

# Dreyfus Insured Deposits

Disclosure Statement and  
Terms and Conditions for  
the Level Fee Product



# Dreyfus Insured Deposits Level Fee Product Disclosure Statement and Terms and Conditions

## I. Introduction

Pershing LLC (“Pershing”), a wholly owned indirect subsidiary of The Bank of New York Mellon Corporation is a registered broker-dealer and is a member organization of the New York Stock Exchange (“NYSE”), the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Pershing Advisor Solutions LLC (“Pershing Advisor Solutions”) is also a wholly owned indirect subsidiary of The Bank of New York Mellon Corporation and a registered broker-dealer and member of FINRA and SIPC. If your account was introduced to Pershing by your registered investment adviser (“Investment Adviser”) through Pershing Advisor Solutions, Pershing Advisor Solutions relies on Pershing to provide clearing, custody, execution, and other broker-dealer services. The Dreyfus Insured Deposits Level Fee product (“Product”) is offered by your investment professional (“Investment Professional”) registered with the broker-dealer that introduced your account (“IBD”) to Pershing or your Investment Adviser through Pershing Advisor Solutions as a sweep option and is intended for the automatic investment of available cash balances in individual retirement accounts (“IRAs”) that are both (i) subject to Section 4975 of the Internal Revenue Code and (ii) enrolled in certain discretionary and non-discretionary advisory programs that are custodied at Pershing (each an “Account” or “Eligible Account”) into interest-bearing bank deposit accounts (“Deposit Accounts”) at Federal Deposit Insurance Corporation (“FDIC”) member banks, hereinafter referred to as Insured Depository Institutions (“IDIs”). There is no minimum amount required as an initial deposit or for subsequent deposits. The Bank of New York Mellon (“BNYM”) is a NY state-chartered bank and BNY Mellon, National Association (“BNY Mellon, N.A.”) is a national banking association. Both participate in the Product by accepting deposits in Deposit Accounts. Your IBD has asked Pershing to assist them in the operation of the Product. By selecting the

Product as your automatic sweep investment option, you agree to appoint Pershing as your authorized agent to establish and maintain Deposit Accounts at various IDIs that participate in the Product, which may include BNYM and BNY Mellon, N.A., (collectively, “Program Banks”), and to effect deposits to and withdrawals from such Program Banks pursuant to the Terms and Conditions set forth herein. Pershing has appointed a third-party service provider IntraFi Network LLC (“IntraFi” or “Administrator”) and Dreyfus Cash Solutions, a division of BNY Mellon Securities Corporation (“BNYMSC”), to provide certain services with respect to the operation of the Product. BNYMSC is a registered investment adviser and broker dealer, and a subsidiary of BNY Mellon Investment Adviser, Inc. (“Adviser”). BNYMSC, the Adviser, BNYM and BNY Mellon, N.A. are BNY Mellon companies. BNY Mellon is the corporate brand for The Bank of New York Mellon Corporation.

**The Product is offered to you by your Investment Professional and/or IBD, subject to these Terms and Conditions. It is important to note that Pershing, IntraFi, BNYMSC, Adviser and your IBD are non-bank entities and are not FDIC members. The Product itself is NOT FDIC-insured. Rather, through the Product, the available balance in your Account is swept into Deposit Accounts at various Program Banks, which are all FDIC member IDIs. Those deposits held at the Program Banks are eligible for FDIC insurance coverage up to the current maximum deposit insurance amount of \$250,000 per eligible depositor at each IDI Program Bank, for each eligible category of ownership or capacity, including any other balances you may hold at that IDI directly or through other intermediaries, including other broker-dealers. The Product is designed to direct the available balance in your Account to multiple Program Banks in a manner intended to secure pass-through FDIC insurance coverage on your Product balance from each Program Bank, subject to applicable limits and restrictions. Subject to certain exceptions, the maximum amount of FDIC deposit insurance coverage available on your bank deposits held in the Product is currently \$2.5 million for each eligible category of legal ownership as more fully explained below.**

**The current list of Program Banks participating in the Dreyfus Insured Deposits, all of which are IDIs, (“Priority List”) is maintained at <https://www.pershing.com/rates>.**

These Terms and Conditions for the Product are supplemental to those contained in the Account agreement you executed to open and maintain your Account with Pershing through your IBD or Investment Professional who has introduced your Account to Pershing on a fully disclosed basis..

**YOU UNDERSTAND THAT TO ENROLL IN THE PRODUCT, YOU HAVE EITHER (1) RECENTLY INSTRUCTED YOUR INVESTMENT PROFESSIONAL TO DIRECT THE AVAILABLE CASH PENDING INVESTMENT IN YOUR ACCOUNT TO THIS INSURED BANK DEPOSIT SWEEP OPTION, OR (2) GIVEN YOUR INVESTMENT ADVISER OR INVESTMENT PROFESSIONAL DISCRETION TO MAKE INVESTMENT DECISIONS FOR YOUR ACCOUNT, INCLUDING THE AUTHORITY TO CHOOSE A SWEEP OPTION FOR YOUR ACCOUNT. YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED AND CAREFULLY READ THESE TERMS AND CONDITIONS AS WELL AS THE DISCLOSURE WITH RESPECT TO INTEREST RATES, FEES AND CONFLICTS IN CONNECTION WITH CHOOSING TO ENROLL IN THE PRODUCT. IF YOU HAVE ANY QUESTIONS ABOUT ANY OF THE PROVISIONS OF THESE TERMS AND CONDITIONS, PLEASE CALL YOUR IBD OR YOUR INVESTMENT PROFESSIONAL.**

## II. Summary of Terms and Conditions

This section of the Terms and Conditions is a summary of certain features of the Product. It is prepared for your convenience and must be read in conjunction with the more detailed disclosure below.

**A Summary of the Product:** Pershing operates the Product which, if you choose to participate, automatically deposits or sweeps, the available cash balance in your Account to Deposit Accounts at Program Banks and withdraws your balances from the various Program Banks to cover purchases of securities and other debits in your Account. You receive interest on your balances held on deposit at the

various Program Banks. The Deposit Accounts opened and maintained by Pershing at the Program Banks are entitled, "Pershing LLC as Agent for its customers, acting for themselves or others."

**FDIC Insurance:** The available cash in your Account is deposited into Deposit Accounts at the Program Banks in a manner designed to provide your deposit balances with FDIC insurance coverage up to applicable limits provided through the Program Banks, which are all IDIs, based upon the availability and capacity of Program Banks. FDIC insurance protects your deposit in the event of the failure of the bank. However, any cash you hold at a Program Bank outside the Product may impact the insurance coverage available, as none of Pershing, BNYMSC, your IBD, Investment Professional, or the Administrator monitors or takes into account or maintains any responsibility for cash you may have at a Program Bank outside of the Product. You are solely responsible for monitoring cash. As such, you should carefully review the list of Program Banks and any other relationship you may have with BNYM, BNY Mellon, N.A. and all other Program Banks for FDIC insurance coverage availability. Upon your initial deposit through the Product, a current list of Program Banks will be included with this Disclosure Statement. The current list of all Program Banks is always maintained at <https://www.pershing.com/rates>. The specific Program Banks holding your Product balance(s) will be listed on your Account statement. You have the right to instruct that your cash not be allocated to a particular Program Bank.

#### **Securities Investor Protection**

**Corporation ("SIPC"):** SIPC insures customer assets held at broker-dealers, such as Pershing, in the event of the failure of the broker-dealer. The deposits made through the Product are held in Deposit Accounts at Program Bank IDIs. Program balances are not eligible for SIPC coverage. Note that SIPC does not insure against the loss of value of any investment or product. Please see the section of this Disclosure Statement titled "SIPC Coverage" for additional information.

**Access to Your Balance:** You may access your deposits in the Product only through your Account by contacting your IBD or Investment

Professional. In the event of the failure of your IBD, you may access your Product balance by contacting Pershing at 1-888-367-2563 and choosing option 2.

#### **Determination of Interest Rates:**

Interest rates fluctuate and are based on the prevailing interest rates paid by the Program Banks and the applicable fees of the Product. The Product interest rate (see Appendix A), as well as rates on money market mutual funds ("Money Funds") or other cash-like investment products are available from your IBD or Investment Professional. Please see the "Interest Rates", "Fees" and "Negative Interest Rates" sections of this Disclosure Statement for more information on Product rates.

**Conflicts of Interest:** Bank deposit sweep products are an important source of significant revenue for Pershing and your IBD. Your IBD will receive fees for your Account's use of the Product. Pershing and the Administrator receive fees paid by the Program Banks. Your IBD can choose to share its fees with your Investment Professional. Pershing Advisor Solutions does not share its fees with Investment Advisers. In addition, BNYMSC will receive a fee from Pershing in respect of Product assets. Accordingly, Pershing, the Administrator and BNYMSC earn fees (which may or may not be account-based) on the balance in the Product, including your Product balance. Your IBD earns fees based on your participation in the Product, as discussed more fully below. Pershing, your IBD and potentially your Investment Professional will generally earn a higher fee if you participate in the Product than if you invest in other cash-like products, such as Money Funds. This creates a conflict of interest because it provides an incentive for your Investment Professional, IBD and Pershing to offer the Product and to recommend depositing funds into the Product. Your IBD, Investment Professional, Pershing, and BNYMSC may be affiliated with one or more Program Banks. When your Product balances are allocated to a Program Bank, including BNYM and BNY Mellon, N.A., it will realize an economic benefit from them. The Program Banks, including BNYM and BNY Mellon, N.A., do not have a duty to offer the highest rates available or rates that are comparable to

Money Funds, those offered by other depository institutions or deposits held at Program Banks outside of the Product.

**Risks of the Product:** You may receive a lower rate of return on cash deposited through the Product than on other investment alternatives. Please contact your Investment Professional or IBD for information regarding such alternatives. Program Banks are permitted to impose a seven-day delay on any withdrawal request. In the event of a failure of a Program Bank, there may be a time period during which you may not be able to access your cash. If you have deposits (including, CDs) at a Program Bank outside the Product, these deposits (along with balances allocated through the Product) will count towards the \$250,000 FDIC insurance limit at the Program Bank, and any amount exceeding that limit will not be insured by the FDIC. If you have deposited through the Product an amount that exceeds the number of available Program Banks multiplied by \$250,000 (excluding Program Banks you choose to opt out of), the balances in excess of this limit will not be insured by the FDIC. In the event there is insufficient availability of Program Banks (i.e., willingness of Program Banks to continue to accept new deposits under the Product) to fully allocate your balances, there is a potential that your Product balance may not be fully insured up to \$2.5 million. In the event the Product cannot continue to allocate or accept any additional cash deposits, the sweep feature on your Account may be updated to prevent any further sweep deposits through the Product from your Account. If this occurs, an available cash balance in your Account would no longer be automatically invested through the Product and would remain a free credit balance in your Account until such time as you provide further instructions, which may be through negative consent. If you have concerns about the risks of this Product or the Deposit Accounts at the Program Banks, contact your IBD or Investment Professional about alternatives available to you.

**Product Eligibility:** The Product is only intended for discretionary and non-discretionary advisory accounts that are subject to Section 4975 of the Internal Revenue Code and not subject to the fiduciary requirements of the Employee

**Retirement Income Security Act (“ERISA”).** Examples of eligible accounts are **Individual Retirement Accounts (“IRAs”)** custodied at **Pershing** that have enrolled in certain discretionary or non-discretionary advisory programs sponsored/managed by your IBD or their affiliate. IRAs can include traditional, rollover, Roth, inherited accounts or Coverdell education savings accounts. 403(b) accounts and ERISA accounts are not eligible for the Product. Your IBD is solely responsible for determining the eligibility of the use of the Product for your Account and your IBD and Pershing reserve the right, in their sole discretion, to further limit the types of accounts eligible to use the Product.

### III. Detailed Terms and Conditions

Balances in the Deposit Accounts at any one Program Bank will be eligible for FDIC insurance up to \$250,000 (including principal and accrued interest) per depositor when aggregated with all other deposits held in the same insurable capacity (e.g., Individual, Joint, IRA, etc.) at the Program Bank. For example, the balance in the Deposit Accounts at a Program Bank held in an Account registered to an individual are insured up to \$250,000 and the balance in the Deposit Accounts at a Program Bank held in a joint Account registered to two individuals are insured up to \$250,000 per joint owner.

**Any deposits (including certificates of deposit) that you maintain in the same capacity directly with a Program Bank, which may include BNYM and BNY Mellon, N.A., or through an intermediary (such as Pershing or another broker-dealer), will be aggregated with deposits in your Product Deposit Accounts at the Program Bank for purposes of the FDIC insurance limit. You are responsible for monitoring the total amount of deposits that you have with each Program Bank to determine the extent of FDIC deposit insurance coverage available to you. For example, any deposit you hold at BNY Mellon, N.A. will be aggregated with your Product balance held at BNY Mellon, N.A. for purposes of the FDIC insurance limit. Please see the sections of this Disclosure Statement titled “Deposit Insurance: General” and “Deposit Insurance: Retirement Plans and Accounts” for more information.**

Pershing will place up to \$246,500 (\$493,000 for joint accounts of two or more) (the “Deposit Limit”) of your available cash in each Program Bank on the Priority List irrespective of the capacity in which you hold your Account and of the maximum applicable deposit insurance amount available, typically \$250,000 for the deposits held in each eligible capacity, up to the total balance allowable for ten (10) Program Banks under the Product, currently \$2,490,000 (“Product Deposit Limit”). Pershing and the Administrator, in their sole discretion, may change the number of Program Banks and the Product Deposit Limit. Please review the section titled, “Deposit Insurance: General” for more detailed information. Once sweep deposits from your account equal to the Product Deposit Limit have been deposited for you through the Product into Program Banks on the Priority List, any additional sweeps will be invested into a secondary sweep option, as described in more detail below.

You will not have a direct account relationship with the Program Banks. Pershing, as your agent, will establish the Deposit Accounts for you at each Program Bank and make deposits to and withdrawals from the Deposit Accounts. Pershing will receive a fee from each Program Bank, including BNYM and BNY Mellon, N.A., depending on their participation. The amount of Program fees received by your IBD, Pershing and the Administrator will reduce the interest rate paid on the Deposit Accounts. Please see the section titled “Information About Your Relationship with Pershing and Program Banks” for more information.

As discussed herein, interest rates paid on the Deposit Accounts will fluctuate based upon prevailing economic and business conditions and fees paid with respect to the Product. The Program Banks, including BNYM and BNY Mellon, N.A., do not have a duty to offer the highest rates available, nor do they have the duty to offer rates that are (i) comparable to Money Funds (or other cash-like investments), (ii) offered by other depository institutions or (iii) offered by the Program Bank outside of the Product. By comparison, Money Funds, which are not FDIC insured and involve principal risk, generally seek to achieve high current yields consistent with capital preservation and

maintenance of liquidity consistent with the investment objective as specified in the prospectus.

**The information in this Disclosure Statement applies, unless otherwise indicated, to each Eligible Account for which you are a client of record of Pershing, whether as an individual, joint tenant, trustee, executor, custodian or in any other capacity, and is furnished to you by Pershing in each of such capacities in respect of all such accounts.**

**Interest Rates:** The interest rate schedule, attached as Appendix A, is based upon commitments from the Program Banks and interest rates on the various Deposit Accounts less applicable fees. All Deposit Account balances will receive the same interest rate regardless of the Program Bank to which their balances are allocated. Please see the section of this Disclosure Statement titled “Operation of the Product — Interest on Balances in the Deposit Accounts” for more information.

**Tax Information:** A Form 1099 will be sent to you each year showing the amount of interest income you have earned in your Deposit Accounts, where required by law. You should consult with your tax adviser about how the Deposit Account Sweep affects you.

### OPERATION OF THE PRODUCT

**Priority List:** Enclosed with this Disclosure Statement is the Priority List of available Program Banks into which swept balances are deposited. The Program Banks appear on the Priority List in the order in which the Deposit Accounts will be opened for you and your swept balance will be deposited. You should review the Priority List carefully. Other clients may be assigned different Priority Lists. You can identify the Priority List applicable to you by state or, in some cases, by account type.

The Priority List may contain the names of up to four Program Banks that are not always used in the allocation process but can be used as a substitute for any other Program Bank (“Alternative Banks”). When a Program Bank prior to the Alternative Banks’ entry on the Priority List has received deposits equal to the Deposit Limit, additional swept balances may be deposited in one of the Alternative

Banks up to the Deposit Limit. Once your swept balance in this Alternative Bank has reached the Deposit Limit, additional swept balances will be deposited in the next Program Bank on the Priority List, not the next Alternative Bank. If your balance is withdrawn from an Alternative Bank, the next time your swept balance is directed for deposit in an Alternative Bank, it may be deposited in a different Alternative Bank.

You may not change the order of the Program Banks on the assigned Priority List. However, you may, at any time, designate a Program Bank, including any Alternative Bank, as ineligible to receive your deposits. This will result in your swept balance being deposited into Deposit Accounts at the next Program Bank on the Priority List, as applicable. In addition, you may at any time instruct us to remove your balance from a Program Bank, close your Deposit Accounts with a Program Bank and designate the Program Bank as ineligible to receive future deposits. Unless you direct us to place your balance in a different investment, if a Deposit Account is closed your balance from the closed Deposit Account will be reallocated and deposited in Deposit Accounts at the first available Program Bank set forth on your Priority List, as amended by you.

If you wish to designate a Program Bank as ineligible to receive your sweep deposits, please contact your IBD or Investment Professional.

Your assigned Priority List may change from time to time. Please review the section "Changes to the Priority List."

**Establishment of, and Deposits into, the Deposit Accounts:** The Product typically makes available to you a bank money market deposit account ("MMDA"), which is a type of savings deposit, and a linked transaction account ("TA") at one or more of the Program Banks. The MMDAs and TAs are non-transferable.

When the available cash balance in your Account is first swept, Pershing, as your agent, will open an MMDA and a linked TA on your behalf at one or more of the Program Banks on the then current Priority

List in the order set forth on the Priority List. Once your balance in the Deposit Accounts at a Program Bank reaches the Deposit Limit, Pershing, as your agent, will open an MMDA and TA for you at the next available Program Bank on the Priority List and place your additional swept balance in that Program Bank.

Once your Product balance reaches the current Product Deposit Limit, Pershing, as your agent, will automatically sweep any additional available cash balances in your Account into the secondary sweep option. To satisfy sweep redemptions, balances will be transferred from your MMDA to the related TA at each Program Bank as necessary and withdrawals will be made from the TA. The Program Bank and Pershing, in their discretion, may determine a minimum, or "threshold," amount to be maintained in your TA to satisfy debits in your Account.

If federal banking regulations limit the transfers from an MMDA to a total of six (6) during a monthly statement cycle, at any point during a month in which transfers from an MMDA at a Program Bank have reached the applicable transfer limit, your balance will be transferred from that MMDA to the linked TA at the Program Bank until the end of the month. If that occurs, any additional deposits for the remainder of the month that are allocated into this Program Bank will be made to the TA. At the beginning of the next month, your balance on deposit in the TA will be transferred back to the MMDA, minus any threshold amount to be maintained in the TA. The limits on MMDA transfers, if applicable, will not limit the number of withdrawals that can be made from deposits at a Program Bank or the amount of FDIC insurance coverage for which you are eligible at the Program Bank.

**Secondary Sweep Option:** Unless your IBD has instructed Pershing otherwise, once your balance reaches the Product Deposit Limit, Pershing, as your agent, will automatically sweep any additional available cash balances over that amount ("Excess Balance") from your Account into the secondary sweep option selected by your IBD or your Investment Professional. If your IBD or Investment Professional has

not selected a secondary sweep option for your account, any Excess Balance will be swept into the default Money Fund, which is currently the Dreyfus Government Cash Management Investor Shares (Ticker symbol DGVXX). Please see the section of this Disclosure Statement titled "Money Fund Features" for additional information on the Product's default secondary sweep option.

**Withdrawal Procedures:** All withdrawals from the Deposit Accounts at the Program Banks necessary to satisfy debits in your Account will be made by Pershing, as your agent. Generally, a debit is created in your Account by a securities purchase or a request for a disbursement from your Account and, if applicable, when you write a check on your Account, make payments via the online bill pay service or use a debit card associated with your Account. Checks written on your Account are not drawn directly against the Deposit Accounts established for you at the Program Banks.

All withdrawals will be made from your TA. If a withdrawal from your Deposit Accounts is necessary to satisfy a debit in your Account, it will be withdrawn from your TAs at the Program Banks on the Priority List beginning with the lowest priority Program Bank on the Priority List at which your swept balances have been deposited. If there is an insufficient balance at that Program Bank, withdrawals will be made from each Program Bank in the sequence (lowest priority to highest priority) until the debit in your Account is satisfied (or your Deposit Account balances are exhausted). If your balance in the TA at a Program Bank is insufficient to meet a withdrawal request, your balance in the related MMDA at that Program Bank will be transferred to the TA to satisfy the withdrawal request, in addition to any balance that may be necessary to maintain a TA threshold amount. If your total balances in the Deposit Accounts at the Program Banks on the Priority List are insufficient to satisfy the sweep redemption amount requested, your Account will be left in a debit and Pershing will satisfy that debt obligation from other available sources as described in your Account agreement. If your Product balance exceeds the Product Deposit Limit

and Excess Balances from your Account have been swept into a secondary sweep option, the balance in that secondary sweep option will be used first to satisfy debits in your Account before withdrawals are made from your Product balance.

**Changes to the Priority List:** One or more of the Program Banks included on the assigned Priority List may be replaced with a Program Bank not previously included on the Priority List. A Program Bank may also be deleted from the Priority List or the order of Program Banks on the Priority List may change. While we will attempt to provide you with advance notice of changes to Program Banks on your assigned Priority List, which are all IDIs, via a message on your periodic brokerage account statement when practicable, <https://www.pershing.com/rates> will always have the most current Priority List of Program Banks participating in the Dreyfus Insured Deposits.

**Interest on Balances in the Deposit Accounts:** The interest rates on the Deposit Accounts will be determined by the amount the Program Banks are willing to pay on the Deposit Accounts minus the fees paid to Pershing and other parties as set forth below under “Fees.”

You may contact your IBD or Investment Professional to determine the current interest rate on the Product and for Money Funds or other cash-like investments available to you. Interest rates may change and will be available for the prior business day. Interest will accrue on Deposit Account balances from the day your balance is deposited into the Deposit Accounts at a Program Bank through the business day preceding the date of withdrawal from the Deposit Accounts at the Program Bank. Interest will be compounded daily and credited monthly.

The interest rates paid with respect to the Deposit Accounts at a Program Bank may be higher or lower than the interest rates available to depositors making deposits directly with the Program Bank or other depository institutions in comparable accounts and for investments in the Money Funds, Tax-Advantaged Money Funds (and other cash-like investments that may be

available through Pershing). You should compare the terms, interest rates, required minimum amounts, and other features of the Product with other accounts and alternative investments.

#### **Negative Interest Rates**

In response to certain extraordinary economic conditions, some foreign countries have implemented a negative interest rate policy to stabilize their economies. Under such a policy, a central bank charges banks a fee to hold reserves, and, as a result, the banks then charge depositors a fee to maintain their deposits. Historically, the U.S. has not adopted policies resulting in negative interest rates, and there is no indication that the Federal Reserve Board plans to adopt such a policy in the future. If, however, such a policy is adopted in the U.S., Program Banks may begin to charge fees to maintain deposits held through bank deposit sweep products, such as the Product. In such an event, a fee would be charged for maintaining your deposits at Program Banks through the Product. This fee would be in addition to fees received from Program Banks for their participation in the Product. Any fees related to negative interest rates would be applied to your Product balance on a monthly basis for the duration of the negative interest rate period. If applicable, this fee will appear on your periodic Account statement.

#### **Information about Your Deposit Accounts:**

You will not receive trade confirmations for each deposit or withdrawal. All transactions in your Deposit Accounts will be reported on your periodic Account statement.

All activity with respect to your Deposit Accounts will appear on your periodic Account statement. For each statement period, your Account statement will reflect:

- All deposits to and withdrawals from your Product balance
- The total balance of the Deposit Accounts at each Program Bank as of the interest payable date
- The interest rate and interest earned on your Product balance

Pershing is responsible for the accuracy of your Account statement. Your IBD or Investment Professional can assist you in

understanding your Account statement and can answer any questions you may have about it.

You may obtain information about your Product position, including balances and the current interest rates, by calling your IBD or Investment Professional.

**Money Fund Features:** Any swept balance more than the current Product Deposit Limit will be automatically swept into the secondary sweep option in your Account that was selected by your IBD or your Investment Professional. If your IBD or your Investment Professional has not selected a secondary sweep option in your Account, Pershing, as your agent, will automatically sweep any Excess Balance into the Dreyfus Government Cash Management Investor Shares Money Fund (Ticker symbol DGVXX). If the Excess Balance in your Account is swept into the default Money Fund, a prospectus will automatically be mailed to you and the Adviser, BNYMSC and other BNY Mellon affiliates will earn fees on that balance. Balances in a Money Fund are not FDIC-insured but are protected by Securities Investor Protection Corporation (“SIPC”) coverage up to applicable limits. You could lose money by investing in a Money Fund. Although a Money Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in a Money Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The sponsor of a Money Fund has no legal obligation to provide financial support to the Money Fund, and you should not expect that the sponsor will provide financial support to the Money Fund at any time. Although the board of the default Money Fund has no current intention to impose a fee upon the sale of shares or temporarily suspend redemptions if the liquidity of the Money Fund falls below certain levels, the board reserves the ability to do so after providing at least 60 days prior written notice to shareholders. Please see the “SIPC Coverage” section of this Disclosure Statement for more information on SIPC coverage.

**Notices:** All notices described in this Disclosure Statement may be made

by means of a letter, an entry on your Account statement (or an entry on a trade confirmation) or by other means.

## **INFORMATION ABOUT YOUR RELATIONSHIP WITH PERSHING AND PROGRAM BANKS**

**Relationship with Pershing:** As your agent, Pershing establishes the Deposit Accounts at each Program Bank, deposits your cash into the Deposit Accounts, facilitates withdrawals from the Deposit Accounts as needed and transfers balances among the Deposit Accounts at Program Banks. Deposit Account ownership will be evidenced by a book entry on the account records of each Program Bank and by records maintained by Pershing as your custodian. No evidence of ownership, such as a passbook or certificate will be issued to you. Your Account statements will reflect the total balance in your Deposit Accounts at each Program Bank. You should retain your Account statements for your records. You may at any time obtain information about your Deposit Accounts by contacting your IBD or Investment Professional.

Unless you establish Deposit Accounts directly with a Program Bank as described below, all transactions with respect to your Deposit Accounts must be directed by Pershing and all information concerning your Deposit Accounts can only be obtained from Pershing. Neither the Program Banks nor BNYMSC will accept instructions from you with respect to your Deposit Accounts or provide you with information concerning your Deposit Accounts.

Pershing may, in its sole discretion, terminate your use of the Product as a sweep investment option. If Pershing terminates your use of the Product as a sweep investment option, you may establish a direct depository relationship with each Program Bank, subject to such institution's rules with respect to maintaining deposit accounts.

Similarly, if you decide to terminate the use of the Product in your Account, you may establish a direct relationship with any Program Bank by requesting to have your Deposit Accounts established in your name (or the name of your IRA, where applicable) at each Program Bank, subject to each Program Bank's rules with respect to establishing and maintaining deposit

accounts.

Establishing Deposit Accounts in your name at a Program Bank will separate the Deposit Accounts from your Account. Your Deposit Account balances will no longer be reflected in your Account statement and Pershing will have no further responsibility concerning your Deposit Accounts.

**Relationship with the Program Banks:** As described above, you will not have a direct account relationship with the Program Banks. However, each Deposit Account constitutes an obligation of the respective Program Bank and is not directly or indirectly an obligation of Pershing, the Administrator or your IBD. You can obtain publicly available financial information concerning each Bank at [www.ffiec.gov/nicpubweb/nicweb/nichome.aspx](http://www.ffiec.gov/nicpubweb/nicweb/nichome.aspx) or by contacting the FDIC Public Information Center by mail at L. William Seidman Center, Virginia Square, 3501 North Fairfax Drive, Arlington, Virginia 22226 or by phone at 703-562-2200. Pershing does not guarantee in any way the financial condition of the Program Banks or the accuracy of any publicly available financial information concerning such Program Banks.

**Fees:** Each Program Bank will pay an amount equal to a percentage of the average daily balance in the Deposit Accounts allocated to that applicable bank through the Product. This amount generally covers Pershing's fee, the Administrator's fee, your IBD's fee and interest payable to participating Accounts. Different Banks pay different amounts.

You will have no rights to the amounts paid by the Program Banks, except for interest actually credited to your Account. However, amounts collected from the Program Banks during each period, less interest credited, will be allocated on a per-dollar, per-Account basis and used to offset your monthly IBD Account fee.

For their services, Pershing and the Administrator each charge a monthly fee. These fees will also be paid from the amounts paid by the Program Banks, which are expected to vary from month-to-month.

The Pershing fee consists of a fee expressed in basis points on the average daily cash balances at the Program Banks. Pershing's actual fee will be subject to

adjustment as described below.

- For each month, Pershing's actual fee will be the amount that remains after deducting the interest paid to Accounts and the aggregate amount of your IBD's per Account fee (discussed below) from the amounts paid by the Program Banks on Program balances held in the Deposit Accounts (Pershing Actual Fee). Thus, the Pershing Actual Fee will vary from time-to-time due to changes in the amounts paid by the Program Banks, the interest paid on Deposit Accounts, and the aggregate amount of the IBD per Account fee.
- Pershing's Actual Fee will be compared to or measured against Pershing's annual targeted fee, which will be an asset-based fee expressed in a fixed number of basis points on the average daily cash deposits (Pershing Target Fee). If, after the end of any month, the cumulative net difference (positive or negative), on a rolling basis, between the amount actually received by Pershing versus the Pershing Target Fee (Cumulative Fee Difference) reaches or exceeds a predetermined amount, the interest rates to be paid to Accounts will be appropriately adjusted, by Pershing, effective the next month, for the purpose of bringing the amounts actually received by Pershing back in line with the Pershing Target Fee. The adjustment is determined by a formula and is intended to result in Pershing's compensation over time to closely approximate or equal the Pershing Target Fee; though it is understood that Pershing's actual fees will vary from month to month.

Accordingly, Pershing may, from month-to-month, temporarily collect more or less than the Pershing Target Fee during certain periods, such as when necessary to help ensure that the amounts paid by the Program Banks during the period are sufficient to cover the applicable disclosed client interest rates and the aggregate amount of the IBD's per Account fee (as described below) for the month. For example, under such circumstances, Pershing will be entitled to increased fees in future periods to recover the difference

with the goal of aligning its actual compensation with the Pershing Target Fee on the deposits. The Pershing Target Fee will be set each month in a manner intended to ensure total fees on the Product do not exceed 4%, or 400 basis points.

Based on the calculation method set forth below, Pershing will calculate the fees due to the IBD. For its services, IBD receives a per Account fee each month as outlined in the table below. The IBD reserves the right to reduce its fee in months having fewer than 31 days. IBD's compensation under the Product does not vary and is not affected by the actual amounts held in the Deposit Accounts or in your Account.

As provided for below, the IBD per Account fee, or the Product level fee, schedule will be indexed to the current Federal Funds Target (FFT) Rate. Under the fee schedule, increases in the FFT Rate will result in increased compensation for the IBD up to the per Account fee cap of \$34.50. Pershing and the IBD can change the applicable fee schedule, including the per Account fee cap, upon 30 days advance notice to you. Although it is generally anticipated that the IBD's fees under the Product will be offset by the amounts paid by the Program Banks, as discussed above, and you hereby direct the Pershing to collect such fees from the Program Banks and remit such amounts over to the IBD, Pershing reserves the right to withdraw from your Account the monthly account fee, or portion thereof, in the event or to the extent that the amount received from the Program Banks and paid over to IBD by Pershing for the period is less than the IBD's fee for the same period.

In its sole discretion, Pershing may reduce or waive a portion or all its fee and may vary the amount of the reductions between clients. The amount of fees received by Pershing will affect the interest rate paid by the Program Bank on your Deposit Accounts. The fees paid by the Program Banks are based on the Product balances each holds and on current market rates and will vary over time. If an Excess Balance is swept into a Money Fund, including the default Money Fund, the Dreyfus Government Cash Management Investor Shares Money Fund (Ticker symbol

DGVXX), Pershing will earn fees on that balance. Your IBD will receive a fee for your participation in the Product. Your IBD can choose to share these fees with your Investment Professional. In addition, the Administrator will receive fees from each Program Bank and BNYMSC may receive a fee from Pershing in respect of Product assets. Other than applicable fees imposed by your IBD and Pershing on your Account, there will be no charges, fees, or commissions imposed on your Account with respect to the Product. Amounts paid to your IBD, Pershing and the Administrator reduce the interest rate paid on your Product balance and depend on the interest rate and other market factors. You should understand that this can result in you experiencing a negative overall investment return with respect to your balance in the Product. The monthly Product fee is in addition to any advisory or other fee that you pay your IBD, their affiliates or your Investment Professional. Therefore, your IBD has an incentive to encourage you to enroll in the Product.

Please see the "Negative Interest Rates" section of this Disclosure Statement for more information on Fees.

Fed Funds Target Rate	Monthly Per Account Fee
0.00% - 0.25%	\$0.75
0.25% - 0.50%	\$2.25
0.50% - 0.75%	\$3.82
0.75% - 1.00%	\$5.73
1.00% - 1.25%	\$7.64
1.25% - 1.50%	\$9.55
1.50% - 1.75%	\$11.46
1.75% - 2.00%	\$13.37
2.00% - 2.25%	\$15.28
2.25% - 2.50%	\$17.19
2.50% - 2.75%	\$19.10
2.75% - 3.00%	\$21.01
3.00% - 3.25%	\$22.92
3.25% - 3.50%	\$24.83
3.50 - 3.75%	\$26.74
3.75% - 4.00%	\$28.65
4.00% - 4.25%	\$30.56
4.25% - 4.50%	\$32.47
4.50% - 4.75%	\$34.38

4.75% - 5.00%	\$34.50
5.00% and above	\$34.50

The IBD monthly per Account fee will not generally be seen on your Account statement due to the manner in which your IBD recoups its fee from the Program Bank payments, as discussed above.

### Deposit Insurance: General

The Deposit Accounts (including principal and accrued interest) are insured by the FDIC, an independent agency of the U.S. Government, up to \$250,000 for all deposits held in the same insurable capacity at any one Program Bank. Generally, any accounts or deposits that you may maintain directly with a particular Program Bank, or through any other intermediary, in the same insurable capacity in which the Deposit Accounts are maintained at that same Program Bank would be aggregated with the Deposit Accounts for purposes of the FDIC insurance limit. In the event a Program Bank fails, the Deposit Accounts are insured, up to \$250,000, for principal and interest accrued to the date the Program Bank is closed. Under certain circumstances, if you become the owner of deposits at a Program Bank because another depositor dies, beginning six months after the death of the depositor the FDIC will aggregate those deposits for purposes of the FDIC Insurance limit with any other deposits that you own in the same insurable capacity at the same Program Bank. Examples of accounts that may be subject to this FDIC policy include joint accounts, "payable on death" accounts and certain trust accounts. The FDIC provides a six-month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

**You are responsible for monitoring the total amount of deposits that you hold with any one Program Bank, directly or through an intermediary, in order for you to determine the extent of deposit insurance coverage available to you on your deposits, including the Deposit Accounts. Pershing and BNYMSC are not responsible for any insured or uninsured portion of the Deposit Accounts or any other deposits. BNYM and BNY Mellon, N.A. are not responsible for**

**any insured or uninsured portion of the Deposit Accounts or any other deposits held at any other Program Bank, only balances held in the Deposit Accounts and other deposits held at BNYM and BNY Mellon, N.A.**

In the event federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you. There is no specific time period during which the FDIC must make insurance payments available, and Pershing is under no obligation to credit your account with funds in advance of payments received from the FDIC. Furthermore, you may be required to provide certain documentation to the FDIC and Pershing before insurance payments are made. For example, if you hold deposits as trustee for the benefit of trust participants, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

If your Deposit Accounts or other deposits at a Program Bank are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of any time deposits that were assumed, or (ii) with respect to deposits that are not time deposits, the expiration of a six-month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiror held in the same capacity for purposes of federal deposit insurance. Any deposit opened at the Program Bank after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

The application of the FDIC Insurance limit is illustrated by several common factual situations discussed below, some of which may not apply to Product balances. References in the examples below. Please review the section titled “Deposit Insurance: Retirement Plans and Accounts” for the application of the FDIC insurance limit.

*Individual Customer Accounts.* Deposits of any one Program Bank held by an individual in an account in the name of an

agent or nominee of such individual (such as the Deposit Accounts held through Pershing) or held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the agent, nominee or custodian, but are added to other deposits of such individual held in the same insurable capacity (including funds held in a sole proprietorship) and are insured up to \$250,000 in the aggregate. Deposits held through a **qualified tuition savings program (529 Plan)** will be insured as deposits of the participant and aggregated with other deposits of the participant if the arrangement and the name of the participant are identified on Pershing’s account records.

*Joint Accounts.* An individual’s interest in deposits of any one Program Bank held under any form of joint ownership valid under applicable state law may be insured up to \$250,000 in the aggregate, separately and in addition to the \$250,000 allowed on other deposits individually owned by any of the co-owners of such accounts (hereinafter referred to as a “Joint Account”). For example, a Joint Account owned by two persons would be eligible for insurance coverage of up to \$500,000 (\$250,000 for each person), subject to aggregation with each owner’s interests in other Joint Accounts at the same Program Bank. Joint Accounts will be insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners. Product balances held in accounts with joint registrations are assumed to be held by two individuals and allocated to Program Banks accordingly.

*Trust Accounts.* Due to operational complexities, Product balances held in Accounts with trust registrations are allocated at the Account level and not at the trustee level; therefore, FDIC insurance coverage on Product balances held in trust accounts is not available at the trustee level; the Product does not provide FDIC coverage at the trustee level.

*Revocable Trust Accounts.* Deposits of any one Program Bank held in a “revocable trust” are generally insured up to \$250,000 per beneficiary if the beneficiary is a

natural person, charity or other non-profit organization. There are two types of revocable trusts recognized by the FDIC. **Informal revocable trusts** include accounts in which the owner evidences an intent that at his or her death the funds shall belong to one or more specified beneficiaries. These trusts may be referred to as a “Totten trust” account, “payable upon death” account or “transfer on death” account. Each beneficiary must be included in Pershing’s account records. **Formal revocable trusts** are written trust arrangements in which the owner retains ownership and control of the assets and designation of beneficiaries during his or her lifetime. The trusts may be referred to as “living” or “family” trusts. The beneficiaries of a formal revocable trust do not need to be included in Pershing’s account records.

Under FDIC rules, if a revocable trust has five or fewer beneficiaries, FDIC coverage will be up to \$250,000 per beneficiary, multiplied by the number of beneficiaries, regardless of the proportional interests of each beneficiary in the revocable trust. If the trust has more than \$1,250,000 in deposits of any one Program Bank and has six or more beneficiaries, the funds will be insured for the greater of \$1,250,000 or the aggregate amount of all beneficiaries’ proportional interests, limited to \$250,000 per beneficiary.

Deposits in all revocable trusts of the same owner — informal and formal — at the same Program Bank will be aggregated for insurance purposes. A revocable trust established by two owners where the owners are the sole beneficiaries will be treated as a Joint Account under applicable rules and will be aggregated with other Joint Accounts.

*Irrevocable Trust Accounts.* Deposits of any one Program Bank held pursuant to one or more irrevocable trust agreements created by the same grantor (as determined under applicable state law) will be insured for up to \$250,000 for the interest of each beneficiary provided that the beneficiary’s interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). According to the FDIC, **Coverdell Education Savings Accounts** will be treated as irrevocable trust accounts for deposit insurance

purposes. The deposit insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee or other beneficiaries. The interest of a beneficiary in irrevocable trust accounts at a Program Bank created by the same grantor will be aggregated and insured up to \$250,000.

**Medical Savings Accounts.** Deposits of any one Program Bank held in a Medical Savings Account, sometimes referred to as an Archer Medical Savings Account, will be eligible for deposit insurance as either an individual account, a revocable trust account or an employee benefit plan. You may wish to consult with your attorney or the FDIC to determine the available deposit insurance coverage.

#### **Deposit Insurance: Retirement Plans and Accounts**

**Retirement Plans and Accounts — Generally.** If you have deposits of any one Program Bank that are held through one or more retirement plans and accounts, the amount of deposit insurance you will be eligible for, including whether the deposits held by the plan or account will be considered separately or aggregated with the deposits of the same Program Bank held by other plans or accounts, will vary depending on the type of plan or account. It is therefore important to understand the type of plan or account holding the deposits. The following sections generally discuss the rules that apply to deposits of retirement plans and accounts.

**Individual Retirement Accounts (“IRAs”).** Deposits of any one Program Bank held in an IRA will be insured up to \$250,000 in the aggregate. However, the deposits of any one Program Bank acquired by an IRA will be aggregated with the deposits of the same Program Bank held by certain employee benefit plans in which the owner of the IRA has an interest. Thus, the owner of an IRA will only be eligible for insurance of \$250,000 for deposits at any one Program Bank held in plans and accounts that are subject to aggregation. See the section below titled “Aggregation of Retirement Plan and Account Deposits.”

#### **Pass-Through Deposit Insurance for Employee Benefit Plan Deposits.**

Subject to the limitations discussed below, under FDIC regulations an individual's non-contingent interests in the deposits of any one Program Bank held by many types of plans are eligible for insurance up to \$250,000 on a pass-through basis. This means that instead of an employee benefit plan's deposit at any one Program Bank being entitled to only \$250,000 in total per Program Bank, each participant in the employee benefit plan is entitled to insurance of his or her non-contingent interest in the employee benefit plan's deposits of up to \$250,000 per Program Bank (subject to the aggregation of the participant's interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is separate from the FDIC Insurance limit allowed on other deposits held by an individual in different insurable capacities with the Program Bank.

The types of plans for which deposits may receive pass-through treatment are employee benefit plans, as defined in Section 3(3) of the Employee Retirement Income Security Act (ERISA) (including Keogh plans, whether or not they are technically “employee benefit plans” under ERISA) and eligible deferred compensation plans described in Section 457 of the Internal Revenue Code of 1986. For purposes of Section 3(3) of ERISA, employee benefit plans are broadly defined to include most employee benefit plans, including most defined benefit plans and most defined contribution plans.

A deposit at any one Program Bank held by an employee benefit plan that is eligible for pass-through insurance is not insured for an amount equal to the number of plan participants multiplied by \$250,000. For example, an employee benefit plan owns \$500,000 in deposits at one Program Bank and the participants are eligible for up to \$250,000 per plan beneficiary. The employee benefit plan has two participants, one with a non-contingent interest of \$425,000 and one with a non-contingent interest of \$75,000. In this case, the employee benefit plan's deposits would be insured up to only \$325,000; the individual with the \$425,000 interest would be insured up to the \$250,000 limit and the individual with the \$75,000 interest would be insured up to the full value of such interest.

The contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee benefit plan are not insured on a pass-through basis. Contingent interests of employees in an employee benefit plan deposit are interests that are not capable of evaluation in accordance with FDIC rules and are aggregated and insured up to \$250,000 per Program Bank. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to \$250,000 separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.

**Aggregation of Retirement Plan and Account Deposits.** Under FDIC regulations, an individual's interests in plans maintained by the same employer or employee organization (e.g., a union) which are holding deposits of the same Program Bank will be insured for \$250,000 in the aggregate. In addition, under FDIC regulations an individual's interest in the deposits of one Program Bank held by (i) IRAs, (ii) Section 457 Plans, (iii) self-directed Keogh Plans and (iv) self-directed defined contribution plans that are acquired by these plans and accounts will be insured for \$250,000 in the aggregate whether or not maintained by the same employer or employee organization.

**Questions about FDIC Deposit Insurance Coverage.** If you have questions about basic FDIC insurance coverage, please contact your Investment Professional. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one insurable capacity. You may also obtain information by contacting the FDIC, Deposit Insurance Outreach, Division of Supervision and Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 [TDD]), by visiting the FDIC website at [www.fdic.gov/deposit/index.html](http://www.fdic.gov/deposit/index.html), or by e-mail using the FDIC's Online Customer Assistance Form available on its website.

**SIPC Coverage:** SIPC is a non-profit membership corporation created by the Securities Investor Protection Act of 1970, funded primarily by its member securities brokerage firms registered with the U.S. Securities and Exchange Commission. SIPC provides protection against custodial risk

to clients of securities brokerage firms, like Pershing, in the event such firms become insolvent. Unlike FDIC insurance, SIPC does not insure against the loss of your investment, nor does SIPC insurance protect against a decline in the value of your investment. SIPC protects each client's securities, including Money Funds, and cash held in a client's brokerage account at an insolvent brokerage firm. SIPC protects against the loss of customer securities and cash up to a total of \$500,000 (including a maximum of \$250,000 for claims for uninvested cash) per customer in each separate capacity under SIPC rules. Additional amounts may be covered by excess SIPC coverage obtained by Pershing. Money Fund balances are considered securities for purposes of SIPC coverage. Balances maintained in the Deposit Accounts at each Program Bank are not protected by SIPC or, if any, excess coverage purchased by Pershing. If you have questions about SIPC coverage and additional SIPC-like coverage, please contact your IBD or Investment Professional. You may also obtain information about SIPC coverage, including a brochure that describes SIPC and SIPC insurance, by accessing the SIPC website at [www.sipc.org](http://www.sipc.org).

