Davis Polk

Foreign Banks: U.S. Liquidity Buffer Requirement

February 28, 2014 | Client Update

The Federal Reserve's Dodd-Frank enhanced prudential standards final rule requires a foreign banking organization with $50 billion or more in U.S. assets to maintain separate U.S. liquidity buffers for its U.S. branches/agencies and U.S. intermediate holding company. We have prepared a visual memorandum that uses diagrams, flowcharts, examples and an interactive calculator to illustrate the U.S. liquidity buffer requirement and related calculations. The interactive calculator allows you to enter various internal and external cash flow amounts to assess the potential impact of the final rule's prescribed method for calculating net stressed cash flow need.

Read the full update

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Luigi L. De Ghenghi
+1 212 450 4296
luigi.deghenghi@davispolk.com

Margaret E. Tahyar
+1 212 450 4379
margaret.tahyar@davispolk.com