



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

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

August 14, 1997

Ms. Marcia Wallace
Managing Counsel
The Bank of New York Company, Inc.
One Wall Street
New York, NY 10286

Dear Ms. Wallace:

The Secretary of the Board of Governors of the Federal Reserve System, acting pursuant to authority delegated by the Board, has reviewed the proposal filed under section 4(j)(5)(B) of the Bank Holding Company Act ("BHC Act") by The Bank of New York Company, Inc., New York, New York ("BONY"), to (1) acquire through its wholly owned subsidiaries, The Bank of New York, New York, New York, and BNY Western Trust Company, Los Angeles, California, all or substantially all of the assets relating to the institutional custody business of Well Fargo Bank, N.A., San Francisco, California, and its affiliates, Wells Fargo Bank (Colorado), N.A., and Wells Fargo Bank (Texas), N.A, and (2) acquire all or substantially all of the assets relating to the corporate trust and agency business conducted by certain subsidiaries of Nationsbank, N.A., Charlotte, North Carolina. The Board has determined that trust company functions, including activities of a fiduciary, agency, or custodial nature, are closely related to banking under Section 225.28(b)(5) of the Board's Regulation Y (12 C.F.R. 225.28(b)(5)).

BONY 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 BONY 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 trust company functions of bank holding companies.

Approval of this proposal 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 New York. 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 black ink, 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 New York
Department of Justice