

Press Release



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BNY Mellon Corporate Trust Launches New Compliance Reporting Service for Municipal Bond Issuers

New service provides a single-source solution to issuers of direct pay bonds

NEW YORK, August 11, 2010 – BNY Mellon Corporate Trust has introduced a new Direct Pay Compliance Reporting service that will allow it to help issuers of Direct Pay Bonds track their project activities and meet Internal Revenue Service (IRS) recordkeeping and reporting requirements.

The new service was developed to help issuers of Direct Pay Bonds, such as Build America Bonds and Recovery Zone Economic Development Bonds, which are a new category of bonds permitted under The American Recovery and Reinvestment Act of 2009. The recent Hiring Incentives to Restore Employment Act established that issuers can choose Direct Pay status for four other types of municipal bonds, as well.

Issuers of these bonds are increasingly being asked to manage a complex range of IRS requirements in order to receive subsidy payments from the government. In its combined role as trustee, 8038-CP calculation agent, and rebate analyst on a Direct Pay Bond issuance, BNY Mellon Corporate Trust will have the data to perform the required calculations and can deliver a comprehensive package of reports, statements, schedules and project-related documents, both shortly after issuance and throughout the life of the issue, to help the issuer meet those requirements.

“There has been a general shift in the municipal bond market industry toward more regulation and stricter compliance enforcement, which includes the IRS regulations related to Direct Pay Bonds,” said Alex Tsarnas, managing director and head of the Corporate and Public Finance Group within BNY Mellon Corporate Trust. “Our compliance reporting service helps issuers of Direct Pay Bonds by providing them with all of the reporting capabilities they need in one place, eliminating the hassle and frustration of going to several entities for the required reports and calculations.”

BNY Mellon Corporate Trust services nearly \$12 trillion in outstanding debt from 61 locations in 20 countries. Its clients include governments and their agencies, multinational corporations, financial institutions and other entities that access the global debt capital markets. The corporate trust business utilizes its global footprint and expertise to deliver a full range of issuer and related investor services and develop customized and market-driven solutions. Its range of core services includes debt trustee, paying agency, escrow and other fiduciary offerings.

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Corporate trust providers are appointed by corporations, municipal governments and other entities issuing debt to perform a variety of duties, including servicing and maintaining the debt issue, processing principal and interest payments for investors, representing investors in defaults, and providing value-added services for complex debt structures.

BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 36 countries and serving more than 100 markets. BNY Mellon 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 \$21.8 trillion in assets under custody and administration and \$1.0 trillion in assets under management, services \$11.6 trillion in outstanding debt and processes global payments averaging \$1.5 trillion per day. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE:BK). Additional information is available at www.bnymellon.com.
