



Update at a Glance

Update on U.S. Postal Service Proposed Changes

As we recently informed you in an e-mailed notice on October 7, we will be issuing periodic updates on the status of the U.S. Postal Service's (USPS's) proposed changes to their organization, and the potential resulting impacts to remittance mail processing that these changes may cause.

We are informed by the USPS that it is currently investigating several expense-reduction alternatives, including reducing mail-sorting personnel by 35,000 and reducing its current mail sorting network from 460 sorting facilities to 200.

The reduced network may require the USPS to issue new first class service standards requiring a daily operating schedule change that would result in mail processing beginning at 8:00 a.m. and terminating around 4:00 a.m. the next morning (local time). This could impact overnight and two-day delivery, while increasing three-day delivery volume.

Remittance Processing Industry Implications

Because these proposed changes could impact all remittance processing providers by delaying the sorting and delivery of remittance mail, the USPS has been attentive to remittance processing industry needs in the design of the consolidated network. Under the plan currently proposed, mail sorting facilities that would survive consolidation would have sorting equipment dedicated to run remittance mail throughout the day. To adequately serve first class mail volume, the facilities would be equipped to handle peak volume based on historical levels.

For an in-depth look into the plan, please call us at 1 800 424 3004 (Option 2) or e-mail us at treasury@bnymellon.com to receive a detailed report on the currently proposed USPS changes and how they may impact BNY Mellon Treasury Services' remittance processing.

We will continue to monitor these developments in the

coming months and will update you on any changes that may impact either BNY Mellon or the remittance processing industry generally.

"Update at a Glance" is BNY Mellon Treasury Services' customer communication for timely updates on our services, products, cash management trends and industry legislation. Our updates may also feature advertisements for new offerings that may be of interest to you. If at any time you wish the service to be discontinued, please reply to this e-mail with the word **UNSUBSCRIBE in the subject line, call us at 1 800 424-3004 (Option 2), or send a written communication to Chief Administrative Officer, BNY Mellon Treasury Services, Suite 154-1260, BNY Mellon Client Service Center, 500 Ross Street, Pittsburgh, PA 15262-0001. If you do not wish to receive promotional e-mails of any kind from BNY Mellon Treasury Services at this e-mail address, please reply to this e-mail with **NO E-MAIL** in the subject line (or call or write us, if you prefer).*

This information is intended to provide a general overview of our services and is not an offering or commitment to provide any credit facilities or services.

©2011 The Bank of New York Mellon Corporation. All rights reserved.