



PUBLIC DISCLOSURE

August 26, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BNY Mellon, National Association
Charter Number 6301

One Mellon Center, 500 Grant Street
Pittsburgh, PA 15258

Office of the Comptroller of the Currency

Midsized Bank Supervision
1 South Wacker Drive
Suite 2000
Chicago, IL 60606

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

GENERAL INFORMATION AND INSTITUTION'S CRA RATING:

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of BNY Mellon, National Association (BNY Mellon) issued by the OCC, the institution's supervisory agency, for the evaluation period starting January 1, 2009 through December 31, 2012. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

This institution is rated Outstanding.

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of community development (CD) activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Scope of the Examination

We performed an evaluation of BNY Mellon's performance under the CRA. BNY Mellon's performance was evaluated using the Wholesale Bank examination procedures. In evaluating the bank's performance under the CRA, we reviewed CD activities from January 1, 2009 through December 31, 2012. We reviewed the level and nature of qualified investments, CD lending, and CD services. At the prior evaluation, dated April 27, 2009, we rated the bank "Outstanding."

If a bank has adequately addressed its assessment area (AA) needs, the OCC considers the bank's CD activities that benefit areas outside of its assessment area in the evaluation of its performance. During this evaluation, the bank was found to have adequately addressed the needs of its AA; therefore, qualified investments and community development loans made, and community development services provided, outside of the bank's AAs were also considered in evaluating its performance.

In a Multistate Metropolitan Statistical area (MMSA) where the bank has branches in more than one state, an AA was selected for a full-scope review. Refer to each MMSA section for

details regarding how the scope was selected. In each state where the bank has an office, an AA within that state was selected for a full-scope review. Refer to each state section for details regarding how the full-scope AAs were selected.

This evaluation rates the overall CRA performance of BNY Mellon as well as its performance in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, New York-White Plains-Wayne, NY-NJ, and Washington-Arlington-Alexandria, DC-VA-MD-WV MMAs, and the states of Pennsylvania, Connecticut, and Massachusetts. The overall rating is based on the CRA performance of the bank in the MMSAs and each state. The ratios contained in this evaluation were derived by allocating bank Tier 1 capital and income to the MMSAs and states. The allocations are based on the amount of banking deposits reported by the bank for these areas.

BNY Mellon's deposits in domestic offices as of June 30, 2012 (the most recent data available for analysis) total \$11.028 billion. Of this total, \$3.798 billion, or 34.44% are on deposit in the New York-White Plains-Wayne, NY-NJ MMA; \$3.485 billion or 31.60% are on deposit in Massachusetts; \$2.665 billion, or 24.17% are on deposit in Pennsylvania; \$637 million or 5.78% are on deposit in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMA; \$423 million, or 3.83% are on deposit in Connecticut; and \$21 million, or 0.19% are on deposit in the Washington-Arlington-Alexandria, DC-VA-MD-WV MMA.

Description of Institution

BNY Mellon, N.A. (BNY Mellon) is a \$17 billion interstate bank headquartered in Pittsburgh, Pennsylvania. It was formed in 2008 from the combination of two banks: Mellon Bank, N.A. and Mellon Trust of New England. On July 19, 2002, Mellon Bank, N.A. was designated as a wholesale institution by the OCC. It is a wholly-owned subsidiary of The Bank of New York Mellon Corporation, a \$337 billion financial services company headquartered in New York City, New York. As of December 31, 2012, The Bank of New York Mellon Corporation had \$26 trillion in assets under custody and/or administration, and \$1.4 trillion dollars in assets under management.

During the evaluation period, BNY Mellon closed or consolidated seven banking offices in middle- or upper-income geographies, either due to reductions in business activity or changes in business strategy. As of December 31, 2012, BNY Mellon had 12 offices, with four in Pennsylvania, three in New York, one in the District of Columbia, and one office each in the states of Connecticut, Delaware, Massachusetts, and New Jersey. All offices are in middle- or upper-income geographies. Wealth management is the core business of the institution.

BNY Mellon conducts limited lending activities, primarily as an accommodation to their wealth management and private banking customers. Qualified CD activities of BNY Mellon affiliates or parent company departments are included in this CRA evaluation and listed as follows:

- BNY Mellon Community Development Corporation: (1) Delivers CD loans and participates in CD equity investments to include loan funds, insured deposits, and low-income housing tax credits; (2) provides technical services to nonprofits, and its officers perform CD services on various nonprofit boards, as members of loan committees and participation with

loan consortia; and (3) makes targeted CRA-qualified grants and sponsorships. It operates primarily in the Pittsburgh, Harrisburg, and Philadelphia AAs;

- BNY Aurora Holding Corporation: Sources, closes on, and holds low-income housing tax credit equity investments throughout the bank's AAs;
- BNY Mellon Foundation of Southwestern Pennsylvania, Pershing Foundation, and The Bank of New York Mellon Foundation: These three foundations deliver major CD grants to the bank's CRA communities. The former Foundation is restricted to the Pittsburgh AA in southwestern Pennsylvania and was established in 2007 following the move of Mellon Financial's headquarters to New York. The latter Foundations are eligible to make grants in other areas of the United States exclusive of those southwestern Pennsylvania counties located in the Pittsburgh AA;
- The Bank of New York Mellon: Holds an \$88.7 million affordable housing loan commitment to the Massachusetts Housing Partnership Fund in Massachusetts. It also holds several CD loans and selected low-income housing tax credit investments in various AAs of the bank;
- Corporate Affairs: This shared service business administers employee volunteer CD service efforts, matching funds (grants) for CD-purpose community projects, the Financial Stability Initiative program, and corporate grants and sponsorships that are CD qualified, and;
- Corporate Treasury Services: Sources and purchases CD-qualified equity investments in mortgage-backed securities (single family loan pools) comprised of loans made to low- and moderate-income borrowers, some multifamily housing bonds, and a qualified zone academy bond (QZAB) for Pittsburgh City Schools.

Table 1 provides an overview of BNY Mellon's financial information. There are no financial or legal factors impeding the bank's ability to help meet the credit needs of the communities it serves.

Table 1: Financial Information (000s)

	Year-end 2009	Year-end 2010	Year-end 2011	Year-end 2012	Average for Evaluation Period
Tier 1 Capital	664,164	800,919	916,821	1,048,331	857,559
Total Income	743,597	766,983	789,495	793,394	773,367
Net Operating Income	(136,136)	88,862	117,545	134,769	51,260
Total Assets	9,827,492	12,090,747	14,749,305	16,894,270	13,390,454

Source: Consolidated Report of Condition and Income and bank reported data. **Annualized data reported.

Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMSA Rating

CRA Rating for the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMSA: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area(s)

BNY Mellon has two AAs within the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMA. The bank has designated the Philadelphia, Pennsylvania Metropolitan Division (MD), consisting of five counties in Pennsylvania (Bucks, Chester, Delaware, Montgomery, and Philadelphia) as the Philadelphia AA. The bank has also designated the Wilmington, DE-MD-NJ MD, consisting of three counties in Delaware (Cecil, New Castle, and Salem) as the Wilmington AA. Both AAs comply with CRA guidelines. They do not arbitrarily exclude low- and moderate-income (LMI) geographies. The areas are urban in nature and there are no known barriers to CD lending, investment, or services.

For every MMSA in which a bank has branches in more than one state, performance in the MMSA must be rated and at least one full-scope review must be performed. The Philadelphia AA was selected for a full-scope review. The Wilmington AA was evaluated using limited-scope procedures.

Banking competition is strong in the MMSA. As of June 30, 2012, there were 142 banking institutions with 1,889 branches in the Philadelphia MMSA, including large national and regional financial institutions. The Philadelphia MMSA is the sixth largest MMSA in the United States with a population of just over 5.9 million, according to the 2010 U.S. Census. The Philadelphia MMSA continues to experience declines in the number of jobs in most industries, especially the pharmaceutical industry, due to consolidations. In June 2013, the unemployment rate for the Philadelphia MMSA was 7.8 percent. The updated 2012 HUD adjusted median family income is \$79,200. This AA continues to be plagued with an aging infrastructure, weak population growth, and an unfavorable tax structure. Healthcare, education, and government are the major employers located in the Philadelphia MD. They include Jefferson Health Systems, Inc., the University of Pennsylvania, the University of Pennsylvania Health System, and Acme Markets.

As of December 31, 2012, BNY Mellon operated two offices within the AA: one in Philadelphia county and one in Delaware county. Both are in upper-income geographies. Four offices in middle- or upper-income geographies were closed during the evaluation period in this AA. The offices were closed due to reductions in business activity or changes in business strategy.

Tables 2a and 2b below portray the demographics in the AA for the last two census periods:

**Table 2a: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Assessment Area
Description – 2000 U.S. Census**

	Number	Low	Moderate	Middle	Upper
Tracts	987	12%	19%	33%	33%
Families	970,405	22%*	17%*	21%*	40%*
Businesses (non-farm)	450,186	7%**	16%**	29%**	47%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents non-farm businesses by income level of census tract.

Tracts do not add to 100% due to rounding, and 18 Census Tracts are not income categorized.

**Table 2b: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Assessment Area
Description – 2010 U.S. Census**

	Number	Low	Moderate	Middle	Upper
Tracts	998	16%	18%	30%	35%
Families	952,079	23%*	16%*	19%*	41%*
Businesses (non-farm)	438,117	9%**	13%**	29%**	48%**

Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents businesses by income level of census tract.

Tracts do not add to 100% due to rounding, and 16 Census Tracts are not income categorized.

Nonprofit community organizations were contacted to assess the community development needs of the AA. The contacts noted that the housing stock in the MD is relatively old and in deteriorating condition. Purchase money mortgages are often difficult to obtain due to the condition of the housing units. Rehabilitation programs are sorely needed, and while several exist, they are often underfunded. It was noted that local banks, including BNY Mellon, have been consistently supportive of these programs. One contact also stated that more full-service bank branches are needed in LMI neighborhoods, and financial expert volunteers are needed to assist non-profit counseling agencies with mortgage default counseling.

Through contact with community groups, the following needs were also identified:

- Affordable housing;
- Housing counseling;
- Loan modifications for borrowers facing foreclosure;
- Financial literacy education;
- Support for small business development, including start-up loans;
- Support for non-profits, including grants and donated space;

- Job retraining, and;
- Low-cost bank accounts.

There is a significant need for community development loans, investments, and services within the AA. Competition for CD loans, qualified investments, and CD services is high and consists primarily of local financial institutions that have a presence within the AA.

Conclusions for Area Receiving Full Scope Review

- BNY Mellon demonstrated a very high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities in the AA during the evaluation period. The bank had nearly \$47 million in qualified investments, and over \$4 million in CD loans. Bank representatives provided their financial expertise through CD services to several community development-based organizations.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. Several CD loans, qualified investments, and CD services provided affordable housing targeted to LMI individuals, which were in direct response to identified community needs.

Qualified Investments

The bank had qualified investments of \$46.9 million during the evaluation period. The investments were responsive to identified community needs. Table 3 shows the level of qualified investments and grants made during the evaluation period. Table 4 shows the corresponding percentages to allocated Tier 1 capital and total income.

Table 3: Philadelphia AA - Qualified Investment Activity (000s)

	Benefits AA**
Originated Investments	\$13,396
Originated Grants	\$701
Prior-Period Investments that Remain Outstanding	\$32,836
Total Qualified Investments	\$46,933
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. ** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 4: Philadelphia AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	95.76
Total Investments/Average Total Income	106.17

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <http://www.fdic.gov/>

The bank invested \$13.4 million in mortgage-backed securities comprised of pools of single-family mortgage loans to LMI borrowers in the Philadelphia AA. BNY Mellon also made grants to organizations totaling \$701 thousand during the evaluation period within the AA. These targeted grants were for affordable housing, economic development, job training, and social services.

Community Development Lending

BNY Mellon's CD loans originated in the Philadelphia AA during the evaluation period totaled approximately \$4.6 million. The following table shows percentages for total dollars of CD loans compared to allocated Tier 1 capital and total income.

Table 5: Philadelphia AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	9.29
Total CD Lending/Average Total Income	10.30

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>

- The bank made three loans totaling approximately \$3 million to a collaborative lending initiative. The funds were used for construction of large-scale affordable housing projects in the Philadelphia area, and;
- The bank also made one loan for \$400 thousand to support the operation of a homeless shelter, that also provides job training and rehabilitation programs.
- BNY Mellon renewed a \$1 million participation in an affordable housing fund, and;
- The bank also made two loans totaling \$151 thousand for the construction of a new health facility in a low-income area. The facility helps stabilize the area in addition to providing health care for low-income residents in the area.

Community Development Services

- BNY Mellon provided CD services to organizations in the Philadelphia AA, including financial expertise and technical assistance to community-based organizations involved in CD activities. These organizations provide support for the development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families. The following describes a few of the CD services performed by bank officers:
 - Serving as a member of the board of directors and the development committee for a human services organization that provides safe and stable housing for low-income women and their children;
 - Serving on the board of directors, the executive committee, the finance committee, and the governance committee for an organization focusing on the provision of maternity care in areas with high poverty levels;
 - Serving as a board member for an organization addressing hunger relief;
 - Serving on the board of directors, resource development committee, and finance committee for an organization providing legal services to women and abused elderly individuals, and;
 - Serving as a member of the board of directors, the investment committee, and allocations committee for an organization providing social services to the poor and the disadvantaged elderly and youth in Philadelphia.

Conclusions for Area Receiving Limited Scope Review

Based on the limited-scope review, the bank's performance in the Wilmington AA is not inconsistent with the bank's overall "Outstanding" performance in the MMSA. The levels of qualified investments and CD loans are excellent. The bank conducted an adequate level of CD services in the Wilmington AA.

Qualified Investments, CD Loans, and CD Services

During the evaluation period, the bank made qualifying grants of \$135 thousand. Prior period investments that remain outstanding and continue to benefit the AA total \$3.7 million.

Table 6 shows qualified investments as percentages of the level of allocated Tier 1 capital and total income.

Table 6: Wilmington AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	721.02
Total Investments/Average Total Income	799.42

** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>*

The bank originated CD loans totaling \$482 thousand during the evaluation period.

Table 7 shows CD lending as percentages of the level of allocated Tier 1 capital and total income.

Table 7: Wilmington AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	90.62
Total CD Lending/Average Total Income	100.47

** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>*

The majority of CD services performed in the Philadelphia AA by bank officers also benefit this AA.

New York-White Plains-Wayne, NY-NJ MMSA Rating

CRA Rating for the New York-White Plains-Wayne, NY-NJ MMSA: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area(s)

BNY Mellon has two AAs within the New York-Northern New Jersey-Long Island, NY-NJ-PA-MMSA. The Bank has designated ten counties within the New York-White Plains-Wayne, NY-NJ MD as the New York AA. The AA consists of Bergen, Hudson, and Passaic counties in New Jersey, and Bronx, Kings, New York, Queens, Richmond, Rockland, and Westchester counties in the State of New York. The bank has also designated three counties (Essex, Morris, and Union) within the Newark-Union, NJ-PA MD as the Newark AA. Both AAs comply with CRA guidelines. They do not arbitrarily exclude low- and moderate-income (LMI) geographies. The areas are urban in nature and there are no known barriers to CD lending, investment, or services.

For every MMSA in which a bank has branches in more than one state, performance in the MMSA must be rated and at least one full-scope review must be performed. The New York AA was selected for a full-scope review. The Newark AA was evaluated using limited-scope procedures.

Banking competition is very strong in the New York AA. As of June 30, 2012, there were 244 banking institutions with 6,001 branches in the AA, including large national and regional financial institutions. While the NY MD economy has shown signs of slowing, it was the first metro area to recoup all of the jobs lost during the recession. In June 2013, the unemployment rate for the NY MD was 8.5 percent. The updated 2012 HUD adjusted median family income is \$68,300. Healthcare, banking, and government are the major employers located in the New York MD. They include the Metropolitan Transportation Authority, New York City Health and Hospitals Corp., J.P. Morgan Chase & Co., and Citigroup, Inc.

As of December 31, 2012, BNY Mellon operated three offices within the New York AA: two in New York county and one in Westchester county. All are in upper-income geographies. The bank also operated one office within the Newark AA. It is also in an upper-income geography.

Tables 8a and 8b below portray the demographics in the AA for the last two census periods:

Table 8a: New York-White Plains-Wayne, NY-NJ Assessment Area Description – 2000 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	987	12%	19%	33%	33%
Families	970,405	22%*	17%*	21%*	40%*
Businesses (non-farm)	450,186	7%**	16%**	29%**	47%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents non-farm businesses by income level of census tract.

Tracts do not add to 100% due to rounding, and 18 Census Tracts are not income categorized.

Table 8b: New York-White Plains-Wayne, NY-NJ Assessment Area Description – 2010 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	998	16%	18%	30%	35%
Families	952,079	23%*	16%*	19%*	41%*
Businesses (non-farm)	438,117	9%**	13%**	29%**	48%**

Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents businesses by income level of census tract.

Tracts do not add to 100% due to rounding, and 16 Census Tracts are not income categorized.

We contacted community organizations to assess the AA's community development needs. The contacts noted that purchase money mortgage loans are often difficult to obtain due to the high cost of housing. Small business development and support programs are always in demand. The contacts noted that the banks, including BNY Mellon, have been consistently supportive of these programs.

Conclusions for Area Receiving Full Scope Review

- BNY Mellon demonstrated a very high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities, given the highly competitive CD environment in the AA during the evaluation period. The bank had just over \$38 million in qualified investments and \$28 million in CD loans. Bank representatives provided their financial expertise through CD services to several community development-based organizations.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. Several CD loans, qualified investments, and CD services provided affordable housing targeted to LMI individuals, which were in direct response to identified community needs.

Qualified Investments

The investments and grants were responsive to identified CD needs of the New York-White Plains-Wayne, NY-NJ MD.

Tables 9 and 10 show the level of qualified investments and the corresponding percentages to allocated Tier 1 capital and total income.

Table 9: New York-White Plains-Wayne, NY-NJ MD - Qualified Investment Activity (000s)

	Benefits AA**
Originated Investments	\$37,899
Originated Grants	\$273
Prior-Period Investments that Remain Outstanding	\$0
Total Qualified Investments	\$38,172
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. **Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 10: New York-White Plains-Wayne, NY-NJ MD - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	13.01
Total Investments/Average Total Income	14.42

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

BNY Mellon invested \$34.7 million during the evaluation period in several low-income housing tax credit (LIHTC) equity investment pools benefiting the AA. Some of the investments in LIHTC loan pools are as follows:

- A \$17 million investment to develop 66 units of affordable rental housing for LMI residents;
- An investment of \$10 million to develop 62 units of affordable rental housing for LMI residents, and;
- An investment of \$8 million to develop 129 units of affordable rental housing for LMI residents.

BNY Mellon also made investments totaling \$3 million in mortgage-backed securities. The bank's investments are comprised of pools of single-family loans to LMI borrowers.

The bank originated grants totaling \$273 thousand during the evaluation period to support community development. The grants included:

- Donations totaling \$56 thousand to a non-profit organization that, in partnership with the community, rehabilitates the houses of low-income homeowners, particularly people who are physically challenged and the elderly;
- A donation of \$30 thousand to a women’s shelter for victims for domestic violence. The shelter provides legal services and education, and works for the prevention of domestic violence, and;
- A donation of approximately \$13 thousand to an organization that provides emergency food, rental and utility assistance, and counseling to LMI residents.

Community Development Lending

BNY Mellon made CD loans in the New York-White Plains-Wayne, NY-NJ MD totaling \$28 million during the evaluation period.

The CD loans are considered highly responsive in addressing identified credit needs of the MD. The following table shows the percentages of CD loans compared to allocated Tier 1 capital and total income.

Table 11: New York-White Plains-Wayne, NY-NJ AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	9.54
Total CD Lending/Average Total Income	10.58

** Community development loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>*

Following are descriptions of some of the CD loans extended during the evaluation period:

- A \$6 million letter of credit to enhance bonds issued by a housing finance agency. The funds were used to rehabilitate a 40-unit apartment building that provides affordable housing for LMI residents, and;
- A \$14 million loan restructured as an LIHTC. The funds were used to construct 67 units of affordable rental housing.

Community Development Services

During the evaluation period, the bank provided a total of nine qualified CD services. These CD services provided financial expertise and technical assistance to community-based organizations involved in CD activities. These organizations provide support for the

development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families.

Conclusions for Area Receiving Limited Scope Review

Based on the limited-scope review, the bank's performance in the Newark AA is not inconsistent with the bank's overall "Outstanding" performance in the MMSA. The levels of qualified investments and CD loans are excellent. The bank did not perform any CD services in the Newark AA during the evaluation period.

Qualified Investments, CD Loans, and CD Services

During the evaluation period, the bank invested a total of approximately \$11.6 million. The bank invested \$9.7 million in LIHTCs and made donations totaling \$109 thousand during the evaluation period. BNY Mellon also invested \$1.77 million in mortgage-backed securities.

Tables 12 shows qualified investments as percentages of the level of allocated Tier 1 capital and total income.

Table 12: Newark-Union, NJ-PA AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	626.59
Total Investments/Average Total Income	694.71

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

BNY Mellon made \$7.7 million in CD loans during the evaluation period. The loans supported the development of affordable multifamily housing, including units for individuals suffering from HIV-AIDS and either homeless or at risk of being homeless.

The following table shows percentages for total dollars of CD loans compared to allocated Tier 1 capital and total income:

Table 13: Newark-Union, NJ-PA AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	416.68
Total CD Lending/Average Total Income	461.98

* Community development loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

Washington-Arlington-Alexandria, DC-VA-MD-WV MMA Rating

CRA Rating for Washington – Arlington – Alexandria, DC-VA-MD-WV MMA: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area(s)

BNY Mellon has had two AAs within the Washington-Arlington-Alexandria, DC-VA-MD-WV MMA: the Bethesda AA and the Washington DC AA. The bank designated the Silver Spring-Frederick-Rockville, MD as the Bethesda AA, consisting of Frederick and Montgomery counties. The bank opened its branch in the Bethesda AA in 2009, but it was closed and relocated to Washington, DC in 2011. Upon relocation, the bank designated the District of Columbia within the Washington-Arlington-Alexandria, DC-VA-MD-WV MD as the Washington, DC AA. The branch in the Washington, DC AA is located in an upper-income geography. The bank's AAs comply with CRA guidelines and do not arbitrarily exclude LMI geographies. The areas are urban in nature and there are no known barriers to CD lending, investment, or services.

For every MMSA in which a bank has branches in more than one state, performance in the MMSA must be rated and at least one full-scope review must be performed. The Washington, DC AA was selected for the full-scope review. The Bethesda AA was evaluated using limited-scope procedures.

Banking competition in the Washington, DC AA is very strong. As of June 30, 2012, there were 97 banking institutions with 1,778 branches in the AA, including national and regional financial institutions. The local economy is very strong with a diversified and growing employment base. The unemployment rate as of June 2013 was 8.5 percent. The updated 2012 HUD adjusted median family income was \$104,300. Key sectors that drive the local economy include the federal government, technology, construction, international business, professional services, and hospitality.

Tables 14a and 14b below provide the demographics for the Washington, DC AA for the most recent two census periods:

Table 14a: Washington, DC Assessment Area Description – 2000 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	188	32%	33%	11%	21%
Families	115,963	40%*	18%*	15%*	27%*
Businesses (non-farm)	79,138	23%**	25%**	7%**	36%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level. **Represents non-farm businesses by income level of census tract. Seven Census Tracts are not income categorized. Census Tracts that are not income categorized contain nine percent of (non-farm) Businesses.

Table 14b: Washington, DC Assessment Area Description – 2010 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	435	32%	27%	13%	26%
Families	109,171	38%*	16%*	14%*	32%*
Businesses (non-farm)	77,061	12%**	22%**	11%**	52%**

Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract. Three Census Tracts are not income categorized. Census tracts that are not income categorized contain three percent of (non-farm) Businesses.

Recent community contacts made in this area all identified the continuing need for access to quality affordable housing for low- and moderate-income households

Conclusions for Areas Receiving Full Scope Review

- BNY Mellon demonstrated a high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities in the AA during the evaluation period. Though the bank did not make any new CD investments after creating the Washington, DC AA in 2011, qualified investments from prior periods continue to benefit the AA. The bank did not originate any CD loans and only performed one qualified CD service in the AA. The bank’s performance in the Washington, DC AA did not have a significant impact on the overall CRA rating as BNY Mellon has a very limited presence in the AA, with less than 0.2 percent of its deposits within the AA.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. The qualified prior period investment provided affordable housing targeted to LMI individuals, which was in direct response to identified community needs.

Qualified Investments

The bank's investment in an LIHTC project from a prior period remains outstanding and continues to benefit the AA. The current book value of the investment is \$2.98 million. In addition, the bank made grants of \$21 thousand during 2012. Tables 15 and 16 show the level of qualified investments and the corresponding percentages to allocated Tier 1 capital and total income.

Table 15: Washington, DC AA - Qualified Investment Activity 2012 (000s)

	Benefits AA**
Originated Investments	\$0
Originated Grants	\$21
Prior-Period Investments that Remain Outstanding	\$2,984
Total Qualified Investments	\$3,005
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. **Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 16: Washington, DC AA - Qualified Investment Percentages 2012

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	187.13
Total Investments/Average Total Income	207.48

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov.

Community Development Lending

The bank did not make any CD loans during the evaluation period.

Community Development Services

BNY Mellon provided one qualified CD service in the AA during 2012. The CD service provided financial expertise and technical assistance to a community-based organization supporting the revitalization and development of LMI areas within the Washington, DC AA.

Conclusions for Areas Receiving Limited Scope Review

Based on the limited-scope review, the bank's performance for CD activities within the Bethesda AA is not inconsistent with the bank's overall "Outstanding" performance within the MMSA.

Qualified Investments, Grants, and CD Loans and CD Services

The bank originated \$5 million in equity investments during the evaluation period while operating in the AA. Prior period investments that remained outstanding during the evaluation period, and continued to benefit the AA, totaled \$3.4 million. The bank also originated grants totaling \$20 thousand during the evaluation period. These investments represented a high proportion of allocated Tier 1 capital and allocated total income for the AA.

The bank did not originate any CD loans in the AA and only performed one qualified CD service during the evaluation period.

State Rating

CRA Rating for the State of Pennsylvania: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area(s)

BNY Mellon has two AAs within the state of Pennsylvania. The bank has designated the Pittsburgh MSA as the Pittsburgh AA. The AA consists of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland counties. The bank has also designated the Harrisburg-Carlisle PA MSA as the Harrisburg AA. The AA consists of Cumberland, Dauphin, and Perry counties. Both AAs comply with CRA guidelines. They do not arbitrarily exclude low- and moderate-income (LMI) geographies. Although both AAs have some rural sections within them, the areas are generally urban in nature. There are no known barriers to CD lending, investment, or services. Our analysis included a full-scope review of the bank's performance in the Pittsburgh AA, and a limited-scope review of performance in the Harrisburg AA.

Banking competition is strong with 59 banks and 873 branches in the Pittsburgh MSA, including several large multi-state regional institutions that have extensive branch networks and the ability to combine community development activities with their retail banking offices and products. Pittsburgh's economy is not growing as quickly as it had over the past two years, but it is outperforming Philadelphia, and is Pennsylvania's strongest metro area. The largest industries in the AA are government, health, education, retail, and financial services. Major employers include University of Pittsburgh Medical Center, the University of Pittsburgh, Giant Eagle, and PNC Financial Services Group, Inc. In June 2013, the unemployment rate for the Pittsburgh MSA was 7.2 percent. The updated 2012 HUD adjusted median family income was \$64,900.

As of December 31, 2012, BNY Mellon operated two offices within the Pittsburgh AA: one in Allegheny county and one in Westmoreland county. Both are in upper-income geographies. The bank also operated one office within the Harrisburg AA during the evaluation period. BNY Mellon opened this office in April 2009 and closed it in December 2012. This office is one of the closed offices discussed above. It was also in an upper-income geography.

Tables 18a and 18b below portray the demographics in the AA for the last two census periods:

Table 18a: Pittsburgh MSA Assessment Area Description – 2000 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	721	5%	24%	50%	21%
Families	654,982	19%*	19%*	22%*	40%*
Businesses (non-farm)	242,210	3%**	16%**	46%**	35%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.
 **Represents non-farm businesses by income level of census tract.
 One Census Tract is not income categorized.

Table 18b: Pittsburgh MSA Assessment Area Description – 2010 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	711	7%	26%	46%	21%
Families	619,201	20%*	18%*	22%*	40%*
Businesses (non-farm)	238,900	4%**	18%**	48%**	30%**

Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.
 **Represents businesses by income level of census tract.
 One Census Tract is not income categorized.

Nonprofit organizations were contacted to assess the AA’s needs. The contacts noted that the housing stock in the MSA is very old and in deteriorating condition. Purchase money mortgages are often difficult to obtain due to the condition of the housing units. Rehabilitation programs are a critical need in the AA, especially for senior citizens. It was noted that local banks, especially BNY Mellon, have been consistently supportive of these programs.

Through contact with community groups, the following needs were also identified:

- Mortgage products for low- and moderate-income borrowers;
- Funding for economic development projects and organizations, and;
- More programs and involvement in home equity and home improvement lending.

There is a significant need for community development loans, investments, and services within the AA. Competition for CD loans, qualified investments, and CD services is high and consists primarily of local financial institutions that have a presence within the AA.

Conclusions for Area Receiving Full Scope Review

- BNY Mellon demonstrated a very high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities in the AA during the evaluation period. The bank had nearly \$115 million in qualified investments and \$36 million in CD loans. Bank representatives performed over 200 CD services during the evaluation period,

which benefited organizations that provide support for the development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families.

- The bank demonstrated rare use of innovative or complex CD investments, loans, and services
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. Several CD loans, qualified investments, and CD services provided affordable housing targeted to LMI individuals, which were in direct response to identified community needs.

Qualified Investments

The bank originated qualified investments totaling \$45.4 million during the evaluation period. The bank also made grants of \$15.3 million. In addition, BNY Mellon had \$54.3 million in investments outstanding from prior periods that continue to benefit the AA. The investments and grants were responsive to credit needs of the Pittsburgh MSA.

Tables 19 and 20 show the level of qualified investments and the corresponding percentages to allocated Tier 1 capital and total income.

Table 19: Pittsburgh AA - Qualified Investment (000s)

	Benefits AA**
Originated Investments	\$45,392
Originated Grants	\$15,284
Prior-Period Investments that Remain Outstanding	\$54,309
Total Qualified Investments	\$114,985
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. **Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 20: Pittsburgh MSA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	55.66
Total Investments/Average Total Income	61.71

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

BNY Mellon invested approximately \$45 million during the evaluation period in several LIHTC equity investment pools benefiting the AA. Some of the investments in LIHTC loan pools are as follows:

- A \$13 million investment to develop 102 affordable rental housing units for LMI residents, and;
- A \$9 million investment to develop 60 affordable rental housing units for LMI residents.

The bank made grants totaling \$15.2 million during the evaluation period to support organizations helping address community needs. Some of the grants made include:

- Grants totaling \$850 thousand to a facilitator organization for economic development, public education, and infrastructure in southwestern Pennsylvania benefiting LMI individuals;
- Grants totaling \$152 thousand to an organization in the Pittsburgh area that provides services and shelter to homeless women. Some of the services provided are medical, mental health, and employment services;
- Grants totaling \$346 thousand from employee contributions that offer a 100 percent corporate match toward charities that target affordable housing, food banks, and shelter and employment services to LMI families;
- Grants totaling \$134 thousand to a community college in Pennsylvania where the funds targeted to LMI individuals will help to increase the educational success of community college students who traditionally face significant barriers to achieve academic success; the majority of the students represented by the program are the first to attend college in their families, and;
- Grants totaling \$192 thousand to an organization that meets affordable housing needs in southwestern Pennsylvania through a variety of programs and services to LMI families.

Community Development Lending

BNY Mellon made CD loans totaling \$36 million during the evaluation period. Most of these loans were to nonprofit organizations to support affordable housing initiatives.

The CD loans are considered responsive in addressing identified credit needs of the MSA. These needs include affordable housing and the revitalization and stabilization of LMI geographies. The following tables show percentages of total dollars of CD loans compared to allocated Tier 1 capital and total income.

Table 21: Pittsburgh MSA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	17.43
Total CD Lending/Average Total Income	19.32

* Community development loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>

Some of the CD loans made during the evaluation period and benefiting the AA include:

- A \$1.5 million loan to rehabilitate 18 houses that will be sold to LMI buyers;
- A \$6.9 million loan to construct 45 affordable rental units for low-income individuals;
- An \$8.6 million loan to renovate 102 affordable rental units for low-income seniors;
- A \$1.2 million loan to a CDFI helping to revitalize distressed geographies, and;
- A \$1.3 million loan to a community development bank. The capital was used for economic development not readily available through existing public or private sector financial programs.

Community Development Services

BNY Mellon provided CD services involving financial expertise and technical assistance to community based organizations involved in CD activities within the AA. In total, the bank and its representatives performed 207 CD services during the evaluation period. These organizations provide support for the development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families. The following describes a few of the bank’s CD services:

- Nine bank officers provided technical assistance on financial matters to a foundation providing grants for workforce development and basic needs, focusing on the low-income population. The officers serve in various positions of responsibility, including chairman of the board; chairman elect; president of the board of directors; members of the board; and board secretary;
- One bank officer served as a member of the board of directors, and provided technical assistance on financial matters to an affordable housing organization that provides rental units to low-income individuals;
- A bank officer provided technical and financial expertise by serving as board treasurer and a member of the equity investments committee for an organization that focuses on affordable housing and foreclosure prevention in southwestern Pennsylvania;

- A bank officer served as a member of the board and investment committee and provided financial expertise to an organization that focuses on providing affordable housing and services for the lower-income elderly population in the community, and;
- A bank officer was a member of the advisory board and provided technical assistance on financial matters to an organization that provides legal services to the poor, and vulnerable low- and moderate-income individuals in Allegheny County, Pennsylvania.

Conclusions for Area Receiving Limited Scope Review

Based on the limited-scope review, the bank’s performance for community development activities in the Harrisburg AA is not inconsistent with the bank’s overall “Outstanding” performance in the state of Pennsylvania.

Qualified Investments, Grants, and CD Loans and CD Services

The bank did not originate any qualified investments during the evaluation period. However, investments that remain outstanding from prior periods and continue to benefit the AA total just over \$4.0 million. The bank also made grants of \$24 thousand during the evaluation period.

Table 22 shows the level of qualified investments relative to allocated Tier 1 capital and total income.

Table 22: Harrisburg AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	631.59
Total Investments/Average Total Income	700.26

** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>*

BNY Mellon also originated \$5.2 million in CD loans in the AA during the evaluation period.

Table 23 shows the level of CD loans relative to allocated Tier 1 capital and total income.

Table 23: Harrisburg AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	808.14
Total CD Lending/Average Total Income	896.00

** Community development loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>*

The bank did not perform any CD services in the AA during the evaluation period.

State Rating

CRA Rating for the State of Connecticut: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area

The bank delineated the Bridgeport-Stamford-Norwalk, CT MSA as the Bridgeport AA. The MSA consists of one county, Fairfield. The AA complies with CRA guidelines. It does not arbitrarily exclude LMI geographies. The area is urban and suburban in nature and there are no known barriers to CD lending, investment, or services.

Banking competition is strong with 32 banks and 409 branches in the MSA, including several large multi-state regional institutions that have extensive branch networks and the ability to provide CD activities through their retail banking offices and products.

The Connecticut branch operates in a market area that is very competitive. Current economic conditions remain challenging mainly due to the high costs of living and doing business. The unemployment rate as of June 2013 was 7.5 percent. The updated 2012 HUD adjusted median family income was \$106,700. The largest industries in the MSA are manufacturing, government, health, and education. Major employers include Sikorsky Aircraft Corp., General Electric Co., UBS, and Pitney Bowes, Inc.

As of December 31, 2012, BNY Mellon operates one branch within this AA. The office is in an upper-income geography.

Tables 24a and 24b provide summaries of the key demographic information for the AA.

Table 24a: Bridgeport Assessment Area Description – 2000 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	209	13%	21%	32%	34%
Families	229,851	22%*	17%*	20%*	41%*
Businesses (non-farm)	133,670	7%**	19%**	34%**	40%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents non-farm businesses by income level of census tract.

Table 24b: Bridgeport Assessment Area Description – 2010 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	210	15%	18%	32%	35%
Families	230,561	23%*	17%*	20%*	40%*
Businesses (non-farm)	128,636	10**	16%**	33%**	41%**

*Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract.*

As part of our analysis, we considered information from a community contact with a local business affiliation in the Bridgeport AA, whose primary mission is to pursue economic development in the region that will lead to increased jobs and tax base growth. Their goal is to create a business environment receptive to expansion of current businesses and attraction of new businesses to the area. The contact acknowledged that financial institutions have the capacity to help revitalize economically depressed areas. There are reputable community development entities in the area with the capacity to partner with the banks in projects and programs. According to the contact, some of the most pressing financial needs and opportunities for financial institutions in this AA are as follows:

- Affordable housing;
- Social services for low- and moderate-income individuals;
- Education opportunities;
- Financial services including bank branches in low- and moderate-income communities;
- Economic development projects to help revitalize and stabilize the area; and,
- Sponsorship of job training programs.

Conclusions for Area Receiving Full Scope Review

- BNY Mellon demonstrated a very high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities, given the highly competitive CD environment in the AA during the evaluation period. The bank had over \$4 million in qualified investments and over \$1 million in CD loans. A bank representative provided financial expertise through a CD service to a community development-based organization.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. Several CD loans, qualified investments, and the CD service provided affordable housing targeted to LMI individuals.

Qualified Investments

The bank invested \$4.478 million in mortgage-backed securities during the evaluation period and also made grants of \$38 thousand. The investments and grants were responsive to credit needs of the Bridgeport AA. The investments were not complex or innovative.

Tables 25 and 26 show the level of qualified investments and the corresponding percentages to allocated Tier 1 capital and total income.

Table 25: Bridgeport AA - Qualified Investment Activity (000s)

	Benefits AA**
Originated Investments	\$4,478
Originated Grants	\$38
Prior-Period Investments that Remain Outstanding	\$0
Total Qualified Investments	\$4,516
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. **Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 26: Bridgeport AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	13.74
Total Investments/Average Total Income	15.24

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

Community Development Lending

The bank originated CD loans totaling \$1.25 million during the evaluation period. The following table shows percentages for the total dollars of CD loans compared to allocated Tier 1 capital and total income.

Table 27: Bridgeport AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	3.80
Total CD Lending/Average Total Income	4.22

* Community development loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital, income, and receivables, if applicable, allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov>>

The bank's CD loans provided funding for the construction of a facility to provide services to children from LMI families. The facility is located in a moderate-income geography. The organization is eligible for federal new market grants in conjunction with project financing through the Massachusetts Housing Investment Corporation.

Community Development Services

BNY Mellon provided one qualified CD service during the evaluation period. An officer of the bank provided financial expertise and technical assistance to a community-based organization involved in CD activities. The organization provides support for the development of affordable housing to LMI individuals and families.

State Rating

CRA Rating for the State of Massachusetts: Outstanding

The conclusions for the three rating criteria are:

- The bank demonstrated a very high level of CD activities, consisting of CD lending and services, and qualified investment activity during the evaluation period.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services.
- The bank demonstrated adequate responsiveness to credit and community development needs in its assessment area.

Description of Assessment Area(s)

BNY Mellon has designated the Boston-Quincy, MA MD, which consists of the counties of Norfolk, Plymouth, and Suffolk, as the Boston AA. This AA complies with CRA guidelines and does not arbitrarily exclude LMI geographies. The area is urban and suburban in nature and there are no known barriers to CD lending, investment, or services.

Banking competition is strong in this AA. As of June 30, 2012, there were 146 banking institutions with 1,516 branches in the Boston MD, including large national and regional financial institutions. The Boston MD continues to experience high business and living costs, and below-average population growth. In June 2013, the unemployment rate for the Boston MD was 6.8 percent. The updated 2012 HUD adjusted median family income is \$88,800. Healthcare, education, and government are the major employers located in the MD. They include Massachusetts General Hospital, Brigham & Women's Hospital, Boston University, and the Children's Hospital Boston.

As of December 31, 2012, BNY Mellon operated one office within an upper-income geography in Suffolk county.

Tables 28a and 28b below portray the demographics in the AA for the last two census periods:

Table 28a: Boston Assessment Area Description – 2000 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	388	10%	24%	40%	26%
Families	430,748	22%*	17%*	21%*	40%*
Businesses (non-farm)	193,125	9%**	15%**	36%**	40%**

Source: Demographic Data - 2000 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents non-farm businesses by income level of census tract.

Two Census Tracts are not income categorized.

Table 28b: Boston Assessment Area Description – 2010 U.S. Census

	Number	Low	Moderate	Middle	Upper
Tracts	435	14%	18%	37%	29%
Families	952,079	23%*	16%*	19%*	41%*
Businesses (non-farm)	187,063	7%**	11%**	36%**	46%**

Source: Demographic Data - 2010 U.S. Census, Dun & Bradstreet Data. *Represents families by income level.

**Represents businesses by income level of census tract.

Tracts do not add to 100% due to rounding, and 16 Census Tracts are not income categorized.

Nonprofit affordable housing organizations were contacted to assess the community development of the AA. The contacts noted that there is a growing need for financing of mixed-use and mixed-income commercial space, with retail on the ground floor and housing on the upper floors. Affordable rentals are needed and the area is still struggling with foreclosures. The contacts noted that local banks, including BNY Mellon, have been consistently supportive of these organizations and their projects.

Conclusions for Area Receiving Full Scope Review

- BNY Mellon demonstrated a very high level of CD loans, CD services, and qualified investments in relation to its capacity and opportunities, given the highly competitive CD environment in the AA during the evaluation period. The bank had just over \$38 million in qualified investments and over \$42 million in CD loans. Bank representatives provided their financial expertise through CD services to several community development-based organizations.
- The bank demonstrated rare use of innovative or complex CD investments, loans, and services
- The bank demonstrated adequate responsiveness to credit and CD needs in the AA. Several CD loans, qualified investments, and CD services provided affordable housing targeted to LMI individuals, which were in direct response to identified community needs.

Qualified Investments

The bank's qualified investments, totaling \$38.5 million, were responsive to credit needs. Tables 29 and 30 show the level of qualified investments and the corresponding percentages to allocated Tier 1 capital and total income.

Table 29: Boston AA - Qualified Investment Activity (000s)

	Benefits AA**
Originated Investments	\$21,074
Originated Grants	\$3,704
Prior-Period Investments that Remain Outstanding	\$13,751
Total Qualified Investments	\$38,529
Unfunded Commitments*	\$0

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. ** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA.

Table 30: Boston AA - Qualified Investment Percentages

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	14.22
Total Investments/Average Total Income	15.77

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>

The bank made \$21 million in LIHTC investments during the evaluation period. The investments supported the development of affordable housing in the AA. These investments are considered complex because of the continued analysis required in ascertaining the levels of risk and feasibility of the projects, and the multiple layers of financing and institutions involved. Specific investments made by the bank include:

- A \$2 million investment to develop 100 units of affordable housing for LMI families;
- A \$5.5 million investment to develop 29 units of housing for LMI residents, and;
- A \$5.5 million investment to develop 24 units for LMI residents.

BNY Mellon made grants to organizations in the AA totaling \$3.66 million during the evaluation period. These grants were for affordable housing, economic development, job training, and social services.

- BNY Mellon donated over \$168 thousand to a not-for-profit food and nutrition program providing meals and services throughout the AA to LMI individuals and families with the greatest need.
- The bank donated over \$96 thousand to an organization that helps meet the basic needs of children 12 years old and younger living in poor or low-income households, including needs such as providing shoes and coats.
- BNY Mellon donated over \$85 thousand to an organization using service programs,

independent research, and public advocacy to help low-income women achieve economic independence.

Community Development Lending

CD loans originated in the Boston-Quincy MA MSA-MD AA during the evaluation period totaled \$42.2 million. Loans were made to a collaborative lending initiative to develop large-scale affordable housing projects in the Boston area, and loans also supported the development of affordable housing, including housing for the elderly and disabled. The following table shows percentages for total dollars of CD loans compared to allocated Tier 1 capital and total income:

Table 31: Boston AA - Community Development Lending Percentages

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	15.58
Total CD Lending/Average Total Income	17.27

** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA and benefit the AA or have the potential to benefit the AA. Calculations reflect capital and income allocated by location of deposits as reported by the bank in its annual Summary of Deposits report, available at www.fdic.gov. <<http://www.fdic.gov/>>*

Community Development Services

BNY Mellon provided CD services involving financial expertise and technical assistance to organizations in the Boston MD that are involved in CD activities. These organizations provide support for the development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families. The following describes some of the bank’s CD service activities:

- Four bank officers served in various capacities, and provided financial and technical expertise to an organization that provides mental health care, meals-on-wheels to the elderly, and rehabilitation services to the disabled. Three bank officers served on the board of advocates, and one officer was on the advisory board;
- A bank officer was a member of the board and provided technical assistance on financial matters to an organization that operates five food pantries, and provides rent, mortgage, and utility assistance to those in need;
- An officer of the bank was a member of the board of trustees, and a member of the advisory board, and provided technical assistance on financial matters to an organization that helps LMI children to learn to read;
- A bank officer was on the steering committee and provided technical assistance on financial matters to an organization that provides for the social, educational, and economic needs of extremely low-income families;

- A bank officer was a member of the board of directors and provided technical assistance on financial matters to an organization that promotes affordable housing and voucher assistance for LMI individuals in Boston;
- An officer of the bank served as a member of the board of directors and the chair of the development committee, and provided technical assistance on financial matters to an organization helping children overcome barriers due to disability and poverty;
- A bank officer was a member of the advisory board and provided technical assistance on financial matters to a foundation that helps those affected by poverty, homelessness, and domestic violence, and;
- An officer of the bank was a member of the board of directors and the major donors committee, and provided technical assistance on financial matters to an organization that provides services to low-income women so they can gain economic independence.

Community Development Activities Outside of Assessment Areas

CD activities outside of the bank's AAs had a positive impact on the bank's overall CRA performance and further support the bank's overall "Outstanding" rating. BNY Mellon received consideration for these community development activities outside of its AAs because it has adequately addressed community development needs within its AAs.

Qualified Investments

During the evaluation period, CD investments totaling \$19 million were made that were located outside the bank's AAs and have no potential to benefit the AAs.

- The bank invested \$15.9 million in LIHTC during the evaluation period to develop affordable housing outside its AAs. Prior outstanding LIHTCs totaled \$16.6 million.
- The bank made grants approximating \$3.1 million during the evaluation period to support community development outside of the AAs.

Prior outstanding mortgage-backed securities comprised of pools of single-family loans to LMI borrowers outside of the bank's AAs totaled approximately \$23 million. In addition, BNY Mellon had prior miscellaneous equity investments that totaled over \$1 million outside of its AAs.

Community Development Lending

During the evaluation period, CD loans totaling \$757 thousand were made to borrowers located outside the bank's AAs and have no potential to benefit the AAs.

Community Development Services

During the evaluation period, the bank provided a total of sixteen qualified CD services. The CD services provided financial expertise and technical assistance to community-based organizations involved in CD activities. These organizations provide support for the development of affordable housing, assistance to small businesses, revitalization of distressed communities, and social counseling and assistance to LMI individuals and families.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c) and 195.28(c), in determining a national bank's (bank) or federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development (HUD), and the Consumer Financial Protection Bureau (CFPB). We also considered other material practices the bank engaged in during the evaluation period involving home mortgage lending practices and foreclosure issues that provide relevant context for the bank's activities during the period of the CRA evaluation.

The OCC did not identify evidence of discriminatory or other illegal credit practices with respect to this institution.

The OCC will consider any evidence of discriminatory or other illegal credit practices relative to this institution that other regulators may provide to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information provided concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Assessment Area (AA): A geographic area that consists generally of one or more MSAs (using the MSA boundaries that were in effect as of January 1 of the calendar year in which the delineation is made) or one or more contiguous political subdivisions, such as counties, cities, or towns, in which the bank has its main office, branches, and deposit-taking ATMs.

Benefit to Assessment Area: A qualified Community Development activity benefits the assessment area if (i) the activity benefits areas within the assessment area, or (ii) the activity has the potential to benefit the assessment area and is located in the broader statewide or regional area that includes the bank's assessment area. If a bank has adequately addressed the needs of its assessment area, then the OCC also considers activities submitted by the bank that benefit areas outside of its assessment area.

Census Tract (CT) – 2000 Census: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Census Tract (CT) – 2010 Census: Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

Community Development (CD): Affordable housing for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted

the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank’s record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Median Family Income (MFI) – 2000 Census: The median income determined by the United States Census Bureau every 10 years and used to determine the income level category of geographies. In addition, it is the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of families. For any given geography, the median is the point at which half of the families have income above it and half below it. (See the four categories of median income below.)

- **Low-Income** – An income level that is less than 50% of the MFI.
- **Moderate-Income** – An income level that is at least 50% and less than 80% of the MFI.
- **Middle-Income** – An income level that is at least 80% and less than 120% of the MFI.
- **Upper-Income** – An income level that is 120% or more of the MFI.

Median Family Income (MFI) – 2010 Census: The median income derived from the United States Census Bureau’s American Community Survey data every 5 years and used to determine the income level category of geographies. In addition, it is the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Net Operating Income: As listed in the Consolidated Report of Condition and Income: Income before income taxes and extraordinary items and other adjustments.

Pass-Through Receivables: Outstanding receivables tied to all accounts issued or owned by the bank. Pass-through receivables include receivables attributable and receivables retained on balance sheet as those terms are used in 12 CFR 8.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Total Assets: Total bank assets as listed in the Consolidated Report of Condition and Income.

Total Income: From the Consolidated Report of Condition and Income – Total Interest income plus Total Noninterest income.

Wholesale Institution: An institution that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers and for which a designation as a wholesale bank is in effect.