

News Release



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BNY Mellon to Acquire U.S. Investment Manager Cutwater Asset Management

Transaction to Support Insight Investment's Fixed Income Offering in the U.S.

New York and London, October 6, 2014 - BNY Mellon announced today that it has reached an agreement to acquire Cutwater Asset Management, a U.S.-based fixed income and solutions specialist with a 20-year track record and approximately \$23 billion in assets under management. Located in Armonk, NY, the firm is currently a wholly-owned subsidiary of MBIA Inc.

Upon completion of the deal, Cutwater will operate as part of BNY Mellon Investment Management and will work closely with, and be administered by, Insight Investment. Insight is one of BNY Mellon's premier investment management boutiques and one of Europe's leading investment managers. The addition of Cutwater's capabilities will enhance BNY Mellon's and Insight's U.S. platform and abilities to offer specialized fixed income solutions.

Cutwater's products and investment solutions include a wide range of fixed income strategies such as core, long duration, high yield, loans and absolute return strategies.

Curtis Arledge, CEO, BNY Mellon Investment Management, said, "BNY Mellon's strategy is to deliver the most innovative solutions via the most talented investment managers to meet our clients' objectives. Cutwater brings an impressive performance history, strong intellectual capital and an investment culture consistent with BNY Mellon's. Given the unprecedented interest in the fixed income market at this time, we are excited by the opportunity to expand our investment offerings for clients as a result of this combination of fixed income capabilities."

Abdallah Nauphal, CEO and CIO, Investments, Insight Investment, said, "Insight has grown by aligning our investment solutions with the needs of our clients. Cutwater's strong U.S. domestic fixed income and solutions track record and experienced team will complement Insight's strategy in the U.S. as we build upon our existing position as a European leader in liability risk management and fixed income. Working closely with Cutwater will augment our current fixed income capabilities, deepening our fixed income research and portfolio management expertise in the world's biggest and most diverse credit market."



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Clifford D. Corso, CEO and CIO, Cutwater, added, "Cutwater is delighted to be joining a true global leader in the asset management industry. This union is a logical next step for Cutwater. We share a similar investment philosophy and approach designed to offer products and relevant client solutions."

BNY Mellon Investment Management is one of the leading fixed income managers with a diversified portfolio of investment boutiques offering fixed income solutions. These include Standish Mellon Asset Management Company, LLC and Mellon Capital Management Corporation headquartered in the U.S.; Insight Investment, the Alcentra Group, and the Newton Group headquartered in the UK; and Meriten Investment Management GmbH headquartered in Germany.

The terms of the transaction were not disclosed. The transaction is subject to standard regulatory approvals and certain other conditions and is expected to close by the beginning of the first quarter of 2015.

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Notes to Editors:

About BNY Mellon Investment Management

BNY Mellon Investment Management is one of the world's leading investment management organizations and one of the top U.S. wealth managers, with \$1.6 trillion in assets under management. It encompasses BNY Mellon's affiliated investment management firms, wealth management services and global distribution companies. More information can be found at www.bnymellon.com

BNY Mellon is a global investments company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries and more than 100 markets. As of June 30, 2014, BNY Mellon had \$28.5 trillion in assets under custody and/or administration, and \$1.6 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Learn more at www.bnymellon.com, or follow us on Twitter @BNYMellon.

About Insight Investment

Insight Investment is a leading asset manager focused on designing investment solutions to meet our clients' needs. Founded in 2002, Insight's collaborative approach has delivered both investment performance and impressive growth in assets under management. Insight manages £289billion (\$495billion)¹ across fixed income, liability-driven investment, absolute return, cash management, multi-asset, specialist equity and currency strategies. Insight Investment Management (Global) Ltd does not offer services in the U.S. Pareto Investment Management Limited offers services in the U.S., Canada and Australia under the Insight Pareto brand. Insight Investment is owned by BNY Mellon. Insight Investment Management (Global) Limited and Pareto Investment



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Management Limited are authorised and regulated by the Financial Conduct Authority in the UK. More information about Insight Investment can be found at: www.insightinvestment.com

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The Alcentra Group refers to the affiliated companies Alcentra, Ltd and Alcentra NY, LLC. The Newton Group ("Newton") is comprised of the following affiliated companies: Newton Investment Management Limited, Newton Capital Management Limited (NCM Ltd) and Newton Capital Management LLC (NCM LLC). NCM LLC personnel are supervised persons of NCM Ltd and NCM LLC does not provide investment advice, all of which is conducted by NCM Ltd. Only NCM LLC and NCM Ltd offer services in the U.S. Meriten Investment Management GmbH does not offer services in the U.S.

¹ Assets under management are represented by the value of cash securities and other economic exposure managed for clients as at 30 June 2014. The assets under management figure represents the combined assets under management of Insight Investment Management (Global) Limited and Pareto Investment Management Limited, which became part of the Insight group on 1 January 2013.

