



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

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

November 13, 1996

Mark V. Nuccio, Esq.
Ropes & Gray
One International Place
Boston, Massachusetts 02110

Dear Mr. Nuccio:

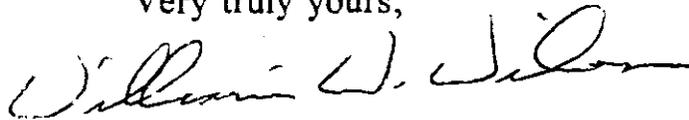
Acting pursuant to authority delegated by the Board, I have reviewed the notice filed under section 4(j)(5)(B) of the Bank Holding Company ("BHC") Act (12 U.S.C. § 1843(j)(5)(B)), as amended by section 2208 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996, by State Street Boston Corporation, Boston, Massachusetts ("State Street"), to acquire all the voting shares of Princeton Financial Systems, Inc., Princeton, New Jersey ("PFS"), and thereby engage in providing data processing or data transmission services with respect to financial, banking, or economic data. PFS designs and produces portfolio accounting and management software that maintains financial and accounting records relating to securities, derivatives, mortgages or other loan transactions; analyzes portfolios of such instruments; and transmits orders for the purchase and sale of securities and information related to the settlement of such transactions. The Board has determined that such data processing activities are closely related to banking. 12 C.F.R. 225.25(b)(7).

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, I have relied on all 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 the provisions of applicable law. As provided by 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 activities of bank holding companies. In addition, this action is subject to the Board's authority to require reports by, and make examinations of, bank holding companies and their subsidiaries and to require such modification or termination of activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the BHC Act, and the Board's regulations and orders issued thereunder.

The transaction should be consummated within twelve months after the date of this letter, unless such period is extended by the Federal Reserve Bank of Boston. Advice of the fact of consummation should be given in writing to the Reserve Bank.

Very truly yours,

A handwritten signature in black ink, appearing to read "William W. Wiles". The signature is fluid and cursive, with a prominent initial "W" and a long, sweeping tail.

William W. Wiles
Secretary of the Board