January 14, 2016

John Faust, Esq.
WilmerHale
1875 Pennsylvania Avenue, NW
Washington, D.C. 20006

Re: In re State Street Bank and Trust Company
State Street Corporation – Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act

Dear Mr. Faust:

This is in response to your letter dated January 8, 2016, written on behalf of State Street Corporation (“Company”) and constituting an application for relief from the Company being considered an “ineligible issuer” under Clause (1)(vi) of the definition of ineligible issuer in Rule 405 of the Securities Act of 1933 (“Securities Act”). The Company requests relief from being considered an “ineligible issuer” under Rule 405, due to the entry on January 14, 2016, of a Commission Order (“Order”) pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against State Street Bank and Trust Company (“SSBT”). The Order requires that, among other things, SSBT cease and desist from committing or causing any violations and any future violations Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

Based on the facts and representations in your letter, and assuming SSBT complies with the Order, the Commission, pursuant to delegated authority, has determined that the Company has made a showing of good cause under Clause (2) of the definition of ineligible issuer in Rule 405 and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts from those represented or failure to comply with the terms of the Order would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition the waiver under those circumstances.

Sincerely,

/s/

Elizabeth Murphy
Associate Director
Division of Corporation Finance
January 8, 2016

BY ELECTRONIC MAIL AND FEDERAL EXPRESS

Eun Ah Choi
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: In the Matter of State Street Bank and Trust Company

Dear Ms. Choi:

This letter is submitted on behalf of State Street Corporation ("State Street"), in connection with the settlement of the above-captioned administrative proceeding by the Securities and Exchange Commission (the "Commission" or "SEC") with State Street Bank and Trust Company ("SSBT"). SSBT is a subsidiary of State Street. The settlement will result in the entry of an administrative and cease-and-desist order against SSBT (the "Order"), which is described below.

Pursuant to Rule 405 promulgated under the Securities Act of 1933 (the "Securities Act"), State Street hereby requests that the Commission or the Division of Corporation Finance, pursuant to delegated authority, determine that for good cause shown it is not necessary under the circumstances that State Street be considered an "ineligible issuer" under Rule 405. State Street requests that this determination be effective upon the entry of the Order.

BACKGROUND

In January 2016, SSBT is entering into a settlement with the Commission resulting in the Commission issuing the Order. SSBT consented to the entry of the Order, which found that SSBT violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder. The Order finds that a former employee of SSBT entered into an agreement with a former state official in Ohio to make illicit cash payments and political campaign contributions through two lobbyists in exchange for subcustodian contracts awarded by the Office of the Treasurer of the State of Ohio ("TOS") for three Ohio pension funds. For each pension fund, State Street received the highest qualitative score from the committee evaluating competing bids for those contracts, and also submitted the lowest bids. The Order reflects that the former employee did not inform others in State Street management of these actions.

Solely for the purpose of settling these proceedings, SSBT consented to the Order, without admitting or denying the findings in the Order. The Order requires SSBT to cease and desist
from committing or causing any violations and any future violations of Exchange Act Section 10(b) and Rule 10b-5 thereunder. In addition, the Order requires SSBT to pay $4 million in disgorgement (inclusive of any pre-judgment interest) and $8 million as a civil money penalty.

DISCUSSION

In 2005, the Commission revised the registration, communications, and offering processes under the Securities Act. As part of this offering reform, the Commission revised Securities Act Rule 405, creating a new category of issuer, the “well-known seasoned issuer” (or “WKSI”), and a new category of offering communication, the “free writing prospectus.” A well-known seasoned issuer is eligible for important reforms that have changed the way corporate finance transactions for larger issuers are planned and structured. These reforms include the ability to “file-and-go” (i.e., eligibility for automatically effective shelf registration statements) and “pay-as-you-go” (i.e., the ability to pay filing fees as the issuer sells securities off the shelf). These reforms have lessened the risk of regulatory delay in connection with capital formation. In addition, well-known seasoned issuers are provided with greater flexibility in terms of communications, including the ability to use free writing prospectuses in advance of filing a registration statement.

The Commission also created another category of issuer under Rule 405, the “ineligible issuer.” An ineligible issuer is excluded from the category of “well-known seasoned issuer” and is ineligible to make communications by way of free writing prospectuses, except in limited circumstances. As a result, an ineligible issuer that would otherwise be a well-known seasoned issuer does not have access to file-and-go or pay-as-you-go, and cannot use certain types of free writing prospectuses.

Securities Act Rule 405 authorizes the Commission to determine, “upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer.” The Commission has delegated the function of granting or denying such applications to the Director of the Division of Corporation Finance.

State Street understands that the entry of the Order against SSBT, which is a subsidiary of State Street, would make State Street an ineligible issuer under Rule 405. As a result, State Street would not be able to qualify as a well-known seasoned issuer, and, therefore, would not have access to file-and-go and other reforms available to well-known seasoned issuers, and would not

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be able to be eligible to take advantage of all of the free writing prospectus reforms of Rules 164 and 433.

**REASONS FOR GRANTING A WAIVER**

Consistent with the framework outlined in the Division of Corporation Finance’s Revised Statement on Well-Known Seasoned Issuer Waivers issued on April 24, 2014, State Street respectfully requests that the Commission determine that it is not necessary for State Street to be considered an ineligible issuer as a result of the Order. Applying the ineligibility provisions to State Street would be disproportionately and unduly severe, for the reasons described below.

**Nature of Violation: Responsibility for and duration of the violations**

The conduct reflected in the Order involved payments and contributions to state officials in Ohio as it relates to SSBT being awarded subcustodian contracts for three Ohio pension funds. The conduct occurred during a limited period of time, from February 2010 through April 2011, and relates to contracts that were awarded more than five years ago. Such conduct, and the violations addressed in the Order, do not pertain to activities undertaken by State Street in connection with State Street’s role as an issuer of securities (or any disclosure related thereto) or otherwise involve fraud in connection with State Street’s offerings of its own securities. No conduct by State Street and no conduct in respect of State Street’s financial reporting and SEC filings is implicated. Rather, the misconduct described in the Order occurred at the subsidiary level, without involvement by State Street, by a single employee of SSBT, a subsidiary of State Street (and that individual’s employment has been terminated). No employees of State Street were named in the Order, and the Commission did not find that any of the directors or senior management of State Street engaged in any deliberate misconduct or were aware of violative conduct or ignored any warning signs or “red flags” regarding the conduct. Moreover, only SSBT was held responsible; no affiliated issuer was involved in any way. Neither the conduct by SSBT nor the Order calls into question the reliability of State Street’s financial reporting and SEC filings.

The former SSBT employee involved in the misconduct described in the Order did not have any responsibility for preparing State Street’s periodic or other disclosures as an issuer of securities. That individual was terminated by SSBT in 2014. The former employee undertook the actions in violation of SSBT policies and procedures, and without informing others in State Street management of these actions.

State Street believes that such conduct does not call into question the reliability of State Street’s current and future disclosure as an issuer of securities because none of the conduct is related in any way to any of State Street’s current or future disclosures as an issuer of securities. State
Street does not believe that its disclosure controls and procedures as an issuer or its filings with the Commission were deficient.

Remedial Steps

SSBT has taken appropriate steps to prevent the conduct described in the Order from recurring. SSBT has included enhanced controls that address the conduct described in the order. Specifically, SSBT’s policies and realigned compliance organization are designed to prevent conduct that could create even an appearance of impropriety in winning public funds business. SSBT’s efforts to promote a culture of compliance fall into the following basic categories relevant here:

- SSBT enhanced its policies on political contributions, beginning in late 2010, to prohibit any employees who solicit business from public funds from making political contributions without pre-clearance. When contributions are made, the Political Activities Policy requires employees to make clear that their contributions are being made in their individual capacity, and not on behalf of SSBT. Since 2014, no contributions are approved unless they are first reviewed by a dedicated political law specialist for compliance with all applicable pay-to-play rules. In 2012, SSBT also stopped using political consultants and lobbyists in its public funds business.

- In 2013, SSBT enhanced its policies on gifts and entertainment expenses, prohibiting any gifts that, in the aggregate, exceed $250 for any calendar year. SSBT also instituted a pre-approval requirement for any gifts or entertainment to public officials in the United States, regardless of the cost. The pre-approval process is designed to ensure that any proposed gifts or entertainment are reviewed for compliance with applicable laws governing gifts in each particular jurisdiction. The process also provides the opportunity for SSBT’s Compliance personnel to prohibit gifts that, while technically permissible, may give rise to an appearance of impropriety.

- In addition to these specific policy enhancements, SSBT has taken a number of enterprise-wide steps to enhance its compliance function to ensure that the conduct of each of its tens of thousands of employees comports with sound ethical practices and the law, including the creation of a high ranking leadership position dedicated to monitoring its global ethics policies and the establishment of a senior executive-level committee tasked with ensuring that its compliance policies continue to

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Pre-existing, business unit specific gift and entertainment policies, including in the public funds business, had already imposed a $250 limit for aggregate gifts in any calendar year.

This same prohibition applies to international business, except that SSBT has recently created a de minimus exception for refreshments provided to certain public officials overseas.
address an ever-changing set of compliance issues. Specifically, SSBT’s commitment to reinforcing an ethical culture is overseen by its Global Chief Ethics Officer, a position established by the Board in January 2014 to lead SSBT’s Ethics Office and direct the enterprise-wide Ethics program. Additionally, a senior-level management committee, the Business Conduct Risk Committee, was created to support a culture of ethical business conduct and ethics training programs, and oversees a number of functions including the Ethics Office.

- In January 2014, SSBT adopted a Global Compliance Enforcement Procedure, centralizing and standardizing the procedures and punishments for non-compliance with SSBT’s various ethical policies. This robust new procedure is designed to ensure that instances of non-compliance are formally addressed and that any resulting compliance enforcement actions are consistent across all of SSBT’s lines of business and regions. SSBT has also established a Compliance Oversight Program to self-assess and report on the Compliance functions being performed across the Company, utilizing a standardized process to evaluate each and every aspect of SSBT’s Compliance programs and recommend enhancements where appropriate. Additionally, SSBT’s employee performance reviews now formally require that managers specifically evaluate their employees’ compliance performance, and the compliance performance of a manager’s department is an explicit factor for consideration when SSBT makes elevation decisions.

The Commission has previously granted State Street a waiver from being considered an ineligible issuer. In the Matter of State Street Bank and Trust Company (B-2320) (Feb. 4, 2010) related to conduct by SSBT in connection with disclosure of the extent of subprime mortgage-backed securities held in certain unregistered funds under its management. That matter found that SSBT violated Sections 17(a)(2) and (3) of the Securities Act of 1933. The conduct that was the subject of the previous waiver was wholly different from the conduct described in the Order. None of the conduct described in such orders related to State Street’s conduct as an issuer of securities and does not call into question State Street’s ability to make accurate disclosures about its future offerings.

Taking into account the nature of the conduct and the remediation steps which have been described above, State Street does not believe that conduct described in the Order calls into question the reliability of State Street’s current and future financial reporting and SEC filings.

Impact on Issuer

The Order is the result of substantial negotiations between SSBT and the Commission’s Division of Enforcement. The Order directs SSBT to pay disgorgement and a substantial penalty and cease and desist from violating certain provisions of the Exchange Act. The loss of State Street’s
status as an eligible issuer could, as described in more detail below, have an impact on State Street’s ability to raise capital and conduct its operations. This would be an unduly severe consequence, particularly in light of the fact that the conduct at issue in the Order involves one of State Street’s subsidiaries and not State Street itself.

State Street is focused on helping clients manage and service their financial assets – facilitating liquidity and aiding clients in managing risk in financial transactions. In this capacity State Street provides critical infrastructure for the global capital markets, making possible a significant percentage of market transactions worldwide each day. State Street regularly relies on its eligible issuer status to offer securities under its automatic shelf registration statement. For State Street, the automatic shelf registration process provides a critical means of access to the United States capital markets, which provide essential funding for its operations and bank regulatory compliance. Losing its status as a well-known seasoned issuer would impose additional restrictions on State Street’s use of shelf registration statements. Among other things, State Street would be required to pay all fees upfront at the time of registration and include additional information in its registration statements. Further, State Street’s registration statements would be subject to a review period, limiting State Street’s flexibility and ability to access the capital markets when market conditions are most advantageous. All of these consequences would impose additional administrative burdens and costs on State Street. In addition, if State Street is considered an ineligible issuer, its ability to communicate with investors using free-writing prospectuses (“FWPs”) would be limited. FWPs convey targeted and relevant information to customers in a user-friendly format that is often easier to understand than the typically longer statutory prospectus. The SEC has recognized that investors and the securities markets benefit from the use of FWPs, which among other things facilitate greater transparency to investors.\textsuperscript{7} State Street used FWPs containing only a description of the terms of the securities in the offering or the offering itself (“term sheet FWPs”) in connection with each of its issuances of debt securities in 2013, 2014, and 2015. Since November 2013, State Street has once used a FWP that was not a term sheet FWP. Although State Street typically uses only term sheet FWPs, which will continue to be available even if WKSI status is lost, State Street would lose the flexibility to communicate in other ways with investors and the markets as needed in the future.

State Street is a frequent issuer of registered securities, offering and selling debt securities, preferred stock, depositary shares, common stock, purchase contracts, units, warrants and capital securities (through trust affiliates). Using its automatic shelf registration statement, State Street issued approximately $1.5 billion of senior notes and $1.0 billion of senior subordinated notes in 2013, approximately $1 billion of senior notes in 2014, and approximately $3 billion of senior notes in 2015. In 2014 and 2015, State Street used its automatic shelf registration statements to issue approximately 60 million depositary shares (approximately $1.5 billion) and 750,000

depositary shares (approximately $750 million), respectively, in each case representing ownership interests in series of preferred stock.

The automatic shelf registration process provides State Street a critical means of access to the capital markets in a timely and efficient manner including the ability to take advantage of changes in credit spreads or interest rates, which is essential for funding the company’s business. State Street like other similar institutions, faces regulatory and market conditions and uncertainties, including new and proposed rules relating to heightened capital, leverage and liquidity standards. For example, the Federal Reserve’s proposed total loss-absorbing capacity and eligible long-term debt requirements may impose additional needs on State Street to access the capital markets in order to meet the required holding amounts, including through the use of securities with characteristics that are not yet known and therefore are difficult to anticipate in a shelf registration statement. As an ineligible issuer, State Street would lose the ability to register additional types of securities not already covered by its WKSI shelf by filing a new registration statement or post-effective amendment that becomes immediately effective. If State Street wished to make use of such additional types of securities, its registration statement would be subject to staff review and approval, and therefore by the time State Street would be able to launch an offering, the market may no longer be willing to purchase State Street’s securities in the amount or at the price available upon commencement of the offering process, which could compromise the results of State Street’s regulatory compliance efforts or negatively impact certain of its lines of business that rely on State Street funding.

All of State Street’s issuances of securities (other than for employee benefit plan purposes) in the last two years have used its automatic shelf registration statements. The above figures and considerations demonstrate the importance of the WKSI shelf to State Street in meeting its regulatory, capital, funding, and business requirements.

In light of these considerations, subjecting State Street to ineligible issuer status is not necessary under the circumstances, either in the public interest or for the protection of investors, and good cause exists to determine that State Street should not be considered an ineligible issuer under Rule 405 as a result of the Order. We respectfully request the Commission or the Division of Corporation Finance pursuant to delegated authority to make that determination.
Please contact me at (202) 663-6537 if you have any questions regarding this request.

Sincerely,

Paul R. Eckert

cc: Jeffrey N. Carp, State Street Corporation
    David C. Phelan, State Street Corporation
    Jeremy Kream, State Street Corporation