | 5924376.160 | $1.00 | $5,924,376.16 | | | $0.00 | |
| | CASHIUSD | CASH & CASH EQUIVALENTS-INCOME | | $2,785,653.87 | 2785653.870 | $1.00 | $2,785,653.87 | | | $0.00 | |
| CRA1 | 991061052 | CASH RESERVE ACCOUNT | | $133,672.84 | 133672.840 | $1.00 | $133,672.84 | 3.667% | | $0.00 | |
| CTP0131 | 182564AV6 | CLARKSVILLE TENN 2.849% 7/01/31 | | $300,000.00 | 300000.000 | $100.00 | $300,000.00 | 2.849% | | $0.00 | |
| Equities Total | | | | | | | $5,991,525.25 | | | | |
| | 834182107 | SOLECTRON CORP | | $33,244.73 | 6600.000 | $3.87 | $25,542.00 | | | ($7,702.73) | |
| ABT | 002824100 | ABBOTT LABORATORIES | | $6,534.53 | 150.000 | $57.73 | $8,659.50 | 2.984% | | $2,124.97 | |

# Portfolio Details

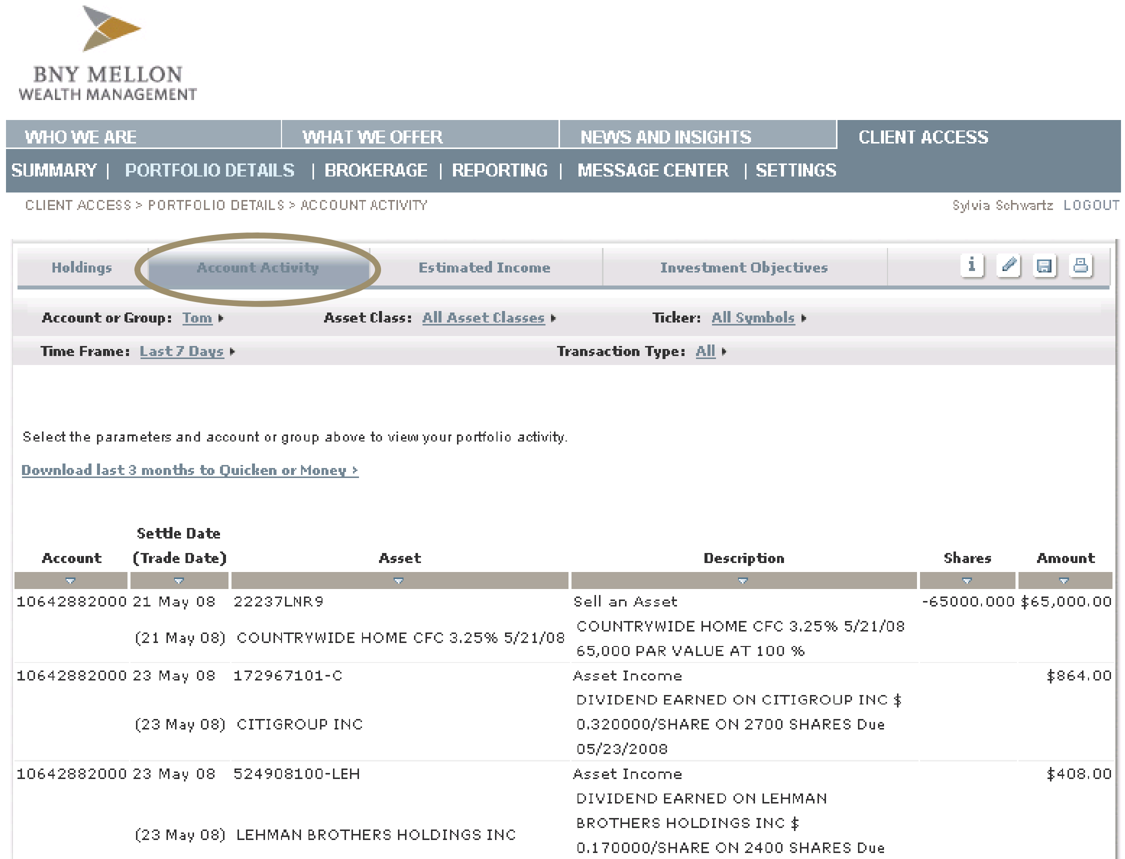
## ACCOUNT ACTIVITY

**Individual or consolidated account activity**

**Sort by:**

- Asset class
- Ticker symbol or CUSIP
- Time frame
- Transaction type

**Download last 3 months to Quicken or Microsoft Money**



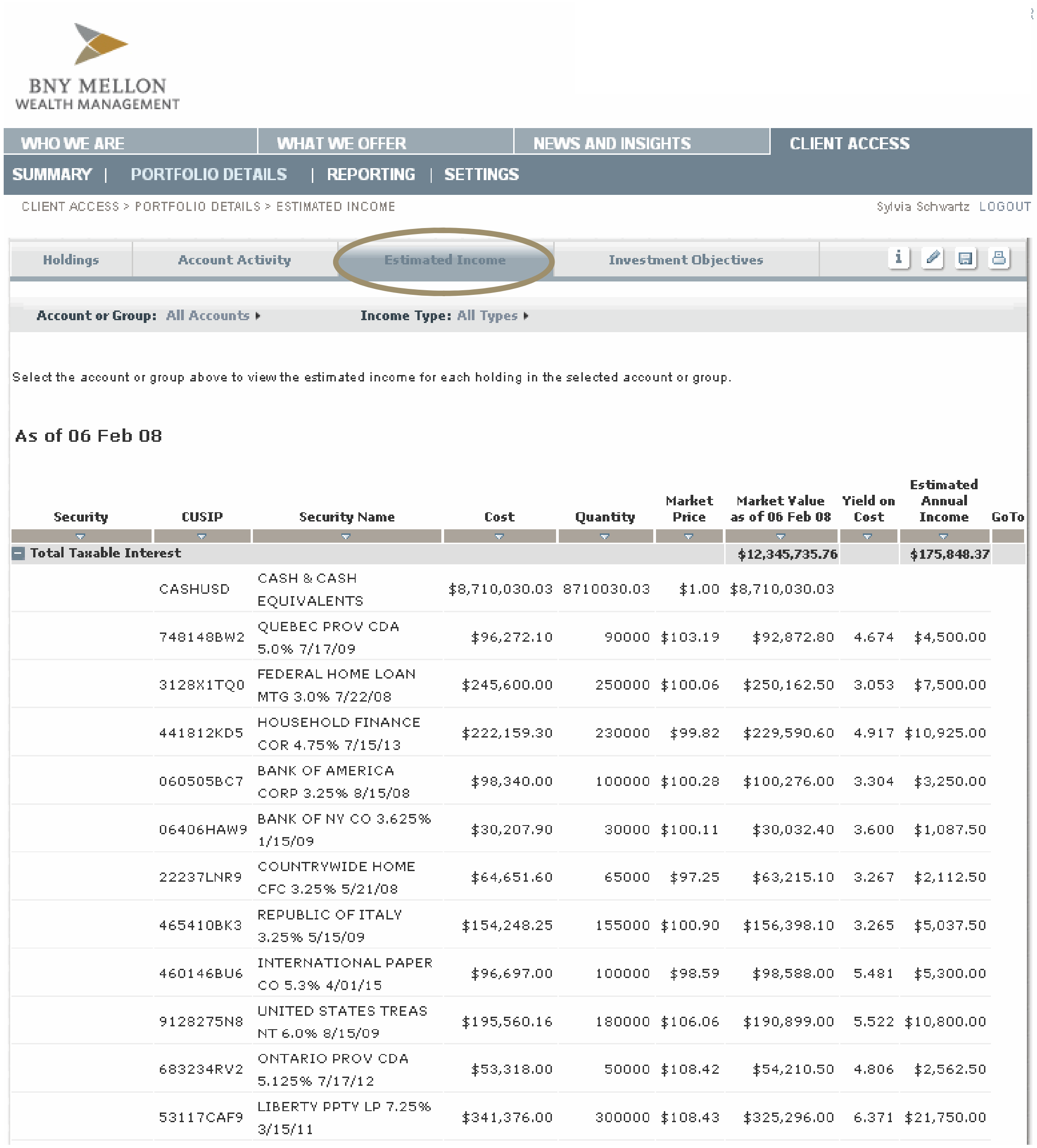
# Portfolio Details

## ESTIMATED INCOME

**Individual or consolidated account estimated income**

**Sort by income type:**

- All types
- Total taxable dividends
- Total taxable income
- Total tax-exempt income



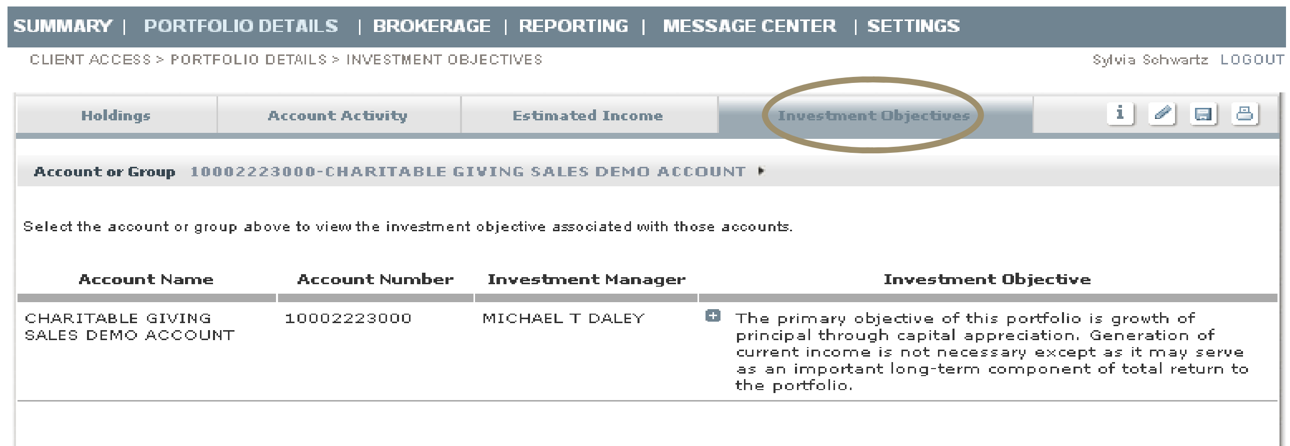

| Security | CUSIP | Security Name | Cost | Quantity | Market Price | Market Value as of 06 Feb 08 | Yield on Cost | Estimated Annual Income | GoTo |
|---|---|---|---|---|---|---|---|---|---|
| Total Taxable Interest | | | | | | $12,345,735.76 | | $175,848.37 | |
| | CASHUSD | CASH & CASH EQUIVALENTS | $8,710,030.03 | 8710030.03 | $1.00 | $8,710,030.03 | | | |
| | 748148BW2 | QUEBEC PROV CDA 5.0% 7/17/09 | $96,272.10 | 90000 | $103.19 | $92,872.80 | 4.674 | $4,500.00 | |
| | 3128X1TQ0 | FEDERAL HOME LOAN MTG 3.0% 7/22/08 | $245,600.00 | 250000 | $100.06 | $250,162.50 | 3.053 | $7,500.00 | |
| | 441812KD5 | HOUSEHOLD FINANCE COR 4.75% 7/15/13 | $222,159.30 | 230000 | $99.82 | $229,590.60 | 4.917 | $10,925.00 | |
| | 060505BC7 | BANK OF AMERICA CORP 3.25% 8/15/08 | $98,340.00 | 100000 | $100.28 | $100,276.00 | 3.304 | $3,250.00 | |
| | 06406HAW9 | BANK OF NY CO 3.625% 1/15/09 | $30,207.90 | 30000 | $100.11 | $30,032.40 | 3.600 | $1,087.50 | |
| | 22237LNR9 | COUNTRYWIDE HOME CFC 3.25% 5/21/08 | $64,651.60 | 65000 | $97.25 | $63,215.10 | 3.267 | $2,112.50 | |
| | 465410BK3 | REPUBLIC OF ITALY 3.25% 5/15/09 | $154,248.25 | 155000 | $100.90 | $156,398.10 | 3.265 | $5,037.50 | |
| | 460146BU6 | INTERNATIONAL PAPER CO 5.3% 4/01/15 | $96,697.00 | 100000 | $98.59 | $98,588.00 | 5.481 | $5,300.00 | |
| | 9128275N8 | UNITED STATES TREAS NT 6.0% 8/15/09 | $195,560.16 | 180000 | $106.06 | $190,899.00 | 5.522 | $10,800.00 | |
| | 683234RV2 | ONTARIO PROV CDA 5.125% 7/17/12 | $53,318.00 | 50000 | $108.42 | $54,210.50 | 4.806 | $2,562.50 | |
| | 53117CAF9 | LIBERTY PPTY LP 7.25% 3/15/11 | $341,376.00 | 300000 | $108.43 | $325,296.00 | 6.371 | $21,750.00 | |

# Portfolio Details

## INVESTMENT OBJECTIVE

**Individual or consolidated account investment objective(s)**

- Risk tolerance
- Time frame



# Reporting

## Transactions

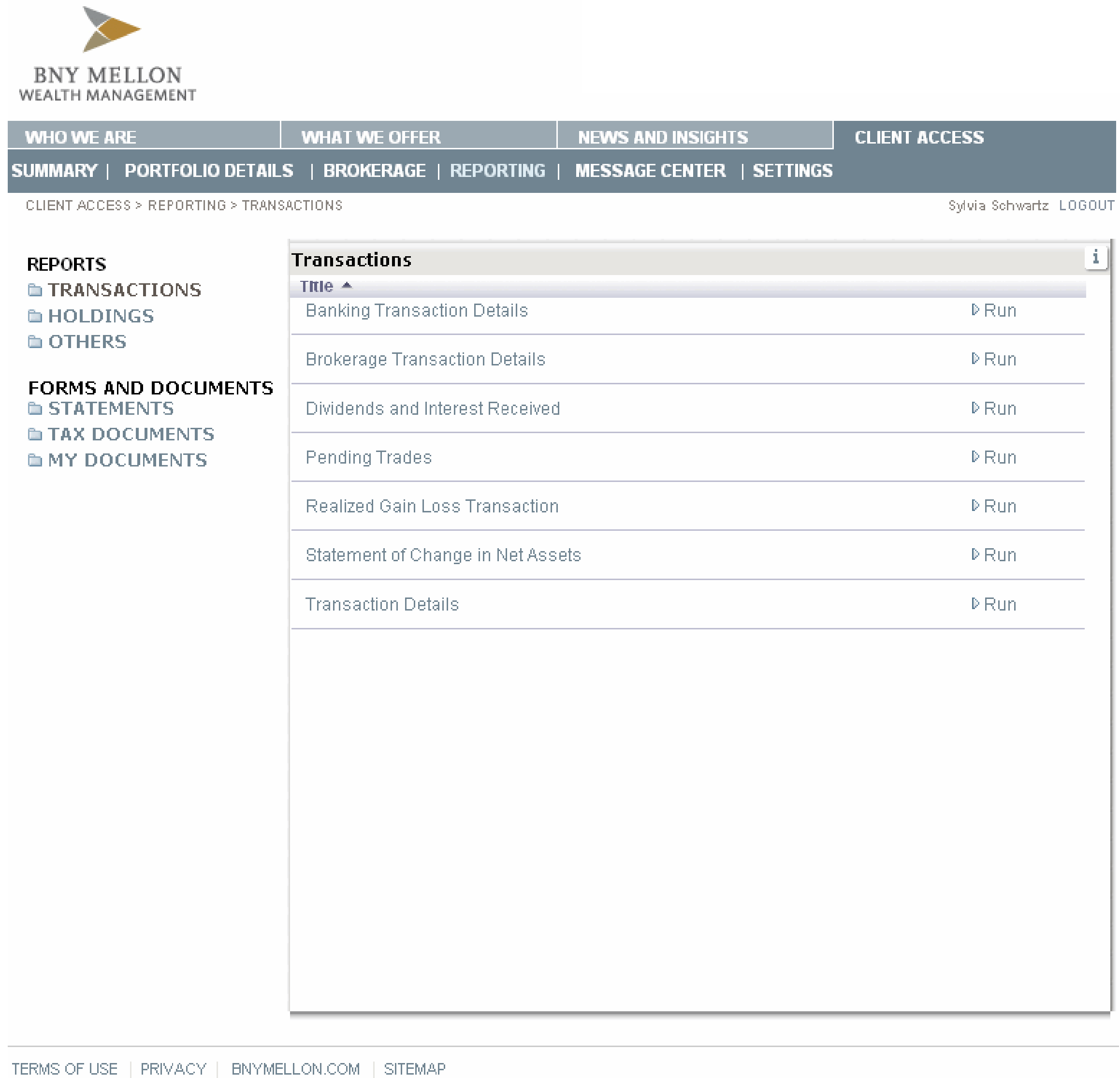
- Banking and brokerage transaction details
- Dividends and interest received
- Realized gain/loss transactions
- Statement of change in net assets
- Transaction details

## Holdings

- Account summary by type
- Asset detail by asset type
- Asset summary by asset type
- Holdings – unrealized gain/loss
- Holdings – tax-lot details
- Investment detail by sector

## Others

- Income projections



# Reporting

## TRANSACTION REPORT SAMPLE

1 / 7 Main Report 100% BusinessObjects

- ADJUSTMENT
- CASH RECEIPT
- MATURED
- PAID DOWN
- RETURN OF CAPITAL
- TAX COST ADJUSTMENT

BNY MELLON
WEALTH MANAGEMENT

### Transaction Details

04/21/2008 - 05/20/2008

**Reported In U.S. Dollars**

**21 Apr 08 to 20 May 08**
**All Accounts**

| Shares<br>Security ID/Ticker | Principal(P)/<br>Income(I)<br>Activity | Transaction Description<br>Account<br>Broker | Trade Date<br>Settle Date<br>Entry Date | Amount | Commission Amount | Federal Short Term Gain/Loss | Federal Long Term Gain/Loss |
|---|---|---|---|---|---|---|---|
| **ADJUSTMENT** | | | | | | | |
| **10002223000-CHARITABLE GIVING SALES DEMO ACCOUNT** | | | | | | | |
| 305560104 FRP | P | ADJUSTMENT - BOOK VALUE OF FAIRPOINT COMMUNICATIONS INC ADJUSTED BY $-23510.00<br>10002223000 | 04/21/2008 | 0.00 | 0.00 | 0.00 | 0.00 |
| **CASH RECEIPT** | | | | | | | |
| **10002223000-CHARITABLE GIVING SALES DEMO ACCOUNT** | | | | | | | |
| 002824100 ABT | I | CASH RECEIPT - DIVIDEND EARNED ON ABBOTT LABORATORIES $ 0.360000/SHARE ON 150 SHARES Due 05/15/2008<br>10002223000 | 05/15/2008 | 54.00 | 0.00 | 0.00 | 0.00 |
| 149123101 CAT | I | CASH RECEIPT - DIVIDEND EARNED ON CATERPILLAR INC $ 0.360000/SHARE ON 60 SHARES Due 05/20/2008<br>10002223000 | 05/20/2008 | 21.60 | 0.00 | 0.00 | 0.00 |
| 369604103 GE | I | CASH RECEIPT - DIVIDEND EARNED ON GENERAL ELEC CO $ 0.310000/SHARE ON 570 SHARES Due 04/25/2008<br>10002223000 | 04/25/2008 | 176.70 | 0.00 | 0.00 | 0.00 |
| 742718109 PG | I | CASH RECEIPT - DIVIDEND EARNED ON PROCTER & GAMBLE CO $ 0.400000/SHARE ON 120 SHARES Due 05/15/2008<br>10002223000 | 05/15/2008 | 48.00 | 0.00 | 0.00 | 0.00 |
| 912828AP5 UST4012 | I | CASH RECEIPT - INTEREST EARNED ON UNITED STATES TREASURY 4.0% 11/15/12 $ 0.020000/$1 PV ON 275000 PAR VALUE Due 05/15/2008<br>10002223000 | 05/15/2008 | 5,500.00 | 0.00 | 0.00 | 0.00 |

21 May 2008 | 4:47:04 PM Page 1 of 7 ID Vaue | 17

1 / 7

# Reporting

## FORMS AND DOCUMENTS

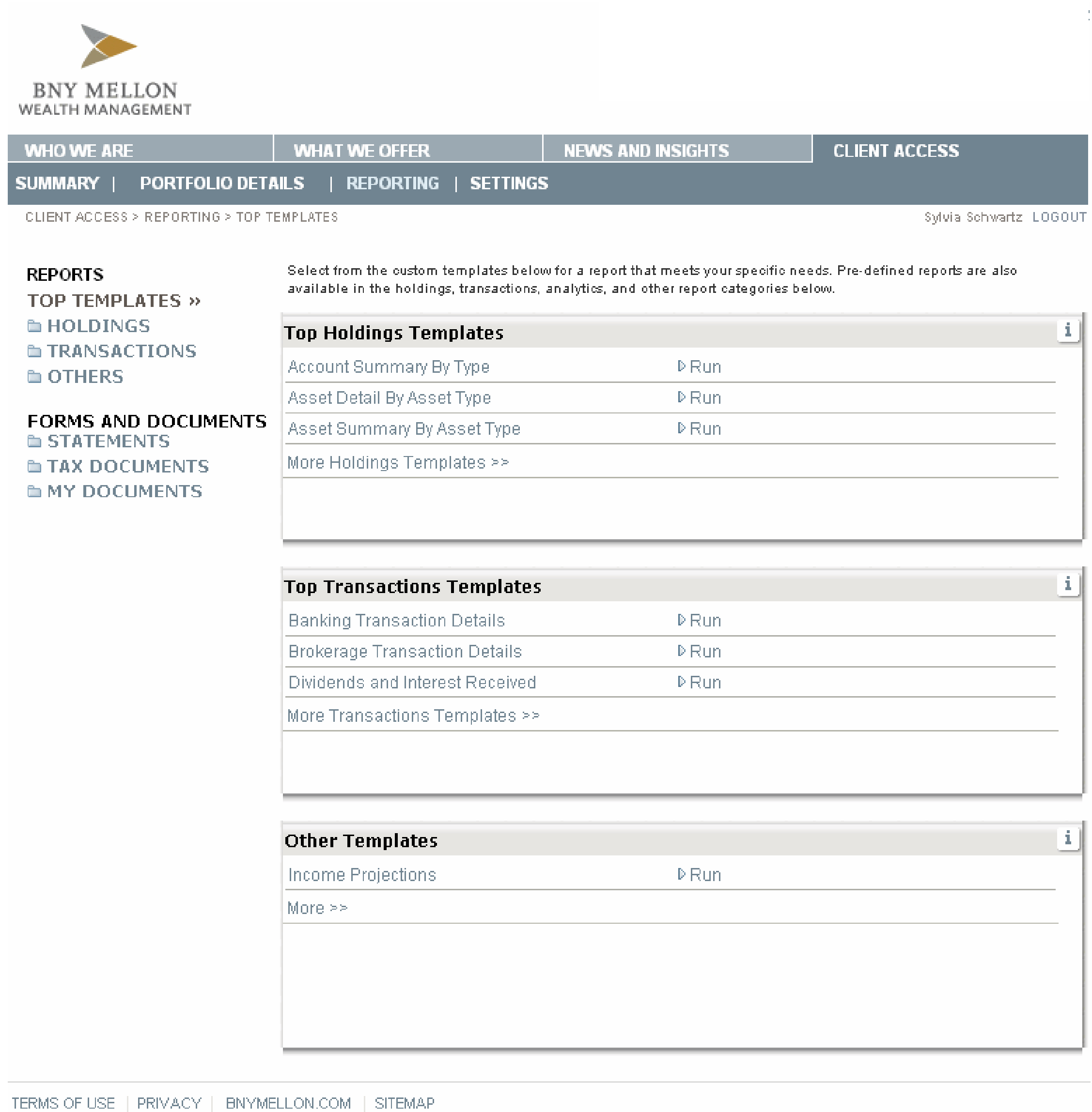
### Statements

- Current and up to 2 years of past statements

### Tax Documents

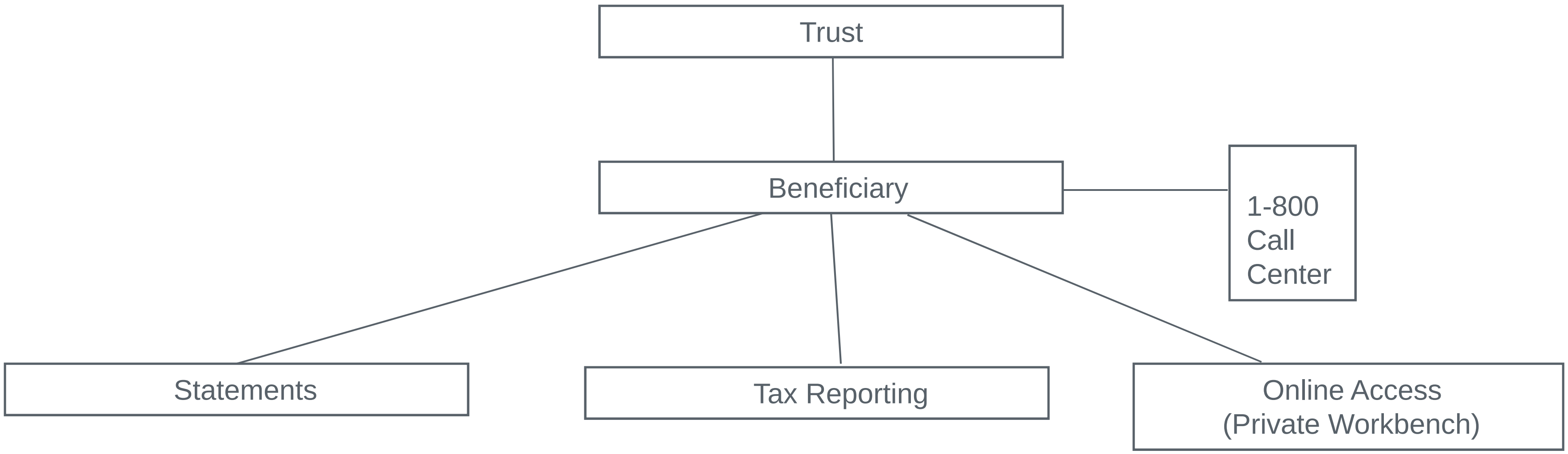
### My Documents

- Forms, reports, spreadsheets and other documents from your relationship manager



# Beneficiary Relations

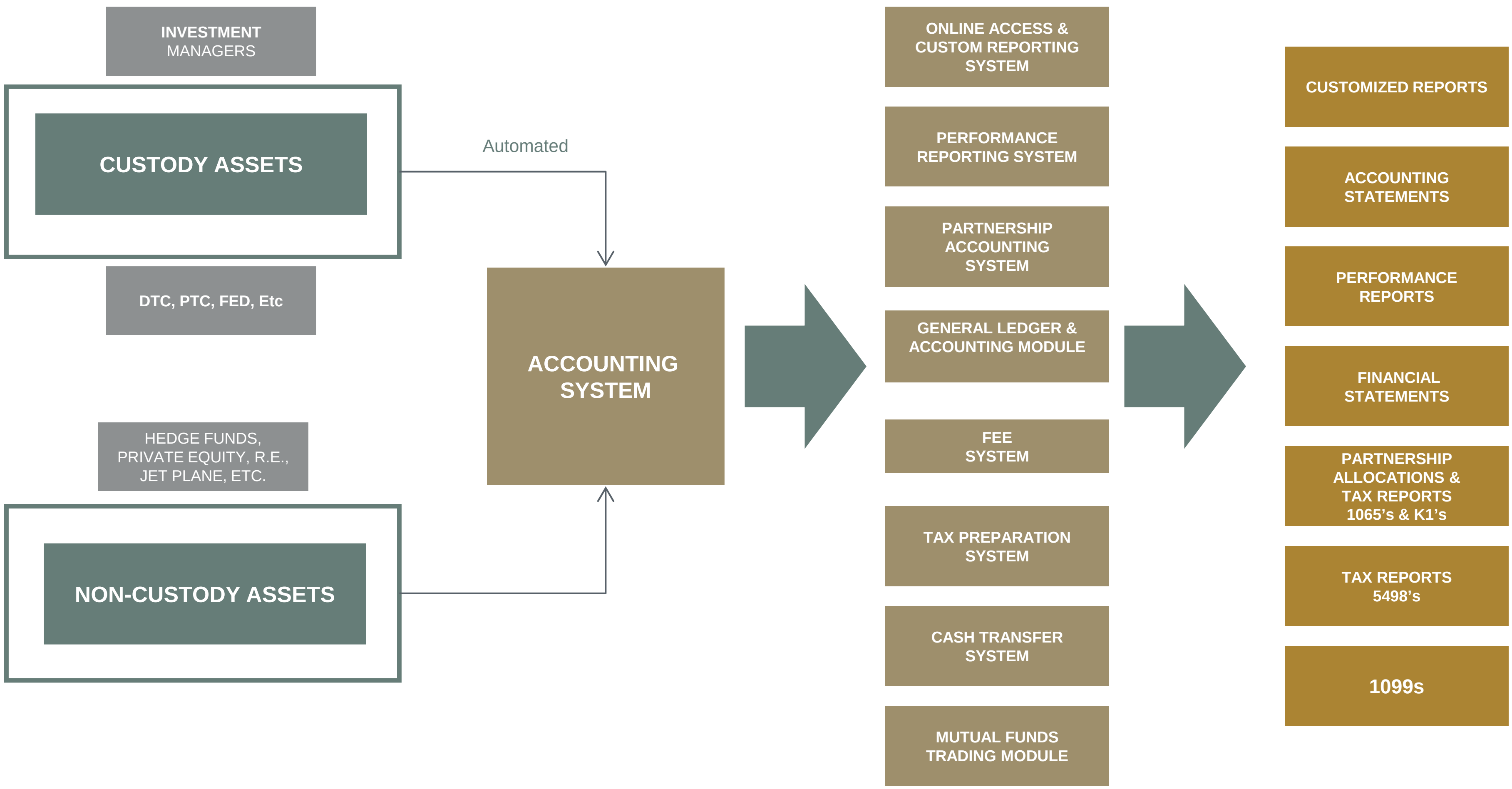
# Beneficiary Service Model



# Administration

# Asset Servicing and Information Management

## CONSOLIDATED INFORMATION = "THE BOOK OF RECORD"



# Support Services

# Support Services

## ***Eagle Investment Services***, a BNY Mellon Company

### Administrative Support

- Data Management
- Investment Accounting
- Performance Management

### Information Technology Services

- Highly knowledgeable Global Service and Support Team
- Fully integrated capabilities

### Exceptional Resources

- Highly flexible, fully integrated, custody, trust and operating environments
- Exceptional online client reporting platform
- Comprehensive reporting, including tax reporting and tax cost information

### Commitment to Sustained Excellence

- Continued significant investments in technology to maintain leading-edge systems
- Delivering technology and industry expertise

# BNY Mellon

## INDUSTRY AWARDS AND ACCOLADES

***Global Investor/isf***

**Global Custody Survey, May 2011**

- First Overall in Single Custodian – Weighted
- First Versus Peers
  - Americas – Unweighted
  - Asia/Australasia – Weighted
  - Mutual Fund Managers in EMEA – Weighted
  - Single Custodian in Americas – Unweighted

***Global Custodian***

**Securities Lending Survey, April 2011**

- Top Rated: Europe, Single Provider
- Commended: Global, $1-10 Billion, More than $10 Billion, North America
- Best in Class: Earning Performance, Risk Management, Relationship Management, Client Service, Product Development, Reporting, Compliance

**Tri-Party Securities Financing Survey, March 2011**

- Top Rated – Global, North America

**Global Custody Survey, December 2010**

- 132 Best in Class Awards – Highest Within Peer Group
- Eight Top Ratings
- First Versus Peers in North America
- First Overall in Less than $1 Billion Category

***R&M***

**Global Custody Survey, March 2011**

- First Overall in Eight Categories
- First Overall Versus Peers

***Global Finance***

**World's Safest Banks, August 2011**

- Safest Bank in the United States

**World's Best Banks, August 2011**

- Best Custody Bank

**Best Sub-Custodian Bank Awards, May 2010**

- Best Custody Bank in Canada (CIBC Mellon)

**Money Management Executive Fund Operations Award, May 2010**

- Innovation Award Winner

**Global Pensions Award, March 2010**

- Derivatives360 named Product Launch of the Year
- Securities Lender of the Year

***Institutional Investor***

**World's Largest Global Custodians, September 2011**

- World's Largest Global Custodian