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Final QFC Stay Rules Visual Memorandum

December 21, 2017 | Client Update

The U.S. banking agencies recently issued final rules that will require U.S. G-SIBs and certain foreign G-SIBs to amend their swap contracts, repurchase agreements and other qualified financial contracts to include certain provisions meant to limit the ability of counterparties to close out these contracts in the case of a resolution of the G-SIB.

The rules are part of the package of reforms implemented by the industry, Congress and the U.S. banking agencies since the financial crisis in an attempt to ensure that the largest financial institutions can be resolved in an orderly manner. While the rules will be phased-in over the next 2 years, compliance will entail a significant effort by the G-SIBs and their counterparties.

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.

Donald S. Bernstein
+1 212 450 4092
donald.bernstein@davispolk.com

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

Kirill Lebedev
+1 212 450 3232
kirill.lebedev@davispolk.com

Andrew Rohrkemper
+1 212 450 3207
andrew.rohrkemper@davispolk.com

Gabriel D. Rosenberg
+1 212 450 4537
gabriel.rosenberg@davispolk.com

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

Erika D. White
+1 212 450 4183
erika.white@davispolk.com