



Mellon Financial Corporation
Charter of the Risk Committee of the Board of Directors

I. PURPOSE

The Risk Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities in respect of:

- The risks inherent in the businesses of the Corporation and the control processes with respect to such risks.
- The risk profile of the Corporation.
- The risk management, compliance and control activities of the Corporation.
- The integrity of the Corporation's systems of operational controls regarding legal and regulatory compliance.
- Compliance with legal and regulatory requirements, including without limitation, with respect to the conduct of the Corporation's businesses.

The Risk Committee shall not have responsibility for matters subject to the jurisdiction of another committee of the Board of Directors pursuant to that committee's charter.

The Risk Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to anyone in the organization. The Risk Committee has the ability to retain, at the Corporation's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

II. ALLOCATION OF RESPONSIBILITIES

The function of the Risk Committee is oversight. The management of the Corporation is responsible for maintaining operational controls and procedures designed to provide reasonable assurance of compliance with those laws and regulations applicable to the Corporation's various business activities.

The internal auditors are responsible for providing reliable and timely information to the Board of Directors and senior management concerning the quality and effectiveness of, and the level of adherence to, the Corporation's control and compliance procedures and risk management systems.

It is not the responsibility of the Risk Committee to plan or conduct investigations or to assure compliance with laws and regulations and the Corporation's Code of Conduct. Each member of the Risk Committee shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by those persons and under those circumstances specified in the Pennsylvania Business Corporation Law.

III. COMPOSITION AND MEETINGS

Risk Committee members shall meet any applicable requirements of the New York Stock Exchange. The Risk Committee shall be comprised of three or more directors as determined by the Board of Directors, each of whom shall, in the Board's business judgment, be free from any relationship that would interfere with the exercise of his or her independent judgment.

Risk Committee members, including a Chair and a Vice Chair, shall be appointed by the Board of Directors on recommendation of the Corporate Governance and Nominating Committee and serve at the pleasure of the Board. If the Risk Committee Chair is not present at a meeting of the Committee, the Vice Chair shall preside.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The agenda for each Risk Committee meeting will provide time during which the Committee can meet separately in executive session with management, the Chief Risk Officer, the Chief Compliance Officer, the independent auditors and as a Committee to discuss any matters that the Committee or any of these groups believe should be discussed.

Except as limited by law, regulation or the rules of the New York Stock Exchange, the Risk Committee may form subcommittees for any purpose that it deems appropriate and may delegate to such subcommittees such power and authority as it deems appropriate.

IV. RESPONSIBILITIES AND DUTIES

A. Review Procedures

The Risk Committee shall:

1. Review and reassess the adequacy of this Charter periodically and recommend changes to the Board of Directors when necessary.
2. In consultation with management, the independent auditors and the internal auditors, review significant financial and other risk exposures and the steps management has taken to monitor, control and report such exposures, including, without limitation, review of credit, market, fiduciary, liquidity, reputation, operational and strategic risks; and evaluate risk exposure and tolerance and approve appropriate transaction or trading limits.
3. Review the scope of the work of the compliance department and the risk department and their planned activities with respect to the risk management activities of the Corporation.
4. Review the appointment, performance and replacement of the Chief Risk Officer and the Chief Compliance Officer.
5. Except to the extent subject to the jurisdiction of another committee of the Board of Directors pursuant to that committee's charter,

- (a) review reports and significant findings identified by the risk department and the compliance department with respect to the risk management activities of the Corporation, together with management's responses and follow-up to these reports; and
- (b) review significant reports from regulatory agencies relating to risk and compliance issues, and management's responses.

B. Other Risk Committee Responsibilities

The Risk Committee shall:

1. Perform any other activities consistent with this Charter, the Corporation's By-Laws and governing law as the Board of Directors shall specifically delegate to the Risk Committee.
2. Maintain minutes of meetings and periodically report to the Board of Directors on significant results of the foregoing activities.