

Stable Value



March 31, 2012

About BNY Mellon Cash Investment Strategies (CIS)*

- Assets of \$472 billion under management²
- 101 employees – 67 investment professionals
- 212 separately managed account client relationships
- Domestic, regional and global mandates
- Offices in New York, Pittsburgh and San Francisco
- CIS is also represented in London by its affiliate, BNY Mellon Asset Management (UK) Limited

*As of March 31, 2012.

Benchmarks

- CIS "BoFA ML Wrapped" 1-5 Year Corporate/Government Index³
- CIS US Treasuries Rolling 5-Year Index⁴
- BoFA ML US 3-Month Treasury Bill Index⁵

Composite Performance Inception

January 1, 1987

Product Facts⁶

Allowable investments	High credit quality (investment grade only) fixed income securities held within contracts intended to minimize market volatility ("synthetic" GICs), Guaranteed Investment Contracts (GICs), and cash and cash equivalents
Duration range	2.0 - 4.0 years
Individual security quality	Ranges from AAA to BBB ⁷
Average number of portfolio holdings	10-25
Average number of underlying securities	3500+ ⁸
Minimum separate account size	Minimum \$50 million ⁹
Total stable value assets managed	\$20.3 billion* (Book Value)
Separate Account composite assets	\$14.0 billion* (Book Value)

¹There is no assurance these objectives can be met. ²Includes assets managed by certain CIS personnel who manage bank collective funds in their capacity as officers of The Bank of New York Mellon, including \$146 billion of Securities Lending Cash Collateral Reinvestment assets.

³The CIS "BoFA ML Wrapped" 1-5 Year Corporate/Government Index is a measure established and calculated by CIS, is not sponsored, licensed or endorsed by BoFA Merrill Lynch, and is not available for direct investment. The performance of the CIS "BoFA ML Wrapped" 1-5 Year Corporate/Government Index does not reflect actual performance, but represents an assumed rate of return had the BoFA ML 1-5 Year Corporate/Government Index been wrapped for book value returns. The CIS index assumes a 12 basis point annual book value wrap fee from inception to June 30, 2004; 10 basis points from then until December 31, 2008; 15 basis points from then until December 31, 2011; and 20 basis point thereafter. These wrap fee assumptions are CIS' view of the industry's average during these points in time. The Crediting Rate formula applied: $CR = ((1+YTM) * ((MV/BV)^{(1/D)})) - 1$, where CR is equal to the book value crediting reset rate, YTM is the market yield to maturity of the underlying asset(s), MV is the market value of the underlying asset(s), BV is the book value of the synthetic wrap contract and D is the duration of the underlying asset(s).

⁴The CIS US Treasuries Rolling 5-Year Index is a measure created by CIS to represent a simulated book valued, high credit quality investment with a duration comparable in our view to that of a typical stable value fund, comprising the blended average yield of a hypothetical portfolio of 5-Year Treasury Notes. The Index consists of 5-Year Treasury Notes hypothetically "purchased" over a 60-month period. Each month, the Index "buys" the "on-the-run" 5-Year Note and "sells" the security purchased sixty months ago. The results shown are hypothetical only; are not based on actual trading outcomes; and do not reflect the deduction of investment advisory fees, trading costs, or other expenses.

⁵The BoFA ML US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issued selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date. While the index will often hold the Treasury Bill issued at the most recent 3-month auction, it is also possible for a seasoned 6-month Bill to be selected.

⁶Flexible to meet client guidelines and objectives. ⁷Ratings are Standard & Poor's credit rating. Exposure to BBB credit quality issues reside within a diversified constant duration portfolio. ⁸Exposure to high number of securities is achieved through a diversified indexed portfolio. ⁹May be waived under certain circumstances.

For more information, please contact:

Douglas Barry, CFA
415-399-4476
douglas.barry@bnymellon.com
or visit bnymelloncis.com

Objectives¹

- Preservation of principal and current income through various interest rate environments.
- Maintenance of daily book value liquidity for all plan participants.
- Performance that attempts to be comparable to intermediate bond fund returns and to exceed money market fund returns over time.

Approach

- A risk averse style of investment management.
- A disciplined team structure draws the best ideas into the decision-making process through the interaction of investment professionals who have different areas of expertise.
- Tailored investment guidelines based on client objectives.
- Use of broadly-based index funds allows for diversified exposure to the credit sector.

Risk Management

- Issuer exposure is constrained to help minimize issuer credit risk and increase diversification.
- Duration target is managed at portfolio and product levels in an effort to provide consistent income from interest and principal repayments and minimize convexity risk.
- A tiered liquidity protocol and laddered portfolio maturity structure are utilized to help manage liquidity risk.



Portfolio

Characteristics	Portfolio
Average duration	3.04 yrs
Crediting rate	2.80%

Diversification	Portfolio (%)*
Constant duration synthetics	72.6
Cash & equivalents	9.7
Fixed maturity synthetic GICs	7.6
Insurance co. separate accounts	6.9
Traditional GICs	2.3
Stable value pooled funds	0.9
Total	100.0

Sector Allocation	Portfolio (%)*
Government	23.3
Credit	20.4
Mortgage-backed	19.8
Cash & equivalents	19.2
Asset-backed	8.3
Commercial mortgage-backed	4.4
Traditional GICs	2.3
Other	1.1
Stable value pooled funds	0.8
GNMA project loans	0.4
Total	100.0

Quality Distribution ⁷	Portfolio (%)*
AAA	36.2
AA	44.5
A	10.9
BBB	7.8
Below BBB	0.6
Total	100.0

Maturity Distribution ⁸	Portfolio (%)*
0-1 year	20.4
1-2	3.7
2-3	8.5
3-4	61.6
4-5	0.1
5+	5.7
Total	100.0

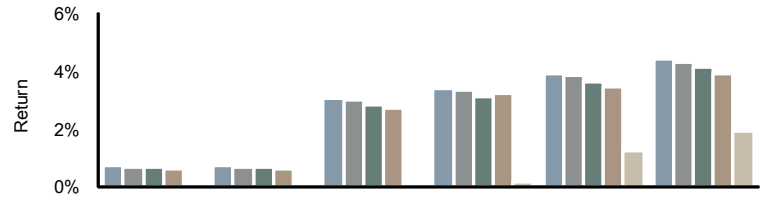
Top 5 Synthetic Wrap Providers	Portfolio (%)*
Prudential	18.8
Monumental Life (Aegon)	18.6
Natixis FP	9.1
Pacific Life	8.5
ING Life & Annuity Co.	6.4
Total	61.4

Top 5 GIC Issuers	Portfolio (%)*
MetLife Insurance Co.	1.1
Prudential	0.4
Protective Life	0.2
New York Life	0.2
Pacific Life	0.2
Total	2.1

*Based on book value of portfolio. Portfolio composition is subject to change.

Composite Performance**

- Size-weighted Gross
- Size-weighted Net
- CIS "BofA ML Wrapped" 1-5 Yr CG Index
- CIS US Treasuries Rolling 5-Year Index
- BofA ML US 3-Month Treasury Bill Index



	3-month	YTD	1-yr	3-yr	5-yr	10-yr
Size-weighted Gross	0.70%	0.70%	3.04%	3.39%	3.90%	4.40%
Size-weighted Net ⁶	0.68%	0.68%	2.97%	3.31%	3.82%	4.31%
CIS "BofA ML Wrapped" 1-5 Yr C/G Index ⁵	0.66%	0.66%	2.82%	3.12%	3.60%	4.14%
CIS US Treasuries Rolling 5-Year Index ⁵	0.60%	0.60%	2.68%	3.22%	3.47%	3.88%
BofA ML US 3-Month Treasury Bill Index ⁵	0.01%	0.01%	0.06%	0.13%	1.23%	1.91%

**Performance for all periods longer than one year is annualized. Sources: BNY Mellon CIS and Bloomberg

Performance by Year

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002 ¹
Size-weighted Gross	3.17	3.55	3.67	4.72	4.90	4.77	4.59	4.61	5.09	5.82
Size-weighted Net ⁶	3.10	3.47	3.59	4.63	4.79	4.66	4.48	4.49	4.95	5.69
BofA ML Wrapped 1-5 Year C/G Index ⁵	2.90	3.24	3.47	4.22	4.72	4.62	4.43	4.38	4.78	5.49
US Treasuries Rolling 5-Year Index ⁵	2.86	3.42	3.74	3.89	3.82	3.73	3.89	4.35	4.71	5.24
BofA ML US 3-Month Treasury Bill Index ⁵	0.10	0.12	0.21	2.06	5.00	4.85	3.07	1.32	1.15	1.78
Number of Portfolios	22	21	23	25	19	20	19	18	20	19
Composite Assets (\$mm)	14,028	12,296	12,238	12,538	6,268	6,175	5,819	5,017	5,115	4,679
Firm Assets (\$mm) ⁴	483,815	544,002	378,831	185,793	169,557	161,772	142,845	214,834 ²	200,732 ²	9,777
Composite Dispersion ³	0.31	0.22	0.33	0.26	0.16	0.16	0.14	0.21	0.20	0.19

¹Composite performance started on January 1, 1987. ²Please note that from September 2003 to June 2005, Standish provided non-discretionary investment management advisory services for approximately \$100 billion in securities lending collateral. ³Internal Asset Weighted Standard Deviation.

The BNY Mellon Stable Value Separate Account Composite contains all fully discretionary separate account stable value portfolios and for comparison purposes is measured against the CIS "BofA ML Wrapped" 1-5 Year Corporate/Government (C/G) Index and the CIS US Treasuries Rolling 5-Year Index. This composite was created March 31, 2004 and includes accounts with inception dates prior to that time. Leverage is not used in the composite. Settlement date valuation is used. Results are based on fully discretionary accounts under management, including those accounts no longer with BNY Mellon Stable Value. Accounts with specific size or diversification constraints have been excluded from the composite. We maintain a complete list and description of composites, which is available upon request.

Non-fee-paying portfolios are not included in this composite.

⁴The Firm is defined as BNY Mellon Cash Investment Strategies ("CIS"), a division of The Dreyfus Corporation ("Dreyfus"), a registered investment advisor and wholly owned subsidiary of The Bank of New York Mellon Corporation. As of July 1, 2007, Mellon Financial Corporation and The Bank of New York Company, Inc. merged into a newly created entity, The Bank of New York Mellon Corporation. The Firm also includes assets managed by certain CIS personnel who manage bank collective funds in their capacity as officers of The Bank of New York Mellon, which is a subsidiary of The Bank of New York Mellon Corporation. On January 1, 2009, the employees of the Short Duration, Stable Value and Index Groups of Standish Mellon Asset Management Company LLC ("Standish") became employees of Dreyfus, and the investment management contracts under which such employees delivered investment advisory and related services were assigned to Dreyfus. Concurrently, Dreyfus began to formally deliver investment advisory services to its short duration, stable value and index clients. No material change in personnel responsible for the investment process occurred in the above listed transaction.

⁵This composite is viewed against the CIS "BofA ML Wrapped" 1-5 Year Corporate/Government Index, CIS US Treasuries Rolling 5-Year Index and BofA ML US 3-Month Treasury Bill Index. Please see page 1 for descriptions of Benchmark indices.

⁶Effective April 1, 2011, the standard management fee is: 0.12% of assets on the first \$250 million; 0.075% of assets on the next \$250 million; and 0.050% thereafter. Net results reflect the above-mentioned fee schedule; actual investment advisory fees incurred by clients may vary depending on account size, structure, cash flow and other account-specific factors. CIS' standard fees are shown in Part 2A of Dreyfus' Form ADV. Performance results are presented both before and after the deduction of management fees and include the reinvestment of all income.

⁷Credit quality breakdown is based on information aggregated by CIS from both internal data and external investment managers whose strategies are included in the stable value strategy. Ratings are based on Standard & Poor's (S&P) ratings, and if not rated by S&P, are ascribed an S&P rating based on comparable ratings from another Nationally Recognized Statistical Rating Organization. Exposure to BBB credit quality issues resides within diversified collective bond index funds.

⁸Includes cash. Maturity distribution based on duration of underlying assets.

CIS has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). The CFA Institute has not been involved with the preparation or review of this report. Gross performance figures are time-weighted rates of return, which include the deduction of transaction costs. Both gross and net performance returns include the reinvestment of dividends and other distributions. The performance of the composite is expressed in US Dollars. Past performance is not an indication of future performance. Additional information regarding policies and procedures for calculating and reporting returns is available upon request.

This material is not intended as an offer to sell or a solicitation of an offer to buy any security, and it does not constitute investment advice.

The Dreyfus Corporation, including its BNY Mellon Cash Investment Strategies Division, Standish Mellon Asset Management Company LLC, and MBSC Securities Corporation are wholly owned subsidiaries of BNY Mellon. Securities are offered by MBSC Securities Corporation, a registered broker dealer and FINRA member, through its BNY Mellon Fixed Income Division. MBSC also has entered into an agreement pursuant to which its BNY Mellon Fixed Income Division may solicit advisory services provided by The Dreyfus Corporation (through its BNY Mellon Cash Investment Strategies Division), and Standish Mellon Asset Management Company LLC, each a registered investment adviser. BNY Mellon is the corporate brand for The Bank of New York Mellon Corporation.

Investment Process/Risk Management

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

An investment in a stable value account is speculative and involves certain risks. Prospective investors should ensure that they: (i) understand the nature of the investment and the extent of their exposure to risk; (ii) have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting, and financial evaluation of the merits and risks of participating in an investment in such an account; and (iii) consider the suitability of investing in such an account in light of their own circumstances and financial condition. A stable value investment program is not suitable as the sole investment vehicle for an investor and should be part of an overall investment strategy. [An investor should invest only if total loss of the investment may be sustained.]

Due to, among other things, the volatile nature of the markets and the investment strategies discussed herein, they may only be suitable for certain investors. No investment strategy or risk management technique can guarantee return or eliminate risk in any market environment. Further, this information may be amended or revoked at any time without notice.

Asset-backed securities risk. General downturns in the economy could cause the value of asset-backed securities to fall. In addition, asset-backed securities present certain risks that are not presented by mortgage-backed securities. Primarily, these securities may provide the strategy with a less effective security interest in the related collateral than do mortgage-backed securities. Therefore, there is the possibility that recoveries on the underlying collateral may not, in some cases, be available to support payments on these securities.

Banking industry risk. The risks generally associated with concentrating investments in the banking industry, such as interest rate risk, credit risk, and regulatory developments relating to the banking industry.

Call risk. Some bonds give the issuer the option to call, or redeem, the bonds before their maturity date. If an issuer “calls” its bond during a time of declining interest rates, the strategy might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of “callable” issues are subject to increased price fluctuation.

Counterparty risk. The risk that counterparties in a repurchase agreement could fail to honor the terms of its agreement.

Credit risk. Failure of an issuer to make timely interest or principal payments, or a decline or perception of a decline in the credit quality of a bond, can cause a bond’s price to fall. Although the strategy invests primarily in investment grade bonds, the strategy may invest to a limited extent in high yield bonds. High yield (“junk”) bonds involve greater credit risk, including the risk of default, than investment grade bonds, and are considered predominantly speculative with respect to the issuer’s ability to make principal and interest payments. The prices of high yield bonds can fall dramatically in response to bad news about the issuer or its industry, or the economy in general.

Credit risk (MMF). Failure of an issuer to make timely interest or principal payments, or a decline or perception of a decline in the credit quality of a security, can cause the security’s price to fall, potentially lowering the value of your investment. Although the strategy invests only in high-quality debt securities, any of the strategy’s holdings could have its credit rating downgraded or could default. The credit quality of the securities held by the strategy can change rapidly in certain market environments, and the default of a single holding could have the potential to cause significant deterioration of the value of your investment.

Government securities risk. Not all obligations of the U.S. government, its agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury. Some obligations are backed only by the credit of the issuing agency or instrumentality, and in some cases there may be some risk of default by the issuer. Any guarantee by the U.S. government or its agencies or instrumentalities of a security held by the strategy does not apply to the market value of such security. A security backed by the U.S. Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity. In addition, because many types of U.S. government securities trade actively outside the United States, their prices may rise and fall as changes in global economic conditions affect the demand for these securities.

Interest rate risk. Prices of bonds tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect bond prices and, accordingly, the value of your account. The longer the effective maturity and duration of the strategy’s portfolio, the more the value of your investment is likely to react to interest rates. Mortgage-related securities can have a different interest rate sensitivity than other bonds, however, because of prepayments and other factors. Ginnie Maes carry additional risks and may be more volatile than other types of debt securities due to unexpected changes in interest rates.

Interest strategy risk. The strategy’s sustainability investment criteria may limit the number of investment opportunities available to the strategy, and, as a result, at times the strategy’s returns may be lower than those of strategies that are not subject to such special investment considerations.

Issuer risk. The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer’s products or services.

Issuer and market risk. Changes in economic, business or political conditions relating to a particular municipal project, municipality, or state in which the strategy invests may have an impact on the value of your investment.

Leverage risk. The use of leverage, such as engaging in reverse repurchase agreements, lending portfolio securities, entering into futures contracts or forward currency contracts, investing in inverse floaters, entering into short sales, the use of portfolio leverage or margin and engaging in forward commitment transactions, may magnify the strategy’s gains or losses. Because many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

Liquidity risk. When there is little or no active trading market for specific types of securities, it can become more difficult to sell the securities at or near their perceived value. In such a market, the value of such securities may fall dramatically, potentially lowering the value of your investment, even during periods of declining interest rates.

Market risk. The market value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. A security’s market value also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Market and credit risk. Ginnie Maes and other securities backed by the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity. The market prices for such securities are not guaranteed and will fluctuate. Privately issued mortgage-related securities also are subject to credit risks associated with the underlying mortgage properties. These securities may be more volatile and less liquid than more traditional, government backed debt securities.

Market sector risk. The strategy may significantly overweight or underweight certain companies, industries or market sectors, which may cause the strategy’s performance to be more or less sensitive to developments affecting those companies, industries or sectors.

Prepayment and extension risk. When interest rates fall, the principal on mortgage-backed and certain asset-backed securities may be prepaid. The loss of higher yielding underlying mortgages and the reinvestment of proceeds at lower interest rates can reduce the strategy’s potential price gain in response to falling interest rates, reduce the value of your investment. When interest rates rise, the effective duration of the strategy’s mortgage-related and other asset-backed securities may lengthen due to a drop in prepayments of the underlying mortgages or other assets. This is known as extension risk and would increase the strategy’s sensitivity to rising interest rates and its potential for price declines.

U.S. Treasury securities risk. A security backed by the U.S. Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity, but the market prices for such securities are not guaranteed and will fluctuate. Because U.S. Treasury securities trade actively outside the United States, their prices may rise and fall as changes in global economic conditions affect the demand for these securities.