

FEDERAL RESERVE BANK
OF NEW YORK

ATCIR No 8624
August 15, 1979

REGULATION K —INTERNATIONAL BANKING OPERATIONS

Correction of Paragraph Regarding Limitation on Liabilities
of Any Person to a Foreign Bank or Edge Corporation
Subsidiary of a Member Bank

*To All Member Banks, and Others Concerned,
in the Second Federal Reserve District:*

On June 20, with our Circular No. 8590, we mailed — to member banks, Edge and Agreement Corporations, bank holding companies, and others directly concerned in this District—copies of the new Regulation K, "International Banking Operations," of the Board of Governors of the Federal Reserve System. That regulation became effective June 14.

We have been advised of a correction of paragraph (b)(1)(ii) of Section 211.6 of Regulation K. That paragraph, regarding the limitation on the liabilities of any one person to a foreign bank or Edge Corporation subsidiary of a member bank, should read as follows:

(ii) the total liabilities of any person to a majority owned foreign bank or Edge Corporation subsidiary of a member bank, and to majority owned subsidiaries of such foreign bank or Edge Corporation when combined with liabilities of the same person to the member bank and its majority owned subsidiaries, shall not exceed the member bank's limitation on loans to one person.

Questions on this matter may be directed to our Foreign Banking Applications Department (Tel. No. 212-791-5878 or 212-791-5881).

THOMAS M. TIMLEN,
First Vice President.