A Guide to Separately Managed Account Investment Opportunities

DREYFUS MANAGED ASSET PROGRAMSM

AVAILABLE THROUGH DREYFUS ADVISOR SERVICES
Defining Separately Managed Accounts

A separately managed account (SMA) is a portfolio of securities directly owned by the investor and managed according to a specific discipline and/or style by a professional investment manager. An SMA offers you access to investment managers who may otherwise only manage assets for institutional accounts. As an account owner, you have the flexibility to customize your professionally-managed portfolio by excluding certain securities or industries, or employing tax-advantaged strategies.

Separately managed accounts can play an important role in an investor’s portfolio because of the potential advantages they offer over other types of investments. These customizable investment strategies are designed to help you pursue your specific financial goals by combining the benefits of professional money management with the flexibility, control and potential tax advantages offered by owning individual securities as opposed to interests in a pool of securities.
Like mutual funds*, for example, separately managed accounts offer professional portfolio management, but they also provide a number of features distinct from funds, such as:

**PORTFOLIO CUSTOMIZATION**

- Take advantage of flexibility not usually available with mutual funds.
- Stock selection parameters may be customized for the account. For example, it is possible to exclude certain securities or sectors due to individual, social, political or environmental concerns.

**TAX TRADING**

- A Dreyfus Advisor can help you manage your portfolio to help reduce tax liabilities.
- Pay taxes (in addition to income taxes, if any) only on the capital gains that are actually realized. Mutual funds distribute at least 98% of capital gains earned by the fund before the end of each year in order to avoid the imposition of excise taxes. These distributions can be taxable even to the mutual fund shareholder who does not sell shares.
- Place assets into an account by transferring securities (from a brokerage or trust), rather than liquidating and being taxed on any capital gains (subject to portfolio manager discretion).

**OTHER FEATURES**

- Separately managed accounts are not subject to the potential negative consequences of forced sales due to shareholder redemptions that a mutual fund may face.

---

* Mutual funds are investment vehicles made up of a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets. Features of mutual funds include a relatively low investment minimum, wide range of product choices, ready liquidity at the then-current net asset value (NAV) and an annual operating expense ratio that directly impacts the fund’s price, which varies by fund and does not include other fees. Pursuant to new SEC regulations, during times of severe market stress, money market fund investors may be subject to fees and/or gates on their redemptions. For a more detailed comparison of mutual funds and separately managed accounts, see the comparison table on page 5.
The Dreyfus Managed Asset Program℠ (DMAP), a wrap-fee, investment advisory program, provides a comprehensive, disciplined strategy for helping you achieve your long-term goals. The program provides a sophisticated, quantitative process for analyzing your investment objectives and optimizing your asset mix on an ongoing basis. You will receive professional guidance from a Dreyfus Advisor to help you develop a personalized investment plan. You, your Dreyfus Advisor, and portfolio management work together toward achieving your long-term financial goals.

As a DMAP customer, you experience the following:
- Meet required minimum investment to access separate account investment options under DMAP
- Discuss your financial goals with a trained Dreyfus Advisor
- Pay a single, asset-based fee for the DMAP program*
- Works with you to define and develop your specific financial goals and expectations
- Establishes an investment policy and appropriate asset allocation plan
- Evaluates and recommends investment options
- Measures investment performance and monitors manager effectiveness regularly
- Proactively reviews your account on an ongoing basis
- SMA portfolio construction is based upon each client’s policy guidelines, risk tolerance and liquidity requirements. Our portfolio managers adhere to a rigorous risk-managed investment process. Your separately managed account will be carefully monitored, transparent and highly customized

*Certain Mutual fund fees and expenses also apply for DMAP assets invested in mutual funds.

Our Dreyfus Advisors partner with you to address your individual needs and work toward your long-term financial goals.

The DMAP product includes the following components:
- Investment planning
- Strategic recommendation
- Manager search and selection
- Asset allocation
- Trade execution
- Performance measurement

Rather than paying separately for each of these services, you will pay a single, asset-based fee — often referred to as a “wrap fee.”
## At a Glance: Separate Accounts vs. Mutual Funds

<table>
<thead>
<tr>
<th></th>
<th><strong>SEPARATE ACCOUNTS</strong></th>
<th><strong>MUTUAL FUNDS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL FEATURES</strong></td>
<td><strong>Account Minimum</strong> Often at least $100,000 (at Dreyfus, $100,000 for Equity Portfolio), Dreyfus Municipal Bonds Separate Account Series national portfolios require a $300,000 minimum and state-specific portfolios require a $500,000 minimum.</td>
<td>Often as little as $1,000</td>
</tr>
<tr>
<td><strong>Access to Professional Money Managers</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Number of Holdings</strong></td>
<td>Varies depending on asset size, asset class and investment strategy.</td>
<td>Varies depending on asset size, asset class and fund objective.</td>
</tr>
<tr>
<td><strong>Portfolio Customization</strong></td>
<td>Available. Investors can restrict specific securities or industries from their accounts.</td>
<td>Not available. Mutual funds offer broader choices as a result.</td>
</tr>
<tr>
<td><strong>Withdrawals/Redemptions</strong></td>
<td>Ready liquidity</td>
<td>Ready liquidity. In limited cases, fees/charges could apply.</td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
<td>Depending on the securities sold or redeemed, trades may take up to three business days to settle (T+3 settlement).</td>
<td>Redemption orders received in proper form are processed at the close of that business day.</td>
</tr>
<tr>
<td><strong>TAX-RELATED FEATURES</strong></td>
<td><strong>Security Ownership</strong> Investors own each individual security within an account. Sell decisions (and possible capital gains consequences) are based on the investor goals, and are not affected by the redemption needs of investors in a pooled vehicle, such as mutual funds.</td>
<td>Investors own shares of a fund, which in turn owns the individual portfolio of securities. Significant redemptions or high turnover activity can potentially produce annual taxable distributions.</td>
</tr>
<tr>
<td><strong>Unrealized Capital Gains</strong></td>
<td>Capital gains may be realized or else harvested for future realization depending on investor needs and manager strategy.</td>
<td>Mutual funds must pass on at least 98% of all realized capital gains to investors (or pay a 4% federal excise tax) each year.</td>
</tr>
<tr>
<td><strong>Tax-Efficient Portfolio Customization</strong></td>
<td>Investors can sell securities, to yield specific tax consequences; for example, to offset capital gains with capital losses.</td>
<td>Customization not available, although some funds are specifically managed for tax efficiency.</td>
</tr>
<tr>
<td><strong>REPORTING/COMMUNICATIONS</strong></td>
<td><strong>Account Statements</strong> Investors typically receive detailed monthly statements, which include portfolio summary, account activity, asset valuation and cost basis reporting. SMA information is, however, generally not publicly accessible because it’s personalized.</td>
<td>Investors typically receive detailed monthly or quarterly statements and annual/semiannual financial reports. Information also readily available on web sites.</td>
</tr>
<tr>
<td><strong>COSTS/FEES</strong></td>
<td><strong>Total Expenses</strong> One single investment advisory fee or “wrap fee.”</td>
<td>Separate charges/fees for different services are borne as a single expense ratio. May also be subject to sales charges and/or distribution and servicing (12b-1) fees.</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>Certain investors may be able to negotiate lower management fee rates than other investors.</td>
<td>All mutual fund investors in the same fund/share class bear the same expenses.</td>
</tr>
</tbody>
</table>
Separate Account Portfolios Offered Through DMAPSM

DREYFUS MUNICIPAL BOND SEPARATE ACCOUNT SERIES

Dreyfus Municipal Bond Separate Account
Standish Mellon Asset Management Company LLC ("Standish") is an established fixed-income manager located in Boston, Massachusetts, whose history dates back to 1933. Dreyfus and Standish are affiliates and subsidiaries of The Bank of New York Mellon Corporation.

Standish — Dedicated Exclusively to Fixed Income Investing
• Bond specialist backed by the resources of BNY Mellon*
• Capabilities across the global markets and the risk spectrum
• Emphasis on fundamental research results in distinctive positions and reduces systematic risk

Strategy
Standish's tax-sensitive team determines security selection through a bottom-up approach, with input and leadership from portfolio management, research and trading. Their strategy focuses on adding value by identifying undervalued sectors and securities through intensive fundamental and quantitative analysis. Through their research expertise and trading acumen they seek to achieve best execution on relative value opportunities rather than relying on interest rate forecasting to deliver high returns.

Features of Tax-Exempt Investing
• Diversification — Investing in municipal bonds may diversify your portfolio, balancing it with other investments.
• Tax Considerations — Investing in municipal bonds may allow you to avoid federal as well as state and local income taxes if you live in the issuing state.
• Single-State Options — New York and California single-state portfolios are available, which may help residents in those states lower their tax bill.
• Alternative Minimum Tax (AMT) Free — You can have the capability to build a municipal portfolio comprised of bonds that pay income that does not constitute a “preference item” for purposes of the federal AMT.

Fee Schedule
The standard advisory fee schedule for the Dreyfus Municipal Bond Separate Account Series is as follows:

<table>
<thead>
<tr>
<th>Account Asset Tier</th>
<th>Annual Advisory Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>First $500,000</td>
<td>0.70%</td>
</tr>
<tr>
<td>Next $500,000</td>
<td>0.65%</td>
</tr>
<tr>
<td>Next $4,000,000</td>
<td>0.60%</td>
</tr>
<tr>
<td>All Assets Over $5,000,000</td>
<td>0.50%</td>
</tr>
</tbody>
</table>

The minimum initial investment required to participate in the Dreyfus Municipal Bond Separate Account Series national portfolios is $300,000 and state-specific portfolios require a $500,000 minimum.

*BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation.
CUSTOMIZED INVESTMENT SERIES EQUITY PORTFOLIOS

Fayez Sarofim & Co. Large Cap Equity

Fayez Sarofim & Co.’s time-tested investment strategy focuses on high-quality multinational companies that have established dominant positions in their markets. The integral part of the investment process can be broken into two vital activities, top-down vision and bottom-up stock selection, which ensure that client portfolios possess the highest-quality companies as identified by Fayez Sarofim & Co.

Invest in Businesses, Not the Stock Market

Fayez Sarofim & Co. chooses stocks based on the characteristics of the individual businesses, rather than on trying to predict what they believe are fluctuations in the stock market. Worded slightly differently, Fayez Sarofim & Co. focuses on reasonably valued businesses that can generate long-duration growth in earnings and dividends.

Invest for the Long Term

As part of its commitment to disciplined investing, Fayez Sarofim & Co. buys stocks with the intent of holding them for long-term growth, as opposed to speculating on a stock’s short-term potential. This has historically resulted in a low average annual portfolio turnover rate.

Industry Leaders

Fayez Sarofim & Co. would rather invest in what they believe are quality businesses at good prices rather than average businesses at bargain prices. The firm looks for companies with the following criteria:

- Management expertise
- Global prominence
- Industry leadership
- Predictable earnings growth
- Financial strength

Fee Schedule

The standard advisory fee schedule for the Customized Investment Series Equity Portfolios – Fayez Sarofim & Co. Large Cap Equity is as follows:

<table>
<thead>
<tr>
<th>Account Asset Tier</th>
<th>Annual Advisory Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>First $250,000</td>
<td>2.25%</td>
</tr>
<tr>
<td>Next $250,000</td>
<td>2.00%</td>
</tr>
<tr>
<td>Next $500,000</td>
<td>1.75%</td>
</tr>
<tr>
<td>Next $4,000,000</td>
<td>1.50%</td>
</tr>
<tr>
<td>All Assets Over $5,000,000</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

The minimum initial investment required to participate in the Customized Investment Series is $100,000.
The Dreyfus Managed Asset ProgramSM ("DMAP"), a wrap-fee, investment advisory program, provides a comprehensive, disciplined strategy for helping you achieve your long-term goals. The program provides a sophisticated, quantitative process for analyzing your investment objectives and optimizing your asset mix on an ongoing basis. You will receive professional guidance from a Dreyfus Advisor to help you develop a personalized investment plan. Investors should speak with their advisor, who can provide more information about the Dreyfus Managed Asset ProgramSM and its appropriateness for your investment portfolio.

This information is general in nature and is not intended to constitute tax advice. Please consult your own tax advisor for more detailed information on tax issues and advice as they relate to your specific situation.

Asset allocation and diversification cannot ensure a profit or protect against loss in declining markets.

BNY Mellon Investment Management is one of the world's leading investment management organizations and one of the top U.S. wealth managers, encompassing BNY Mellon's affiliated investment management firms, global distribution companies and wealth management organization. The Dreyfus Corporation ("Dreyfus") and its subsidiary, MBSC Securities Corporation ("MBSC") are registered investment advisers and BNY Mellon Investment Management firms. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation. MBSC, through certain of its Dreyfus-branded divisions, including Dreyfus Advisors, sponsors, manages or provides administrative services to various wrap programs.

Fayez Sarofim and Co. is a registered investment adviser and independent from, and not affiliated with, Dreyfus, MBSC or any other BNY Mellon entity.

The comments provided herein are a general market overview and do not constitute investment advice, are not predictive of any future market performance, are not provided as a sales or advertising communication, and do not represent an offer to sell or a solicitation of an offer to buy any security. Similarly, this information is not intended to provide specific advice, recommendations or projected returns of any particular product. These views are current as of the date of this communication and are subject to rapid change as economic and market conditions dictate. Though these views may be informed by information from publicly available sources that we believe to be accurate, we can make no representation as to the accuracy of such sources nor the completeness of such information. Please contact us for current information about our views of the economy and the markets. Portfolio composition is subject to change, and past performance is no indication of future performance. Please contact Dreyfus Advisors for our current views on the economy or financial markets.

**MAIN RISKS**

**Equities** are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund’s prospectus.

**Small and midsized companies** carry additional risks because their earnings and revenues tend to be less predictable, and their share prices more volatile than those of larger, more established companies. The shares of smaller companies tend to trade less frequently than those of larger, more established companies.

**Bonds** are subject generally to interest-rate, credit, liquidity 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 produce price declines.

**Income is subject to state and local taxes, and some portion may be subject to the federal alternative minimum tax for certain investors. Capital gains, if any, are fully taxable.**

Dreyfus Advisor Services is a division of MBSC Securities Corporation (MBSC) and a wholly owned subsidiary of The Bank of New York Mellon Corporation. MBSC is a dually registered investment adviser and broker-dealer and a member of FINRA.

© 2017 MBSC Securities Corporation

DMAP-0817