STATE STREET CORP
Form 424B2
November 30, 2018
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Registration Statement No. 333-221293

PROSPECTUS SUPPLEMENT

(To Prospectus Dated November 2, 2017)

$1,000,000,000

State Street Corporation

$500,000,000 Fixed-to-Floating Rate Senior Notes due 2024

$500,000,000 Fixed-to-Floating Rate Senior Notes due 2029

This is an offering of $500,000,000 aggregate principal amount of fixed-to-floating rate notes due 2024 (the 2024 fixed-to-floating rate notes) and $500,000,000 aggregate principal amount of fixed-to-floating rate notes due 2029 (the 2029 fixed-to-floating rate notes and, together with the 2024 fixed-to-floating rate notes, the notes) of State Street Corporation (State Street).

The 2024 fixed-to-floating rate notes will mature on December 3, 2024. The 2024 fixed-to-floating rate notes will bear interest from and including December 3, 2018 to, but excluding, December 3, 2023 at a fixed annual rate of 3.776%, payable semiannually in arrears, on June 3 and December 3 of each year, beginning on June 3, 2019. From and including December 3, 2023, the 2024 fixed-to-floating rate notes will bear interest at a floating rate equal to three-month U.S. dollar LIBOR plus 0.770%, reset quarterly and payable quarterly in arrears on March 3, 2024, June 3, 2024, September 3, 2024 and the maturity date. We will have the option to redeem the 2024 fixed-to-floating rate notes in whole, but not in part, on December 3, 2023 at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.

The 2029 fixed-to-floating rate notes will mature on December 3, 2029. The 2029 fixed-to-floating rate notes will bear interest from and including December 3, 2018 to, but excluding, December 3, 2028 at a fixed annual rate of 4.141%, payable semiannually in arrears, on June 3 and December 3 of each year, beginning on June 3, 2019. From and including December 3, 2028, the 2029 fixed-to-floating rate notes will bear interest at a floating rate equal to three-month U.S. dollar LIBOR plus 1.030%, reset quarterly and payable quarterly in arrears on March 3, 2029, June 3, 2029, September 3, 2029 and the maturity date. We will have the option to redeem the 2029 fixed-to-floating rate notes in whole, but not in part, on December 3, 2028 at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.

There is no sinking fund for the notes. The notes are unsecured and will rank equally with all other existing and future senior unsecured indebtedness of State Street.

The notes are not bank deposits, and are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Investing in the notes involves risks. See Risk Factors beginning on page S-11.

None of the Securities and Exchange Commission (the SEC), any state securities commission, the FDIC or any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per 2024 Fixed-to-Floating Rate Note	Per 2029 Fixed-to-Floating Rate Note	Total
Public offering price(1)	100.00%	100.00%	$ 1,000,000,000
Underwriting discounts	0.300%	0.400%	$ 3,500,000
Proceeds, before expenses, to State Street Corporation(1)	99.700%	99.600%	$ 996,500,000

(1) Plus accrued interest, if any, from December 3, 2018, if settlement occurs after that date.

The notes will not be listed on any securities exchange. Currently, there are no public trading markets for the notes. The underwriters expect to deliver the notes to purchasers in book-entry form only through the facilities of The Depository Trust Company and its direct participants, including the Euroclear System and Clearstream Banking S.A., on or about December 3, 2018.

Joint Book-Running Managers

BofA Merrill Lynch **Citigroup** **Deutsche Bank Securities** **J.P. Morgan**

Co-Managers

Barclays **Credit Suisse** **Lloyds Securities** **UBS Investment Bank**

Junior Co-Managers

Blaylock Van, LLC **Ramirez & Co., Inc.**

The date of this prospectus supplement is November 28, 2018.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the heading Where You Can Find More Information on page S-36.

In this prospectus supplement, State Street, we, our, ours and us refer to State Street Corporation, a bank holding company headquartered in Boston, Massachusetts that has elected to be treated as a financial holding company under the Bank Holding Company Act of 1956, and its subsidiaries on a consolidated basis, unless the context otherwise requires. References to State Street Bank mean State Street Bank and Trust Company, State Street Corporation s principal banking subsidiary. If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

Currency amounts in this prospectus supplement are stated in U.S. dollars.

We are responsible only for the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus or information contained in a free writing prospectus that we authorize to be delivered to you. This prospectus supplement and the accompanying prospectus may be used only for the purpose for which they have been prepared. No one is authorized to give you information other than that contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus and the documents incorporated by reference into this prospectus supplement. We have not, and the underwriters have not, authorized any other person to provide you with different information. We do not, and the underwriters do not, take responsibility for any other information that others may give you.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where such an offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus, any related free writing prospectus or any document incorporated by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for or purchase any of the securities, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein may contain statements that are considered forward-looking statements within the meaning of U.S. securities laws, including statements about our goals and expectations regarding our business, financial and capital condition, results of operations, strategies, cost savings and transformation initiatives, investment portfolio performance, dividend and stock purchase programs, outcomes of legal proceedings, market growth, acquisitions, joint ventures and divestitures, client growth and new technologies, services and opportunities, as well as industry, governmental, regulatory, economic and market trends, initiatives and developments, the business environment and other matters that do not relate strictly to historical facts. Terminology such as plan, expect, intend, objective, forecast, outlook, belie priority, anticipate, estimate, seek, may, will, trend, target, strategy and goal, or similar statement such terms, are intended to identify forward-looking statements, although not all forward-looking statements contain such terms.

Forward-looking statements are subject to various risks and uncertainties, which change over time, are based on management s expectations and assumptions at the time the statements are made, and are not guarantees of future results. Management s expectations and assumptions, and the continued validity of the forward-looking statements, are subject to change due to a broad range of factors affecting the national and global economies, regulatory environment and the equity, debt, currency and other financial markets, as well as factors specific to State Street and its subsidiaries, including State Street Bank. Factors that could cause changes in the expectations or assumptions on which forward-looking statements are based cannot be foreseen with certainty and include, but are not limited to:

- the financial strength of the counterparties with which we or our clients do business and to which we have investment, credit or financial exposures or to which our clients have such exposures as a result of our acting as agent, including as an asset manager;

- increases in the volatility of, or declines in the level of, our net interest income, changes in the composition or valuation of the assets recorded in our consolidated statement of condition (and our ability to measure the fair value of investment securities) and changes in the manner in which we fund those assets;

- the liquidity of the U.S. and international securities markets, particularly the markets for fixed-income securities and inter-bank credits; the liquidity of the assets on our balance sheet and changes or volatility in the sources of such funding, particularly the deposits of our clients; and demands upon our liquidity, including the liquidity demands and requirements of our clients;

- the level and volatility of interest rates, the valuation of the U.S. dollar relative to other currencies in which we record revenue or accrue expenses and the performance and volatility of securities, credit, currency and other markets in the U.S. and internationally; and the impact of monetary and fiscal policy in the U.S. and internationally on prevailing rates of interest and currency exchange rates in the markets in which we provide services to our clients;

the credit quality, credit-agency ratings and fair values of the securities in our investment securities portfolio, a deterioration or downgrade of which could lead to other-than-temporary impairment of such securities and the recognition of an impairment loss in our consolidated statement of income;

our ability to attract deposits and other low-cost, short-term funding, our ability to manage the level and pricing of such deposits and the relative portion of our deposits that are determined to be operational under regulatory guidelines and our ability to deploy deposits in a profitable manner consistent with our liquidity needs, regulatory requirements and risk profile;

the manner and timing with which the Board of Governors of the Federal Reserve System (Federal Reserve) and other U.S. and foreign regulators implement or reevaluate the regulatory framework applicable to our operations (as well as changes to that framework), including implementation or modification of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

(Dodd-Frank Act), the Economic Growth, Regulatory Relief and Consumer Protection Act of 2018 (EGRRCPA), and related stress testing and resolution planning requirements, implementation of international standards applicable to financial institutions, such as those proposed by the Basel Committee and European legislation (such as the Alternative Investment Fund Managers Directive (AIFMD), UCITS, the Money Market Funds Regulation and MiFID II / MiFIR); among other consequences, these regulatory changes impact the levels of regulatory capital and liquidity we must maintain, acceptable levels of credit exposure to third parties, margin requirements applicable to derivatives, restrictions on banking and financial activities and the manner in which we structure and implement our global operations and servicing relationships. In addition, our regulatory posture and related expenses have been and will continue to be affected by changes in regulatory expectations for global systemically important financial institutions applicable to, among other things, risk management, liquidity and capital planning, resolution planning, compliance programs, and changes in governmental enforcement approaches to perceived failures to comply with regulatory or legal obligations;

adverse changes in the regulatory ratios that we are, or will be, required to meet, whether arising under the Dodd-Frank Act, EGRRCPA or implementation of international standards applicable to financial institutions, such as those proposed by the Basel Committee, or due to changes in regulatory positions, practices or regulations in jurisdictions in which we engage in banking activities, including changes in internal or external data, formulae, models, assumptions or other advanced systems used in the calculation of our capital or liquidity ratios that cause changes in those ratios as they are measured from period to period;

requirements to obtain the prior approval or non-objection of the Federal Reserve or other U.S. and non-U.S. regulators for the use, allocation or distribution of our capital or other specific capital actions or corporate activities, including, without limitation, acquisitions, investments in subsidiaries, dividends and stock purchases, without which our growth plans, distributions to shareholders, share repurchase programs or other capital or corporate initiatives may be restricted;

changes in law or regulation, or the enforcement of law or regulation, that may adversely affect our business activities or those of our clients or our counterparties, and the products or services that we sell, including additional or increased taxes or assessments thereon, capital adequacy requirements, margin requirements and changes that expose us to risks related to the adequacy of our controls or compliance programs;

economic or financial market disruptions in the U.S. or internationally, including those which may result from recessions or political instability; for example, the U.K. s decision to exit from the European Union may continue to disrupt financial markets or economic growth in Europe or potential changes in trade policy and bi-lateral and multi-lateral trade agreements proposed by the U.S.;

our ability to create cost efficiencies through changes in our operational processes and to further digitize our processes and interfaces with our clients, any failure of which, in whole or in part, may among other things, reduce our competitive position, diminish the cost-effectiveness of our systems and processes or provide an insufficient return on our associated investment;

our ability to promote a strong culture of risk management, operating controls, compliance oversight, ethical behavior and governance that meets our expectations and those of our clients and our regulators, and the financial, regulatory, reputation and other consequences of our failure to meet such expectations;

the impact on our compliance and controls enhancement programs associated with the appointment of a monitor under the deferred prosecution agreement with the Department of Justice and compliance consultant appointed under a settlement with the SEC, including the potential for such monitor and compliance consultant to require changes to our programs or to identify other issues that require substantial expenditures, changes in our operations, payments to clients or reporting to U.S. authorities;

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the results of our review of our billing practices, including additional findings or amounts we may be required to reimburse clients, as well as potential consequences of such review, including damage to our client relationships or our reputation and adverse actions by governmental authorities;

the results of, and costs associated with, governmental or regulatory inquiries and investigations, litigation and similar claims, disputes, or civil or criminal proceedings;

changes or potential changes in the amount of compensation we receive from clients for our services, and the mix of services provided by us that clients choose;

the large institutional clients on which we focus are often able to exert considerable market influence and have diverse investment activities, and this, combined with strong competitive market forces, subjects us to significant pressure to reduce the fees we charge, to potentially significant changes in our assets under custody and administration or our assets under management in the event of the acquisition or loss of a client, in whole or in part, and to potentially significant changes in our fee revenue in the event a client re-balances or changes its investment approach or otherwise re-directs assets to lower- or higher-fee asset classes;

the potential for losses arising from our investments in sponsored investment funds;

the possibility that our clients will incur substantial losses in investment pools for which we act as agent, the possibility of significant reductions in the liquidity or valuation of assets underlying those pools and the potential that clients will seek to hold us liable for such losses; and the possibility that our clients or regulators will assert claims that our fees with respect to such investment products are not appropriate or consistent with our fiduciary responsibilities;

our ability to anticipate and manage the level and timing of redemptions and withdrawals from our collateral pools and other collective investment products;

the credit agency ratings of our debt and depositary obligations and investor and client perceptions of our financial strength;

adverse publicity, whether specific to State Street or regarding other industry participants or industry-wide factors, or other reputational harm;

our ability to control operational risks, data security breach risks and outsourcing risks, our ability to protect our intellectual property rights, the possibility of errors in the quantitative models we use to manage our business and the possibility that our controls will prove insufficient, fail or be circumvented;

our ability to expand our use of technology to enhance the efficiency, accuracy and reliability of our operations and our dependencies on information technology and our ability to control related risks, including cyber-crime and other threats to our information technology infrastructure and systems (including those of our third-party service providers) and their effective operation both independently and with external systems, and complexities and costs of protecting the security of such systems and data;

changes or potential changes to the competitive environment, including changes due to regulatory and technological changes, the effects of industry consolidation and perceptions of State Street as a suitable service provider or counterparty;

our ability to complete acquisitions, joint ventures and divestitures, including our ability to obtain regulatory approvals, the ability to arrange financing as required and the ability to satisfy closing conditions;

the risks that our acquired businesses, including our acquisition of Charles River Systems, Inc. (Charles River Development), and joint ventures will not achieve their anticipated financial, operational and product innovation benefits or will not be integrated successfully, or that the integration will take longer than anticipated; that expected synergies will not be achieved or unexpected negative synergies or liabilities will be experienced; that client and deposit retention goals will not be met; that other regulatory or operational challenges will be experienced; and that disruptions from the transaction will harm our relationships with our clients, our employees or regulators;

our ability to integrate Charles River Development s front office software solutions with our middle and back office capabilities to develop a front to middle to back office platform that is competitive and meets our clients requirements;

our ability to recognize evolving needs of our clients and to develop products that are responsive to such trends and profitable to us; the performance of and demand for the products and services we offer; and the potential for new products and services to impose additional costs on us and expose us to increased operational risk;

our ability to grow revenue, manage expenses, attract and retain highly skilled people and raise the capital necessary to achieve our business goals and comply with regulatory requirements and expectations;

changes in accounting standards and practices; and

the impact of the U.S. tax legislation enacted in 2017, and changes in tax legislation and in the interpretation of existing tax laws by U.S. and non-U.S. tax authorities that affect the amount of taxes due.

Actual outcomes and results may differ materially from what is expressed in our forward-looking statements and from our historical financial results due to the factors discussed in this section and elsewhere in this prospectus supplement, the accompanying prospectus and documents incorporated herein by reference, including the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2017 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018. Forward-looking statements in this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference should not be relied on as representing our expectations or beliefs as of any time subsequent to the date of this prospectus supplement, the date of the accompanying prospectus or the date of such document incorporated by reference, as applicable. Unless specifically required by law, we undertake no obligation to revise our forward-looking statements after the time they are made. The factors discussed herein are not intended to be a complete statement of all risks and uncertainties that may affect our businesses. We cannot anticipate all developments that may adversely affect our business or operations or our consolidated results of operations, financial condition or cash flows.

Forward-looking statements should not be viewed as predictions, and should not be the primary basis on which investors evaluate State Street or an investment in the notes. Any investor in the notes should consider all risks and uncertainties disclosed in this prospectus supplement, the accompanying prospectus or in documents incorporated herein by reference.

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SUMMARY

This summary highlights information contained elsewhere in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in the notes. You should read this entire prospectus supplement and accompanying prospectus, including the Risk Factors section and the documents incorporated by reference, which are described under Where You Can Find More Information on page S-36. To the extent the information in this prospectus supplement is inconsistent with the information in the accompanying prospectus or information incorporated by reference herein, you should rely on the information in this prospectus supplement.

State Street Corporation

State Street Corporation is a bank holding company that has elected to be treated as a financial holding company under the Bank Holding Company Act of 1956. State Street was organized in 1969 under the laws of the Commonwealth of Massachusetts. Through our subsidiaries, including our principal banking subsidiary, State Street Bank and Trust Company, referred to as State Street Bank, we provide a broad range of financial products and services to institutional investors worldwide, with $34.00 trillion of assets under custody and administration (AUCA) and $2.81 trillion of assets under management (AUM) as of September 30, 2018. As of September 30, 2018, we had consolidated total assets of $234.01 billion, consolidated total deposits of $168.20 billion, consolidated total shareholders equity of $24.55 billion and 39,020 employees. We operate in more than 100 geographic markets worldwide, including in the U.S., Canada, Europe, the Middle East and Asia.

Our operations are organized for management reporting purposes into two lines of business: Investment Servicing and Investment Management, which are defined based on products and services provided.

Our common stock is listed on the New York Stock Exchange under the ticker symbol STT. Our executive offices are located at One Lincoln Street, Boston, Massachusetts 02111, and our telephone number is (617) 786-3000.

Risk Factors

An investment in the notes involves certain risks. You should carefully consider the risks described in the Risk Factors section beginning on page S-11 of this prospectus supplement, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our consolidated financial statements and the notes thereto, before making an investment decision.

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The Offering

Issuer	State Street Corporation
Securities Offered	$500,000,000 initial aggregate principal amount of fixed-to-floating rate senior notes due 2024
	$500,000,000 initial aggregate principal amount of fixed-to-floating rate senior notes due 2029
Maturity Dates	2024 fixed-to-floating rate notes: December 3, 2024
	2029 fixed-to-floating rate notes: December 3, 2029
Ranking	The notes are unsecured and will rank equally with all of our other existing and future senior unsecured indebtedness.
Issue Date	December 3, 2018
Interest Rates	2024 fixed-to-floating rate notes: From and including December 3, 2018 to, but excluding, December 3, 2023 at a fixed annual rate of 3.776%, and from and including December 3, 2023 to, but excluding, December 3, 2024 at a floating rate equal to three-month U.S. dollar LIBOR plus 0.770%, reset quarterly.

2029 fixed-to-floating rate notes: From and including December 3, 2018 to, but excluding, December 3, 2028 at a fixed annual rate of 4.141%, and from and including December 3, 2028 to, but excluding, December 3, 2029 at a floating rate equal to three-month U.S. dollar LIBOR plus 1.030%, reset quarterly.

	The period during which either series of notes bears interest at a fixed rate is referred to as a fixed rate period, and the period during which either series of notes bears interest at a floating rate is referred to as a floating rate period.
Interest Payment Dates	Interest on the notes during a fixed rate period will be payable semi-annually in arrears on each June 3 and December 3, commencing on June 3, 2019, and interest during a floating rate period will be payable

	quarterly in arrears on March 3, June 3, September 3 and the maturity date.
Interest Periods for Floating Rate Periods	Quarterly; interest periods during any floating rate period will be the period from and including an interest reset date to, but excluding, the next interest reset date.
Interest Reset Dates for Floating Rate Periods	March 3, June 3 and September 3

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Interest Determination Dates for Floating Rate Periods	Two London business days prior to the first day of each interest period during a floating rate period
Record Dates	The regular record date for interest payments during a fixed rate period will be each May 19 and November 18 preceding the applicable fixed rate interest payment date, and the regular record date during a floating rate period will be the February 17, May 19 and August 19 preceding the applicable fixed-to-floating rate interest payment date.
Sinking Fund	None
Optional Redemption	2024 fixed-to-floating rate notes: We will have the option to redeem the 2024 fixed-to-floating rate notes in whole, but not in part, on December 3, 2023 at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.
	2029 fixed-to-floating rate notes: We will have the option to redeem the 2029 fixed-to-floating rate notes in whole, but not in part, on December 3, 2028 at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.
	See Description of the Notes Optional Redemption in this prospectus supplement.
Form	Fully-registered global notes in book-entry form
Minimum Denominations	$2,000 and integral multiples of $1,000 in excess thereof
CUSIP Numbers	2024 fixed-to-floating rate notes: 857477 BC6
	2029 fixed-to-floating rate notes: 857477 BD4
ISIN	2024 fixed-to-floating rate notes: US857477BC69
	2029 fixed-to-floating rate notes: US857477BD43

Trustee	U.S. Bank National Association
Calculation Agent	State Street Bank and Trust Company, an affiliate thereof or any other bank or other entity as State Street may appoint
Covenants	The terms of the notes will contain only very limited protections for holders of notes. In particular, the notes will not place any restrictions on our or our subsidiaries ability to:

- issue debt securities or otherwise incur additional indebtedness or other obligations ranking on a pari passu basis with the notes; or

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	conduct other transactions that may adversely affect the holders of the notes.
	The terms of the notes will impose certain limitations on our ability to sell or otherwise dispose of or grant a security interest in or permit the issuance of any voting stock or any securities convertible or exercisable into voting stock of State Street Bank or of any subsidiary that owns voting stock of State Street Bank. See Description of Debt Securities Limitation Upon Disposition of Voting Stock of State Street Bank in the accompanying prospectus.
Events of Default and Acceleration	The only events of default with respect to the notes are:
	failure to pay principal, any premium or required interest for 30 days after it is due; and
	certain events of insolvency or bankruptcy, whether voluntary or not, involving State Street Corporation. See Risk Factors Risks Relating to the Notes The notes provide only limited acceleration and enforcement rights.
	Only these events of default provide for a right of acceleration of the notes. No other events, including an event of insolvency or bankruptcy of State Street Bank or a default in the performance of any other covenant in the indenture, will result in acceleration.
Advance Consent Regarding Replacement Capital Covenant	Each series of notes will provide that each holder of such series of notes, by acceptance thereof, agrees to waive, for itself and any and all successors and assigns, all rights with respect to, and irrevocably authorizes us to terminate, the Replacement Capital Covenant (as defined under Description of the Notes Waiver and Termination of Rights With Respect to State Street Replacement Capital Covenant), in the event that the indebtedness represented by such series of notes becomes the Covered Debt (as defined in the Replacement Capital Covenant). See Description of the Notes Waiver and Termination of Rights With Respect to State Street Replacement Capital Covenant.
Further Issuances	We may, from time to time, create and issue additional notes of either series, without the consent of the holders of the applicable series, on terms and conditions substantially identical to those of the applicable series of notes offered by this prospectus supplement (except for the

issue date, public offering price and amount and date of the first payment of interest thereon), which additional notes shall increase the aggregate principal amount of, and shall be consolidated and form a single series with, the applicable series of notes. See Description of the Notes Further Issuances in this prospectus supplement.

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Use of Proceeds

We estimate that the net proceeds of this offering will be approximately $995.2 million, after deducting estimated expenses and underwriting discounts and commissions. We intend to use the net proceeds of the offering for general corporate purposes, which may include, without limitation, working capital, capital expenditures, investments in or loans to our subsidiaries, refinancing of outstanding indebtedness, refinancing of outstanding capital securities, share repurchases (including, but not limited to, repurchases of our common stock), dividends, funding potential future acquisitions and satisfaction of other obligations. The precise amounts and timing of these uses of proceeds will depend on the funding requirements of us and our subsidiaries. See Use of Proceeds in this prospectus supplement.

RISK FACTORS

An investment in the notes is subject to certain risks. You should carefully consider the following risk factors and other information contained in this prospectus supplement, in the documents incorporated by reference in this prospectus supplement and in the accompanying prospectus, including our Annual Report on Form 10-K filed with the SEC on February 26, 2018 and our Quarterly Report on Form 10-Q filed with the SEC on October 31, 2018, as supplemented or updated by our other filings with the SEC, before deciding whether this investment is suited to your particular circumstances.

Risks Relating to the Notes

The notes provide only limited acceleration and enforcement rights.

On December 15, 2016, the Federal Reserve adopted a final rule on total loss-absorbing capacity (TLAC), long-term debt (LTD) and clean holding company requirements (the TLAC Rule) that requires the eight U.S. global systemically important banks (G-SIBs), including State Street to, among other things, maintain minimum amounts of TLAC and LTD i.e., debt having a maturity greater than one year from issuance satisfying certain eligibility criteria, commencing January 1, 2019. The TLAC Rule disqualifies from eligible LTD, among other instruments, debt securities that permit acceleration for reasons other than an insolvency or similar proceeding of the top-tier bank holding company, a payment default continuing for 30 days or more, or a right exercisable on one or more dates specified in the instrument governing such debt securities and debt securities not governed by U.S. law. Debt securities issued prior to December 31, 2016 that would otherwise be ineligible because (1) they contain otherwise impermissible acceleration clauses or (2) they are not governed by U.S. law are grandfathered by the TLAC Rule and are considered eligible LTD.

As a result of the TLAC Rule, we have modified the indenture under which our senior debt securities are issued to provide that, for securities issued on or after May 8, 2017 (including the notes offered hereby), unless otherwise specified for a particular series of securities, the only events of default will be payment defaults that continue for 30 days or more and the entry of State Street Corporation into insolvency or similar proceedings as described in the accompanying prospectus. No other breach of a covenant contained in the indenture will give rise to an event of default, whether after notice, the passage of time or otherwise. As a consequence, if any such covenant breach occurs, neither the trustee nor the holders of the notes will be entitled to accelerate the maturity of the notes that is, they will not be entitled to declare the principal of the notes to be immediately due and payable because of the covenant breach. These covenant breaches would include, among others, any breach of the covenants described under Description of Debt Securities Consolidation, Merger and Sale of Assets or Description of Debt Securities Limitation Upon Disposition of Voting Stock of State Street Bank in the accompanying prospectus. In addition, if any covenant breach occurs, neither the trustee nor holders of notes will be entitled to enforce or seek any remedy, except as described under Description of Debt Securities Remedies if an Event of Default or Covenant Breach under the Senior Indenture Occurs in the accompanying prospectus. Furthermore, a State Street Bank bankruptcy, insolvency or reorganization event, or the appointment of a custodian, receiver or other similar official with respect to State Street Bank or all or substantially all of its property, will not constitute an event of default or a covenant breach under the notes.

The limitations on events of default and acceleration rights described above do not apply to our senior debt securities issued prior to May 8, 2017. Therefore, if certain defaults or breaches occur, holders of our senior debt securities issued before May 8, 2017 may be able to accelerate their securities so that such securities become immediately due and payable, while the holders of the notes would not be able to do so. In such an event, our obligation to repay the accelerated senior debt securities in full could adversely affect our ability to make timely payments on the notes. These limitations on the rights and remedies with respect to the notes could adversely affect the market value of the notes, especially during times of financial stress for us or our industry.

There are limited covenants in the indenture.

Neither we nor any of our subsidiaries are restricted from incurring additional indebtedness or other liabilities, including additional senior indebtedness, under the indenture governing the terms of the notes. If we incur additional indebtedness or liabilities, our ability to pay our obligations on the notes could be adversely affected. We expect that we will from time to time incur additional indebtedness and other liabilities. In addition, we are not restricted under the indenture from paying dividends or issuing or repurchasing our securities.

In addition, there are no financial covenants in the indenture. You are not protected under the indenture in the event of a highly leveraged transaction, reorganization, default under our existing indebtedness, restructuring, merger or similar transaction that may adversely affect you, except to the extent described under Description of Debt Securities Consolidation, Merger and Sale of Assets included in the accompanying prospectus.

The notes will not be guaranteed by the FDIC, any other governmental agency or any of our subsidiaries. The notes will be structurally subordinated to the indebtedness and other liabilities of our subsidiaries, which means that creditors of our subsidiaries generally will be paid from those subsidiaries assets before holders of the notes would have any claims to those assets.

The notes are not bank deposits and are not insured by the FDIC or any other governmental agency, nor are they obligations of, or guaranteed by, a bank. The notes will be obligations of State Street Corporation only and will not be guaranteed by any of our subsidiaries, including State Street Bank, which is our principal banking subsidiary. The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries (including liabilities to trade creditors), which means that creditors of our subsidiaries generally will be paid from those subsidiaries assets before holders of the notes would have any claims to those assets.

We and our subsidiaries have significant regulatory capital, leverage, liquidity and debt obligations; payments on the notes will depend on receipt of dividends and distributions from our subsidiaries.

We are a holding company and we conduct substantially all of our operations through subsidiaries, including State Street Bank, which is our principal banking subsidiary. We are also permitted, subject to certain restrictions under our existing indebtedness, to obtain additional LTD and working capital lines of credit to meet future financing needs. This would have the effect of increasing our total leverage. Furthermore, the indenture relating to the notes does not prohibit us or our subsidiaries from incurring additional secured or unsecured indebtedness. As of September 30, 2018, on a consolidated basis, our outstanding long-term indebtedness totaled approximately $10.34 billion (including approximately $7.8 billion of long-term senior indebtedness), and after giving effect to the issuance of the notes, would have totaled approximately $11.34 billion.

We depend on dividends, distributions and other payments from our subsidiaries to fund payments on the notes. Further, the majority of our investments are held by our regulated subsidiaries. Our subsidiaries may be limited in their ability to make dividend payments or advance funds to us in the future because of the need to support their own capital levels. Federal banking laws regulate the amount of dividends that may be paid by State Street Bank, our principal banking subsidiary, without prior approval.

In addition, the Federal Reserve is required by the Dodd-Frank Act, as amended by EGRRCPA, to establish more stringent capital requirements for large bank holding companies, and especially those institutions with consolidated assets equal to or greater than $250 billion or that are G-SIBs, such as State Street. The U.S. Basel III final rule adopted in 2013 subjects State Street and State Street Bank to, among other requirements, (1) a higher minimum tier 1 risk-based capital ratio requirement, (2) an additional requirement for a minimum common equity tier 1 capital ratio,

(3) an additional requirement for a minimum supplementary tier 1 leverage ratio applicable to so-called advanced approaches banking organizations, and (4) a capital conservation buffer and a countercyclical capital buffer.

Provisions of the Basel III final rule became effective under a transition timetable that began in 2014, with full implementation required beginning January 1, 2019. The requirement for the capital conservation buffer began to

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be phased in on January 1, 2016, with full implementation by January 1, 2019. Implementation of the Basel III final rule has changed (and continues to change) the manner in which our regulatory capital ratios are calculated, reduced our calculated regulatory capital, and increased the minimum regulatory capital that we are required to maintain.

Beginning January 1, 2018, the final supplementary leverage ratio (SLR) rules introduced a higher minimum SLR requirement for the eight U.S. G-SIBs of at least 6% for an insured banking entity (including State Street Bank) in order to be well capitalized under the U.S. banking regulators prompt corrective action provisions, as well as a requirement of a minimum SLR of 5% for a holding company (including State Street Corporation), consisting of a minimum requirement of 3% and an additional 2% buffer, in order to avoid any limitations on distributions (and discretionary bonus payments). The EGRRCPA directs U.S. banking regulators to issue a rule that permits custody banks to exclude certain central bank reserves from the measure of total leverage exposure in the calculation of the SLR.

On October 30, 2018, the U.S. banking regulators issued a proposal that would, among other things, implement the standardized approach for counterparty credit risk (SA-CCR), a new methodology for calculating the exposure amount for derivative contracts under the U.S. regulatory capital rules. Under the proposal, we would have the option to use SA-CCR or the internal models methodology to calculate the exposure amounts of our cleared and uncleared derivatives, as well as the risk-weighted asset amount of our central counterparty default fund contributions, using the advanced approaches. We would be required to determine the exposure amounts of these items using SA-CCR under the standardized approach. The proposal would also incorporate SA-CCR into the calculation of our total leverage exposure for the purpose of the SLR. The proposal would require us to implement SA-CCR by July 1, 2020 but would permit early adoption before that date after a final rule adopting SA-CCR is effective.

We are also subject to the Federal Reserve s final rule imposing a capital surcharge on U.S. G-SIBs. The surcharge requirements within the final rule began to phase-in on January 2016 and will be fully effective on January 1, 2019. As of January 1, 2017, the applicable G-SIB surcharge for State Street was calculated to be 1.5% of common equity tier 1 capital on a fully phased-in basis. State Street must satisfy its G-SIB surcharge requirements in order to make capital distributions (and discretionary bonus payments) without limitation. Further, State Street, like all other U.S. G-SIBs, is also subject to a 2% leverage buffer under the Basel III final rule. If State Street fails to exceed the 2% leverage buffer, it will be subject to increased restrictions, depending upon the extent of the shortfall, regarding capital distributions and discretionary executive bonus payments.

Furthermore, we are also subject to the TLAC Rule. Among other things, the TLAC Rule requires State Street to maintain minimum ratios of external TLAC and external LTD, plus an external TLAC buffer composed solely of high-quality equity capital, starting on January 1, 2019. Specifically, State Street must hold (1) combined eligible tier 1 regulatory capital and eligible LTD in an amount equal to at least 21.5% of total risk-weighted assets (using an estimated G-SIB method 1 surcharge of 1%) and 9.5% of total leverage exposure, as defined by the SLR final rule, and (2) qualifying external LTD equal to the greater of 7.5% of risk-weighted assets (using an estimated G-SIB method 2 surcharge of 1.5%) and 4.5% of total leverage exposure, as defined by the SLR final rule.

Among other purposes, this offering is intended to enable us to comply with the TLAC Rule. We currently do not expect to issue any LTD, other than the notes offered hereby, in order to comply with TLAC and LTD requirements applicable to us at their effective date, based in part on the expected implementation of Section 402 of the EGRRCPA, which directs the federal banking agencies to exclude certain central bank deposits from the calculation of the SLR of custodial banks such as State Street. A minimum ratio of LTD to SLR is one of the requirements under the TLAC Rule. If, contrary to our expectation, Section 402 is not implemented and no other regulatory change is made to the calculation of our SLR or the calibration of our LTD to SLR ratio requirement, we may in the future be required to issue additional LTD in order to comply with the TLAC Rule.

In addition, on June 14, 2018, the Federal Reserve finalized rules that establish single-counterparty credit limits (SCCL) for large banking organizations. U.S. G-SIBs, including State Street, are subject to a limit of 15% of tier 1 capital for aggregate net credit exposures to any major counterparty (defined to include other U.S. G-SIBs, foreign G-SIBs, and nonbank systemically important financial institutions supervised by the Federal Reserve). We are also subject to a limit of 25% of tier 1 capital for aggregate net credit exposures to any other unaffiliated counterparty. We must comply with the final SCCL rules beginning on January 1, 2020.

On October 31, 2018, the U.S. banking regulators proposed rules that, consistent with EGRRCPA, would establish a framework for tailoring compliance requirements for domestic firms based on their risk profiles. Although the proposed rules would simplify capital and liquidity requirements for certain institutions, owing to State Street s G-SIB status, the regulatory requirements applicable to us would remain unchanged, except for a reduction in frequency of company-run Dodd-Frank Act stress tests from semi-annual to annual.

Maintaining the higher capital and liquidity levels required by the Basel III final rule, meeting the requirements of the SLR, TLAC and SCCL final rules, and complying with any future regulatory requirements, may reduce our profitability and performance measures and adversely affect the ability of State Street Bank to make distributions or pay dividends to State Street. As a result, our ability to make payments on the notes when due could be adversely affected.

Our preferred single point of entry resolution strategy could adversely affect our liquidity and financial condition and our ability to make payments on the notes when due.

In the event of material financial distress or failure, our preferred resolution strategy is the single point of entry strategy. Our resolution plan, including our implementation of the single point of entry strategy with a secured support agreement, involves important risks, including that: (1) the single point of entry strategy and the obligations under the related secured support agreement may result in the recapitalization of and/or provision of liquidity to State Street Bank and our other material entities and the commencement of bankruptcy proceedings by State Street Corporation at an earlier stage of financial stress than might otherwise occur without such mechanisms in place; (2) an expected effect of the single point of entry strategy, together with the TLAC Rule, is that State Street Corporation s losses will be imposed on its shareholders and the holders of external LTD (including the notes) and other forms of TLAC securities currently outstanding or issued in the future by State Street Corporation, as well as on any other of our creditors, before any of our losses are imposed on the holders of the debt securities of certain of State Street Corporation s operating subsidiaries or any of their depositors or creditors and before U.S. taxpayers are put at risk; (3) there can be no assurance that there would be sufficient recapitalization resources available to ensure that State Street Bank and our other material entities are adequately capitalized following the triggering of the requirements to provide capital and/or liquidity under the support agreement; and (4) there can be no assurance that credit rating agencies, in response to our resolution plan or the support agreement, will not downgrade, place on negative watch or change their outlook on our debt credit ratings, generally or on specific debt securities (including the notes). In the event that recapitalization actions were taken and were unsuccessful in stabilizing State Street Bank and our other material entities, equity and debt holders of State Street Corporation would likely, as a consequence, be in a worse position and suffer greater losses than would have been the case under a different resolution strategy.

In the event that we enter bankruptcy or resolution proceedings, holders of our unsecured debt securities, including the notes, would be at risk of absorbing our losses.

The notes are intended to satisfy the criteria for the external LTD that we are required to maintain under the TLAC Rule so that State Street Corporation s losses will be imposed on its shareholders and the holders of external LTD (including the notes) and other forms of TLAC securities currently outstanding or issued in the future by State Street Corporation, as well as on any other of our creditors, before any of our losses are imposed on the holders of the debt securities of certain of State Street Corporation s operating subsidiaries or any of their depositors or creditors and before U.S. taxpayers are put at risk. As a result, the execution of our preferred single point of entry resolution strategy in a proceeding under the U.S. Bankruptcy Code or the FDIC s orderly liquidation authority under Title II of the Dodd-Frank Act will likely result in the holders of the notes absorbing State Street Corporation s losses.

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Our entry into resolution proceedings may affect the priority of the notes.

In the event that State Street Corporation enters into resolution proceedings pursuant to the FDIC s orderly liquidation authority under Title II of the Dodd-Frank Act, your ability to recover the full amount that would otherwise be payable on the notes in a proceeding under the U.S. Bankruptcy Code may be impaired.

Title II of the Dodd-Frank Act created a new resolution regime known as orderly liquidation authority to which financial companies, including bank holding companies such as State Street Corporation, can be subjected. Under the orderly liquidation authority, the FDIC may be appointed as receiver for a financial company for purposes of liquidating the entity if the Secretary of the Treasury, together with two-thirds of the Federal Reserve Board and, in the case of a bank holding company, two-thirds of the FDIC s Board of Directors, determines that the entity is in severe financial distress and that the entity s failure would have serious adverse effects on the U.S. financial system. Absent any such determinations, State Street as a bank holding company would remain subject to the U.S. Bankruptcy Code.

If the FDIC is appointed as receiver under the orderly liquidation authority, then provisions of the Dodd-Frank Act, rather than the U.S. Bankruptcy Code, would determine the powers of the receiver and the rights and obligations of creditors and other parties who have dealt with the institution. There are substantial differences in the possible treatment of creditors under the orderly liquidation authority compared to that under the U.S. Bankruptcy Code, including the right of the FDIC to treat similarly situated creditors differently in certain circumstances, the use of an administrative claims procedure to determine creditors claims (as opposed to the judicial procedure utilized in bankruptcy proceedings) and the right of the FDIC to transfer claims to a third party or bridge entity. In certain circumstances under the orderly liquidation authority, the FDIC could elect to pay certain claims in full, transfer certain claims to a third party or bridge entity and leave other claims behind in a receivership, even if these claims all rank equally, if the FDIC determines such actions are necessary to facilitate a smooth and orderly liquidation of the institution. In such circumstances, the various claimants may receive different recoveries with respect to their respective claims. The only statutory requirement that relates to such discrimination as between similarly situated creditors is that no creditor shall be worse off than if the institution had been liquidated under the bankruptcy code or similar insolvency law. There is no requirement that the FDIC obtain creditors consent to, or seek prior court review of, its actions. A receivership under the orderly liquidation authority could also lead to a large reduction or total elimination of the value of the financial company s outstanding equity. For example, the FDIC could follow a single point of entry approach and transfer the assets of a financial company in receivership to a newly created bridge entity, the equity of which could be distributed to certain of the financial company s creditors in satisfaction of their claims, with pre-existing equity holders receiving nothing. The orderly liquidation authority provides the FDIC with authority to cause shareholders and creditors of the financial company in receivership to bear losses before taxpayers are exposed to such losses, and amounts owed to the U.S. government would generally receive a statutory payment priority over the claims of private creditors, including senior creditors.

While the FDIC has issued regulations to implement the orderly liquidation authority, not all aspects of how the FDIC might exercise this authority are known and there may be additional rulemaking. Further, it is uncertain how the FDIC might exercise its discretion under the orderly liquidation authority in a particular case.

Holders of the notes could be at greater risk of being structurally subordinated if State Street sells or transfers its assets substantially as an entirety to one or more of its subsidiaries.

With respect to any securities issued on or after May 8, 2017, including the notes, we may sell or transfer our assets substantially as an entirety, in one or more transactions, to one or more entities, provided that such properties and assets, taken together, are not sold or transferred substantially as an entirety to one or more persons that are not subsidiaries of ours. If we sell or transfer our assets substantially as an entirety to our subsidiaries, third-party creditors of our subsidiaries could have additional assets from which to recover on their claims while holders of the notes could be structurally subordinated to creditors of our subsidiaries with respect