



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

March 31, 2021

Mr. Joseph J. Barry
Senior Vice President and Global Head of
Regulatory, Industry and Government Affairs
State Street Corporation
State Street Financial Center
One Lincoln Street
Boston, Massachusetts 02111-2900

Dear Mr. Barry:

This responds to the correspondence dated March 23, 2021, submitted on behalf of State Street Corporation (“State Street”), Boston, Massachusetts, addressed to the Board of Governors of the Federal Reserve System (“Board”) regarding the request for an extension of time to conform certain contracts to the requirements of the Board’s qualified financial contract stay rule (“QFC Stay Rule”).¹ Specifically, State Street has requested an extension of time to conform any covered QFC² that is a custody services agreement and did not qualify for the exemption granted by the Board on October 1, 2020 (“Extension Request QFCs”), to the requirements of the QFC Stay Rule.³

In acting on State Street’s previous exemption request, the Board granted State Street until April 1, 2021, to conform those QFCs for which relief was denied to the requirements of the QFC Stay Rule. State Street represents that it has engaged in significant efforts to conform the Extension Request QFCs, but that its conformance efforts have been complicated by

¹ 12 CFR part 252, subpart I.

² “Covered QFC” has the same meaning as in the QFC Stay Rule. 12 CFR 252.82(c).

³ On October 1, 2020, the Board granted an exemption from the requirements of the QFC Stay Rule for certain custody services agreements that did not involve U.S. counterparties and were not otherwise linked to U.S. firms (non-U.S., non-linked contracts). See Letter to Rebecca J. Simmons, Sullivan & Cromwell LLP, from Margaret McCloskey Shanks, Deputy Secretary, Bd. of Governors of the Fed. Rsrv. Sys. (Oct. 1, 2020).

continued challenges around the work environment related to the COVID-19 pandemic, particularly for foreign clients. In light of the challenges presented by the COVID-19 pandemic and because a temporary extension of time is unlikely to pose significant risk to State Street and the U.S. financial system, a temporary extension of time would be reasonable. Accordingly, acting pursuant to authority delegated by the Board and having considered all relevant facts, I grant State Street an extension of time until October 1, 2021, to conform the Extension Request QFCs to the requirements of the QFC Stay Rule.

Throughout the course of this extension of time, State Street must provide Board staff with monthly updates on State Street's progress in conforming the Extension Request QFCs.

This action may be revised or revoked based on changes to applicable regulations or other relevant factors. This action is based on all the facts of record, including the information discussed above, and the representations in your submissions and supplemental information. Any material change in those facts or representations could affect this approval and should be communicated promptly to Board staff.

Please contact Lucy Chang at (202) 475-6331 or Evan Hechtman at (202) 263-4810, both of the Board's Legal Division, or Lesley Chao of the Board's Division of Supervision and Regulation at (202) 974-7063 if you have any questions.

Very truly yours,

(Signed) Ann E. Misback

Ann E. Misback
Secretary of the Board