



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 26, 1997

Gary Lyons, Esq.
Goodwin, Proctor & Hoar LLP
Exchange Place
Boston, Massachusetts 02109-2881

Dear Mr. Lyons:

The Secretary of the Board of Governors of the Federal Reserve System, acting pursuant to authority delegated by the Board, has reviewed the notice filed under section 4(j)(5)(B) of the Bank Holding Company Act ("BHC Act"), as amended by section 2208 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (Pub. L. No. 104-208, § 2208, 110 Stat. 3009 (1996)), by State Street Corporation, Boston, Massachusetts ("State Street"), to indirectly acquire 100 percent of the outstanding common shares of Telesphere Corporation, New York, New York, and thereby engage in financial data processing. The Board has determined that financial data processing is closely related to banking under Section 225.28(b)(14) of the Board's Regulation Y (12 C.F.R. 225.28(b)(14)).

State Street has certified that all the criteria set forth in section 4(j)(4) of the BHC Act are met and has filed the information required under that section. Based on all the facts of record, including relevant examination, financial and other reports maintained by the Federal Reserve System, the System does not object to the consummation of the proposal at this time. In making this determination, the Secretary has relied on all of the facts of record and all of the representations and commitments made by State Street in connection with this proposal. The representations and commitments are conditions imposed in writing in connection with the findings and decision herein, and, as such, may be enforced under applicable provisions of law. As provided in section 4(j)(4)(C)(i) of the BHC Act, this determination is subject to all the restrictions, terms, and conditions imposed by the Board on the data processing functions of bank holding companies, including restrictions on the provision of general purpose hardware in connection with such functions.

Approval of this notice is subject to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modification or termination of activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the Act, and the Board's regulations and orders issued thereunder.

The transaction should be consummated within three months after the effective date of this letter, unless such period is extended by the Federal Reserve Bank of Boston. In connection with these provisions, advice of the fact of consummation should be given in writing to the Reserve Bank.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Jennifer J. Johnson", with a long horizontal flourish extending to the right.

Jennifer J. Johnson
Deputy Secretary of the Board

cc: Federal Reserve Bank of Boston
Department of Justice