

## **BNY Mellon Introduces ETF and Managed Account Model Portfolios**

***Models to Provide a Sophisticated, Outcomes-Oriented Approach,  
Powered by BNY Mellon Investor Solutions Research and Analysis***

***BNY Mellon ETF Models, along with Lockwood Advisors' Asset Allocation  
Portfolios, Are Now Available on the Investnet Platform***

**NEW YORK, New York, February 17, 2021** — BNY Mellon Investment Management, one of the world's largest asset managers with \$2.2 trillion in assets under management<sup>1</sup>, today announced it will be introducing to clients a range of 14 SMA ETF portfolio models [following the launch in April 2020](#) of its initial range of BNY Mellon-sponsored ETFs.

Available on the [Investnet](#) advisory platform, BNY Mellon Investment Management's ETF Model Portfolios are designed to take a holistic approach to client investing objectives, aiming to provide clients with more accurate results through rigorous application of capital market assumptions, quantitative stress testing, and tail risk analysis.

[BNY Mellon Investor Solutions](#), an SEC-registered investment adviser that offers comprehensive portfolio management and investment advisory services to investors, is building out these models for third-party use. Building upon BNY Mellon's nearly 50 years of experience in the Outsourced Chief Investment Officer (OCIO) space, BNY Mellon Investor Solutions draws upon the team's deep experience developing and delivering asset allocation strategies to sophisticated investors in creating the ETF model portfolios.

Within the BNY Mellon enterprise, model portfolios are also offered through Pershing affiliate Lockwood Advisors, Inc. (Lockwood), an SEC-registered investment adviser founded in 1996. In addition to the BNY Mellon ETF Model Portfolios, Lockwood Asset Allocation Portfolios will also be available to firms using the Investnet platform by the end of first quarter.

Lockwood Asset Allocation Portfolios leverage the BNY Mellon Investor Solutions Manager Research Group<sup>2</sup> and include five core ETF/mutual fund models targeted to different levels of potential risk, ranging from conservative to aggressive. Since 2003, Lockwood Asset Allocation Portfolios have combined strategically driven asset allocation, investment selection and portfolio construction expertise with the convenience of one account. As the marketplace evolves, Lockwood continues to innovate and expand its product offerings.

### **Unique Portfolio Design Methodology**

BNY Mellon's ETF Model Portfolios' design methodology will follow a multi-step, iterative process designed around specific client objectives and preferences, cognizant of market realities, and includes both BNY Mellon and non-BNY Mellon ETF products. The seven model portfolio strategies, which offer diversification across multiple levels without an overlay fee, are each available in both tax-free and taxable versions and include:

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<sup>1</sup> As of December 31, 2020.

<sup>2</sup> Lockwood receives services from BNY Mellon Investor Solutions Manager Research Group in manager research, due diligence and ongoing monitoring.

<b>Model Portfolio Strategies</b>
BNY Mellon Growth ETF Model
BNY Mellon Growth & Income ETF Model
BNY Mellon Balanced ETF Model
BNY Mellon Stable Growth ETF Model
BNY Mellon Income ETF Model
BNY Mellon Stability ETF Model
BNY Mellon Stable Income ETF Model

“When we started thinking about model portfolios, we began by asking, ‘What is the client’s desired outcome?’ We are delighted to offer clients,—whether most focused on outcomes or risk, —a new perspective on model portfolios that is highly relatable to client goals and objectives and affords a more nuanced appreciation of factors like growth, income, and stability,” said Stephanie Pierce, Chief Executive Officer of ETF, Index, and Cash Investment Strategies for BNY Mellon Investment Management. “We launched BNY Mellon-sponsored ETFs to strengthen and deepen our relationships with clients by meeting their evolving needs. With the introduction of our model portfolios, we are continuing to take a leadership position in the space by shifting the conversation around traditional model allocations.”

Adds Jamie Lewin, Head of BNY Mellon Investor Solutions: “The introduction of ETF model portfolios is another example of delivering upon our broader strategy of making our leading capabilities available across a greater range of clients to help them achieve their investing goals. While some of these services had been offered previously to our institutional clients, through the vehicle of ETF model portfolios we are now opening up that capability to wider audiences.”

To learn more about BNY Mellon’s ETF Model Portfolios please visit <https://im.bnymellon.com/model-portfolios>. Financial Professionals are encouraged to connect with an ETF specialist at: 1-833-ETF-BNYM (1-833-383-2696).

### **About BNY Mellon Investment Management**

BNY Mellon Investment Management is one of the world’s largest investment firms, with US \$2.2 trillion in assets under management as of December 31, 2020. Through an investor-first approach, the firm brings to clients the best of both worlds: specialist expertise from eight investment firms offering solutions across every major asset class, backed by the strength, stability, and global presence of BNY Mellon. Additional information on BNY Mellon Investment Management is available on [www.bnymellonim.com](http://www.bnymellonim.com).

BNY Mellon Investment Management is a division of BNY Mellon, which has US \$41.1 trillion in assets under custody and/or administration as of December 31, 2020. 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). Additional information is available on [www.bnymellon.com](http://www.bnymellon.com). Follow us on Twitter @BNYMellon or visit our newsroom at [www.bnymellon.com/newsroom](http://www.bnymellon.com/newsroom) for the latest company news.

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**Carefully consider the funds within the model portfolios' investment objectives, risks, charges, and expenses before investing. This and other information can be found in the fund's prospectuses or summary prospectuses and in the SMA descriptive documents, which can be obtained at [im.bnymellon.com](http://im.bnymellon.com). Please read those carefully before investing.**

Although an asset allocation plan can be a valuable tool to help reduce overall volatility, all investments involve risks, including possible loss of principal. Asset allocation and diversification cannot assure a profit or protect against loss. The models may include funds and exchange traded funds ("ETFs") which are managed using various investment strategies involving certain risks. Therefore, the models are subject to those same risks. In addition, investors are subject to the fees and expenses of the underlying funds included in the models.

This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular investment, strategy, investment manager or account arrangement. This material does not take into account the particular investment objectives, restrictions, or financial, legal or tax situation of any specific investor. Investors should consult a legal, tax or financial professional in order to determine whether an investment product or service is appropriate for a particular situation.

Model portfolios may not achieve their stated objectives. The investment allocations within each model are subject to change without notice. The models described may not be appropriate for all investors. Past performance is no guarantee of future results.

BNY Mellon Investment Management is one of the world's leading investment management organizations and one of the top US wealth managers, encompassing BNY Mellon's affiliated investment management firms, wealth management organization and global distribution companies. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation and may also be used as a generic term to reference the Corporation as a whole or its various subsidiaries generally. BNY Mellon Securities Corporation ("BNYMSC") is the investment manager of record with respect to the SMA strategies described in this presentation; BNY Mellon Investor Solutions, LLC provides certain investment advisory services to BNYMSC in connection with those strategies. BNY Mellon ETF Investment Adviser, LLC is the investment adviser and BNYMSC is the distributor of the BNY Mellon ETF funds. All three firms are registered investment advisers and BNY Mellon Investment Management companies; BNYMSC is additionally a registered broker/dealer and FINRA member.

ETF shares are listed on an exchange, and shares are generally purchased and sold in the secondary market at market price. At times, the market price may be at a premium or discount to the ETF's per share NAV. In addition, ETFs are subject to the risk that an active trading market for an ETF's shares may not develop or be maintained. Buying or selling ETF shares on an exchange may require the payment of brokerage commissions.

**ETFs trade like stocks, are subject to investment risk, including possible loss of principal.** The risks of investing in ETFs typically reflect the risks associated with the types of instruments in which the ETF invests. Diversification cannot assure a profit or protect against loss.

**Bonds** are subject to interest rate, credit, liquidity, call and market risks, to varying degrees. Generally, all other factors being equal, bond prices are inversely related to interest-rate changes and rate increases can cause price declines. **High yield bonds** involve increased credit and liquidity risk than higher rated bonds and are considered speculative in terms of the issuer's ability to pay interest and repay principal on a timely basis. **Equities** are subject to market, market sector, market liquidity, issuer, and investment style risks to varying degrees. **Small and mid-sized company stocks** tend to be more volatile and less liquid than larger company stocks as these companies are less established and have more volatile earnings histories. Investing in **foreign denominated and/or domiciled securities** involves special risks, including changes in currency exchange rates, political, economic, and social instability, limited company information, differing auditing and legal standards, and less market liquidity. These risks generally are greater with **emerging market countries**.

Lockwood Advisors, Inc. (Lockwood) serves as a third party model provider with respect to the Envestnet platform, and delivers model information to Envestnet for use on their platform. Envestnet, or another third party firm will serve as the discretionary manager with respect to the Lockwood Asset Allocation Portfolios (LAAP) on the Envestnet platform.

Lockwood anticipates that the discretionary manager will generally follow the models provided. However, the discretionary manager, not Lockwood, has investment authority over client accounts on the Envestnet platform. Accounts invested in LAAP on the Envestnet platform may experience performance results different from the models provided, based on the fees charged by different wrap fee programs and the discretionary investment decisions made by the discretionary manager (with respect to LAAP).

For more information about Lockwood, as well as its products, fees and services, please refer to Lockwood's Form CRS (Customer Relationship Summary) and applicable Form ADV Part 2 Wrap Fee Brochure (Managed 360® Program, Managed Account Advisor Program, Lockwood Sponsored Program or Co-Sponsored Programs) or the Firm Brochure, which may be obtained through your financial advisor or by writing to: Lockwood, Attn: Legal Department (AIM #19K-0203), 760 Moore Road, King of Prussia, PA 19406, or by calling (800) 200-3033, option 3. Lockwood is a registered investment adviser and a subsidiary of BNY Mellon.

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CC-166317-2021-01-22

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