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## **PERFORMANCE CONTEXT**

### **Institution Profile:**

Chartered by the State of New York, BNY Mellon, formerly The Bank of New York is the oldest banking corporation in the United States. Established in 1784, BNY Mellon maintains its headquarter at One Wall Street, New York, New York. The bank is a subsidiary of The Bank of New York Mellon Corporation (“BNYM Holding Company”), a bank holding company that was formed in July 2007 as a result of the merger of the Bank of New York, Inc. and Mellon Financial Corporation of Pittsburgh, Pennsylvania.

The BNYM Holding Company is a global financial services company operating in several primary financial sectors including asset management, asset servicing, wealth management, broker-dealers and advisory services, issuance services and treasury services. BNYM Holding Company maintains two major banks: BNY Mellon, the “Institutional Bank”; and BNY Mellon National Association, the “Wealth Management Bank”. The institutional businesses housed in BNY Mellon include asset servicing, issuer services, broker-dealer and advisor services and bank-advised business of asset management. The wealth management businesses housed in BNY Mellon National Association include trust and custody activities, investment management services, banking services and various securities-related activities. In addition, mortgage originations are provided through BNY Mellon, N.A.

On October 26, 2006, the Federal Reserve Bank of New York approved BNY Mellon as a wholesale bank for CRA purposes.

In March 2009, BNYM Holding Company transferred nine full service private banking branches from the “institutional bank” to the “wealth management bank”. For the CRA assessment area of BNY Mellon, BNY Mellon continues to support the areas of its former nine full service private bank branches. Six of these locations included Kings, Queens, Bronx, New York, Westchester and Nassau counties in New York State. The remaining three branches are located in Connecticut and New Jersey.

During this evaluation period, investments in affordable housing projects of its affiliates, BNY Aurora Holding Corporation and BNY Holdings (Delaware) Corporation, were included in the bank’s total investment amounts. The projects were for the acquisition and rehabilitation of multi-family affordable housing developments that also generated low-income housing tax credits (LIHTCs) for BNY Mellon.

As per the Consolidated Report of Condition (the Call Report) as of June 30, 2011, BNY Mellon reported total assets of \$236.3 billion and total liabilities of \$219.2 billion. Major asset composition were in cash and balances due from depository institutions of \$117 billion, held- to-maturity and available-for- sale securities of \$64.5 billion, and net loans and leases of \$25.1 billion, each representing 49.5%, 27.3%

and 10.6% of total assets, respectively. According to the latest available comparative deposit data as of June 30, 2011, BNY Mellon obtained a market share of 11.3% or \$92.4 billion in a market of \$816.4 billion, ranking it 2<sup>nd</sup> (after JPMorgan Chase) among 139 deposit-taking institutions in its assessment area. It has only 1 location (One Wall Street, New York) inside its market area consisting of Bronx, Kings, Queens, New York, Westchester and Nassau counties.

The following is a summary of BNY Mellon's loan portfolio in its U.S. offices, based on Schedule RC-C of BNY Mellon's December 31, 2009, December 31, 2010 and June 30, 2011 Call Reports:

Loan type	12/31/2009		12/31/2010		6/30/2011	
	\$000's	%	\$000's	%	\$000's	%
<b>Real estate loans</b>						
1-4 family residential mortgage	4,151,000	25.0	4,090,000	27.5	3,925,000	24.9
Commercial Mortgage	361,000	2.2	331,000	2.2	284,000	1.8
Multifamily residential (5 or more)	380,000	2.3	327,000	2.2	327,000	2.1
Construction Loans	173,000	1.0	148,000	1.0	170,000	1.1
<b>Commercial &amp; Industrial</b>	555,000	3.3	497,000	3.3	438,000	2.8
<b>Consumer Loans</b>	63,000	0.4	69,000	0.5	66,000	0.4
<b>Lease financing receivables</b>	3,508,000	21.1	3,147,000	21.2	2,780,000	17.7
<b>Other loans</b>						
Loans to purchase securities	1,844,000	11.1	1,148,000	7.7	2,754,000	17.5
Loans to nondepository Fin.Inst.	4,958,000	29.9	4,512,000	30.3	4,207,000	26.7
All other Loans	611,000	3.7	602,000	4.0	799,000	5.1
<b>Total Gross Loans</b>	<b>16,604,000</b>	<b>100.0</b>	<b>14,871,000</b>	<b>100.0</b>	<b>15,750,000</b>	<b>100.0</b>

As a wholesale bank, BNY Mellon does not directly originate retail consumer loans or small business loans, other than to accommodate high net worth clients and/or employees. As illustrated in the above chart, the largest loan concentrations were in loans secured by real estate (approximately 30%), lease financing receivables (17.7%), and other non-consumer loans including commercial & industrial and loans to non-depository financial institutions, etc. (52%).

*There are no known financial or legal impediments that adversely impacted BNY Mellon's ability to meet the credit needs of its community.*

### **Assessment Area:**

BNY Mellon's assessment area is comprised of the Bronx, Kings, New York and Queens Counties in the New York City Region; Westchester and Nassau Counties in the Mid-Hudson and Long Island regions, respectively.

There are 2,605 census tracts in the area, of which 329 are low-income, 643 are moderate-income, 851 are middle-income, 714 are upper-income and 68 are tracts with no income indicated.