•

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> - This Regulation lays down rules for money market funds (MMFs) established, managed or marketed in the Union, concerning the financial instruments eligible for investment by a MMF, the portfolio of an MMF, the valuation of the assets of an MMF, and the reporting requirements in relation to an MMF. This Regulation applies to collective investment undertakings that: <ol class="crrCharList"> - require authorisation as UCITS or are authorised as UCITS under Directive 2009/65/EC or are AIFs under Directive 2011/61/EU; - invest in short-term assets; and - have distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment. - Member States shall not add any additional requirements in the field covered by this Regulation.	Subject matter and scope	Article 1
<div class="crrArticle"> For the purposes of this Regulation, the following definitions apply: <ol class="crrNumList"> - short-term assets means financial assets with a residual maturity not exceeding 2 years; - money market instruments means money market instruments as defined in Article 2(1)(o) of Directive 2009/65/EC, and instruments as referred to in Article 3 of Commission Directive 2007/16/ECCommission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions (OJ L 79, 20.3.2007, p. 11).; - transferable securities means transferable securities as defined in Article 2(1)(n) of Directive 2009/65/EC, and instruments as referred to in Article 2(1) of Directive 2007/16/EC; - repurchase agreement means any agreement in which one party transfers securities or any rights related to that title to a counterparty, subject to a commitment to repurchase them at a specified price on a future date specified or to be specified; - reverse repurchase agreement means any agreement in which one party receives securities, or any rights related to a title or security from a counterparty subject to a commitment to sell them back at a specified price on a future date specified or to be specified; - securities lending and securities borrowing mean any transaction in which an institution or its counterparty transfers securities subject to a commitment that the borrower will return equivalent securities at some future date or when requested to do so by the transferor, that transaction being known as securities lending for the institution transferring the securities and being known as securities borrowing for the institution to which they are transferred; - securitisation means securitisation as defined in Article 4(1)(61) of Regulation (EU) No 575/2013; - mark-to-market means the valuation of positions at readily available close out prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers; - mark-to-model means any		

				brokers; - mark to model means any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input; - amortised cost method means a valuation method which takes the acquisition cost of an asset and adjusts that value for amortisation of premiums or discounts until maturity; - public debt constant net asset value MMF or public debt CNAV MMF means an MMF: <ol class="crrCharList"> - that seeks to maintain an unchanging net asset value (NAV) per unit or share; - where the income in the fund is accrued daily and can either be paid out to the investor or used to purchase more units or shares in the fund; - where assets are generally valued according to the amortised cost method and where the NAV is rounded to the nearest percentage point or its equivalent in currency terms; and - that invests at least 99,5 % of its assets in instruments referred to in Article 17(7), reverse repurchase agreements secured with government debt referred to in Article 17(7) and in cash; - low volatility net asset value MMF or LVNAV MMF means an MMF that complies with the specific requirements laid down in Articles 29, 30 and 32 and in Article 33(2)(b); - variable net asset value MMF or VNAV MMF means an MMF that complies with the specific requirements laid down in Articles 29 and 30 and in Article 33(1); - short-term MMF means an MMF that invests in eligible money market instruments referred to in Article 10(1) and is subject to the portfolio rules set out in Article 24; - standard MMF means an MMF that invests in eligible money market instruments referred to in Article 10(1) and (2) and is subject to the portfolio rules set out in Article 25; - credit institution means credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013; - competent authority of the MMF means: <ol class="crrCharList"> - for UCITS, the competent authority of the UCITS home Member State designated in accordance with Article 97 of Directive 2009/65/EC; - for EU AIFs, the competent authority of the home Member State of the AIF as defined in Article 4(1)(p) of Directive 2011/61/EU; - for non-EU AIFs, any of the following: <ol class="crrRomanList"> - the competent authority of the Member State where the non-EU AIF is marketed in the Union without a passport; - the competent authority of the EU AIFM managing the non-EU AIF, where the non-EU AIF is marketed in the Union with a passport or is not marketed in the Union; - the competent authority of the Member State of reference if the non-EU AIF is not managed by an EU AIFM and is marketed in the Union with a passport; - legal maturity means the date when the principal of a security is to be repaid in full and which is not subject to any optionality; - weighted average maturity or WAM means the average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in the MMF reflecting the relative holdings in each asset; - weighted average life or WAL means the average length of time to legal maturity of all of the underlying assets in the MMF reflecting the relative holdings in each asset; - residual maturity means the length of time remaining until the legal maturity of a security;	Definitions	Article 2	

			ARTICLE	- short sale means any sale by an MMF of an instrument which the MMF does not own at the time of entering into the agreement to sell, including such sale where, at the time of entering into the agreement to sell, the MMF has borrowed or agreed to borrow the instrument for delivery at settlement, not including: <ol class="crrCharList"> - a sale by either party under a repurchase agreement where one party has agreed to sell to the other a security at a specified price with a commitment from the other party to sell the security back at a later date at another specified price; or - an entry into a futures contract or other derivative contract where it is agreed to sell securities at a specified price at a future date; - manager of an MMF means, in the case of an MMF that is a UCITS, the UCITS management company, or the UCITS investment company in the case of a self-managed UCITS, and, in the case of an MMF that is an AIF, an AIFM or an internally-managed AIF. </div>		
				<ol class="crrNumList"> MMFs shall be set up as one of the following types: <ol class="crrCharList"> - a VNAV MMF; - a public debt CNAV MMF; - a LVNAV MMF. - The authorisation of an MMF shall explicitly state the type of MMF, from those set out in paragraph 1.	Types of MMFs	Article 3
				<ol class="crrNumList"> - No collective investment undertaking shall be established, marketed or managed in the Union as an MMF unless it has been authorised in accordance with this Regulation. Such authorisation shall be valid for all Member States. - A collective investment undertaking that requires authorisation as a UCITS under Directive 2009/65/EC and as an MMF under this Regulation for the first time shall be authorised as an MMF as part of the UCITS authorisation procedure pursuant to Directive 2009/65/EC. Where a collective investment undertaking has already been authorised as a UCITS under Directive 2009/65/EC, it may apply for authorisation as an MMF in accordance with the procedure set out in paragraphs 4 and 5 of this Article. - A collective investment undertaking that is an AIF and that requires authorisation as an MMF under this Regulation shall be authorised as an MMF pursuant to the authorisation procedure laid down in Article 5. - No collective investment undertaking shall be authorised as an MMF unless the competent authority of the MMF is satisfied that the MMF will be able to meet all the requirements of this Regulation. For the purposes of authorisation as an MMF, a collective investment undertaking shall submit to its competent authority all of the following documents: <ol class="crrCharList"> - the fund rules or instruments of incorporation of the MMF, including an indication of which type of MMF it is from those set out in Article 3(1); - identification of the manager of the MMF; - identification of the depositary; - a description of, or any information on, the MMF available to investors; - a description of, or any information on, the arrangements and procedures needed to comply with the requirements referred to in Chapters II to VII; - any other information or document requested by the competent authority	Authorisation of MMFs	Article 4

				of the MMF to verify compliance with the requirements of this Regulation. - The competent authorities shall, on a quarterly basis, inform ESMA of authorisations granted or withdrawn pursuant to this Regulation. - ESMA shall keep a central public register identifying each MMF authorised under this Regulation, its type in accordance with Article 3(1), whether it is a short-term or standard MMF, the manager of an MMF and the competent authority of the MMF. The register shall be made available in electronic format.		
				<ol class="crrNumList"> - An AIF shall be authorised as an MMF only if the competent authority of the MMF approves the application submitted by an AIFM, that has already been authorised under Directive 2011/61/EU to manage an MMF that is an AIF, and also approves the fund rules and the choice of the depositary. When submitting the application for managing an MMF that is an AIF, the authorised AIFM shall provide the competent authority of the MMF with: <ol class="crrCharList"> - the written agreement with the depositary; - information on delegation arrangements regarding portfolio and risk management and administration with regard to the AIF; - information about the investment strategies, the risk profile and other characteristics of MMFs that are AIFs that the AIFM manages or intends to manage. The competent authority of the MMF may ask the competent authority of the AIFM for clarification and information concerning the documentation referred to in the first subparagraph or an attestation as to whether MMFs fall within the scope of the AIFM's management authorisation. The competent authority of the AIFM shall respond within 10 working days of such request. - Any subsequent modifications of the documentation referred to in paragraph 2 shall be immediately notified to the competent authority of the MMF by the AIFM. The competent authority of the MMF shall refuse the application of the AIFM only in the event that any of the following applies: <ol class="crrCharList"> - the AIFM does not comply with this Regulation; - the AIFM does not comply with Directive 2011/61/EU; - the AIFM is not authorised by its competent authority to manage MMFs; - the AIFM has not provided the documentation referred to in paragraph 2. Before refusing an application, the competent authority of the MMF shall consult the competent authority of the AIFM. - Authorisation of an AIF as an MMF shall not be subject to a requirement either that the AIF be managed by an AIFM authorised in the AIF home Member State or that the AIFM pursues or delegates any activities in the AIF home Member State. - Within 2 months of submission of a complete application, the AIFM shall be informed whether or not authorisation of the AIF as an MMF has been granted. - The competent authority of the MMF shall not grant authorisation of an AIF as an MMF if the AIF is legally prevented from marketing its units or shares in its home Member State.	Procedure for authorising MMFs that are AIFs	Article 5
				<ol class="crrNumList"> A UCITS or an AIF shall use the designation money market fund or		

	MMF in relation to itself or the units or shares it issues only where the UCITS or the AIF has been authorised in accordance with this Regulation. A UCITS or an AIF shall not use a misleading or inaccurate designation which would suggest it is an MMF, unless it has been authorised as an MMF in accordance with this Regulation. A UCITS or an AIF shall not have characteristics which are substantially similar to those referred to in Article 1(1), unless it has been authorised as an MMF in accordance with this Regulation. - The use of the designation money market fund, MMF or of another designation that suggests that a UCITS or AIF is an MMF shall mean use in any external documents, prospectuses, reports, statements, advertisements, communications, letters or any other material addressed to or intended for distribution to prospective investors, unit-holders, shareholders or competent authorities in written, oral, electronic or any other form.	Use of designation as MMF	Article 6
	<ol class="crrNumList"> - An MMF and the manager of the MMF shall comply at all times with this Regulation. - An MMF which is a UCITS and the manager of the MMF shall comply at all times with the requirements of Directive 2009/65/EC, unless otherwise specified in this Regulation. - An MMF which is an AIF and the manager of the MMF shall comply at all times with the requirements of Directive 2011/61/EU, unless otherwise specified in this Regulation. - The manager of an MMF shall be responsible for ensuring compliance with this Regulation and shall be liable for any loss or damage resulting from non-compliance with this Regulation. - This Regulation shall not prevent MMFs from applying investment limits that are stricter than those required by this Regulation.	Applicable rules	Article 7
SUBTITLE	General provisions		
TITLE	CHAPTER I		

-

ARTICLE			SUBTITLE	TITLE
CONTENT	**SUBTITLE**	**TITLE**		
<ol class="crrNumList"> - Where an MMF comprises more than one investment compartment, each compartment shall be regarded as a separate MMF for the purposes of Chapters II to VII. - MMFs authorised as UCITS shall not be subject to the obligations concerning investment policies of UCITS laid down in Articles 49 to 50a, Article 51(2), and Articles 52 to 57 of Directive 2009/65/EC, unless explicitly specified otherwise in this Regulation.	General principles	Article 8		

				<ol class="crrNumList"> <p>An MMF shall invest only in one or more of the following categories of financial assets and only under the conditions specified in this Regulation:</p> <ol class="crrCharList"> - money market instruments including financial instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which one or more Member States belong; - eligible securitisations and asset-backed commercial paper (ABCPs); - deposits with credit institutions; - financial derivative instruments; - repurchase agreements that fulfil the conditions set out in Article 14; - reverse repurchase agreements that fulfil the conditions set out in Article 15; - units or shares of other MMFs. <p>An MMF shall not undertake any of the	Eligible assets	Article 9		

following activities: </p> <ol class="crrCharList"> - investing in assets other than those referred to in paragraph 1; - short sale of any of the following instruments: money market instruments, securitisations, ABCPs and units or shares of other MMFs; - taking direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them; - entering into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the MMF; - borrowing and lending cash. - An MMF may hold ancillary liquid assets in accordance with Article 50(2) of Directive 2009/65/EC.		
<ol class="crrNumList"> A money market instrument shall be eligible for investment by an MMF provided that it fulfils all of the following requirements: <ol class="crrCharList"> - it falls within one of the categories of money market instruments referred to in point (a), (b), (c) or (h) of Article 50(1) of Directive 2009/65/EC; - it displays one of the following alternative characteristics: <ol class="crrRomanList"> - it has a legal maturity at issuance of 397 days or less; - it has a residual maturity of 397 days or less; - the issuer of the		

				money market instrument and the quality of the money market instrument have received a favourable assessment pursuant to Articles 19 to 22; - where an MMF invests in a securitisation or ABCP, it is subject to the requirements laid down in Article 11. - Notwithstanding point (b) of paragraph 1, standard MMFs shall also be allowed to invest in money market instruments with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is 397 days or less. For that purpose, floating-rate money-market instruments and fixed-rate money-market instruments hedged by a swap arrangement shall be reset to a money market rate or index. - Point (c) of paragraph 1 shall not apply to money market instruments issued or guaranteed by the Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.	Eligible money market instruments	Article 10		
				<ol class="crrNumList"> Both a securitisation and an ABCP shall be considered to be eligible for investment by an MMF provided that the securitisation or ABCP is sufficiently liquid, has received a favourable assessment pursuant to Articles 19 to 22, and is any of the following: <ol class="crrCharList"> a securitisation referred to in Article 13 of Commission Delegated Regulation (EU)				

				2015/61Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions (OJ L 11, 17.1.2015, p. 1).; - an ABCP issued by an ABCP programme which: <ol class="crrRomanList"> - is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP; - is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position; - does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013; - a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the CouncilRegulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC					

				2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35)., or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation. A short-term MMF may invest in the securitisations or ABCPs referred to in paragraph 1 provided any of the following conditions is fulfilled, as applicable: <ol class="crrCharList"> - the legal maturity at issuance of the securitisations referred to in point (a) of paragraph 1 is 2 years or less and the time remaining until the next interest rate reset date is 397 days or less; - the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to in points (b) and (c) of paragraph 1 is 397 days or less; - the securitisations referred to in points (a) and (c) of paragraph 1 are amortising instruments and have a WAL of 2 years or less. A standard MMF may invest in the securitisations or ABCPs referred to in paragraph 1 provided any of the following conditions is fulfilled, as applicable: <ol class="crrCharList"> - the legal maturity at issuance or residual maturity of the securitisations and ABCPs referred to in points (a), (b) and (c) of paragraph 1 is 2 years or less and the time remaining until the next interest rate reset date is 397 days or less; - the securitisations referred to in points (a) and (c) of paragraph 1 are	Eligible securitisations and ABCPs	Article 11		

amortising instruments and have a WAL of 2 years or less.   The Commission shall adopt, by 6 months from the date of entry into force of the proposed Regulation on STS securitisations, a delegated act in accordance with Article 45 amending this Article by introducing a cross-reference to the criteria identifying STS securitisations and ABCPs in the corresponding provisions of that Regulation. The amendment shall become effective at the latest by 6 months after the date of entry into force of that delegated act or from the date of application of the corresponding provisions in the proposed Regulation on STS securitisations, whichever is the later.
<p>For the purposes of the first subparagraph, the criteria identifying STS securitisations and ABCPs shall include at least the following: </p> <ol class="crrCharList"> requirements relating to the simplicity of the securitisation, including its true sale character and the respect of standards relating to the underwriting of the exposures; requirements relating to standardisation of the securitisation, including risk retention requirements; requirements relating to the transparency of the securitisation, including the provision of information to potential investors; for ABCPs, in addition to points (a), (b) and (c), requirements relating to the sponsor and to the sponsor support of the ABCP programme.

				<div class="crrArticle"> <p>A deposit with a credit institution shall be eligible for investment by an MMF provided that all of the following conditions are fulfilled:</p> <ol class="crrCharList"> - the deposit is repayable on demand or is able to be withdrawn at any time; - the deposit matures in no more than 12 months; - the credit institution has its registered office in a Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in Union law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013. </div>	Eligible deposits with credit institutions	Article 12	General rules and eligible assets	Section I
				<div class="crrArticle"> A financial derivative instrument shall be eligible for investment by an MMF provided it is dealt in on a regulated market as referred to in point (a), (b) or (c) of Article 50(1) of Directive 2009/65/EC or OTC and provided that all of the following conditions are fulfilled: <ol class="crrCharList"> - the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories; - the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the MMF; - the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and	Eligible financial derivative instruments	Article 13		

				supervision and belonging to the categories approved by the competent authority of the MMF; - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the MMF's initiative. </div>				
				<div class="crrArticle"> A repurchase agreement shall be eligible to be entered into by an MMF provided that all of the following conditions are fulfilled: <ol class="crrCharList"> - it is used on a temporary basis, for no more than seven working days, only for liquidity management purposes and not for investment purposes other than as referred to in point (c); - the counterparty receiving assets transferred by the MMF as collateral under the repurchase agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the MMF's prior consent; - the cash received by the MMF as part of the repurchase agreement is able to be: <ol class="crrRomanList"> - placed on deposits in accordance with point (f) of Article 50(1) of Directive 2009/65/EC; or - invested in assets referred to in Article 15(6), but shall not otherwise be invested in eligible assets as referred to in Article 9, transferred or otherwise reused; - the cash received by the MMF as part of the repurchase agreement does not exceed 10 % of its assets; - the MMF has the right to terminate the	Eligible repurchase agreements	Article 14		

				agreement at any time upon giving prior notice of no more than two working days. </div>				
				<ol class="crrNumList"> A reverse repurchase agreement shall be eligible to be entered into by an MMF provided that all of the following conditions are fulfilled: <ol class="crrCharList"> - the MMF has the right to terminate the agreement at any time upon giving prior notice of no more than two working days; - the market value of the assets received as part of the reverse repurchase agreement is at all times at least equal to the value of the cash paid out. - The assets received by an MMF as part of a reverse repurchase agreement shall be money market instruments that fulfil the requirements set out in Article 10. The assets received by an MMF as part of a reverse repurchase agreement shall not be sold, reinvested, pledged or otherwise transferred. - Securitisations and ABCPs shall not be received by an MMF as part of a reverse repurchase agreement. - The assets received by an MMF as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15 % of the MMF's NAV, except where those assets take the form of money market instruments that fulfil the requirements of Article 17(7). In addition, the assets received by an MMF as part of a reverse repurchase agreement shall be issued by an entity that is independent from the				

				counterparty and is expected not to display a high correlation with the performance of the counterparty. - An MMF that enters into a reverse repurchase agreement shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the NAV of the MMF. By way of derogation from paragraph 2 of this Article, an MMF may receive as part of a reverse repurchase agreement liquid transferable securities or money market instruments other than those that fulfil the requirements set out in Article 10 provided that those assets comply with one of the following conditions: <ol class="crrCharList"> - they are issued or guaranteed by the Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received pursuant to Articles 19 to 22; - they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable assessment has been received pursuant to Articles 19 to 22. The assets received as part of a reverse repurchase agreement in accordance with the first subparagraph of this paragraph shall	Eligible reverse repurchase agreements	Article 15		

this paragraph shall be disclosed to MMF investors, in accordance with Article 13 of Regulation (EU) 2015/2365 of the European Parliament and of the CouncilRegulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (OJ L 337, 23.12.2015, p. 1).. The assets received as part of a reverse repurchase agreement in accordance with the first subparagraph of this paragraph shall fulfil the requirements of Article 17(7). - The Commission shall be empowered to adopt delegated acts in accordance with Article 45 to supplement this Regulation by specifying quantitative and qualitative liquidity requirements applicable to assets referred to in paragraph 6 and quantitative and qualitative credit quality requirements applicable to assets referred to in point (a) of paragraph 6 of this Article. For those purposes, the Commission shall take into account the report referred to in Article 509(3) of Regulation (EU) No 575/2013. The Commission shall adopt the delegated act referred to in the first subparagraph no later than 21 January 2018.		
<ol class="crrNumList"> An MMF may acquire the units or shares of any other MMF (targeted MMF) provided that all of the following conditions are fulfilled: <ol class="crrCharList"> no more than 10 % of the assets of the		

of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs; the targeted MMF does not hold units or shares in the acquiring MMF. An MMF whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it. An MMF may acquire the units or shares of other MMFs, provided that no more than 5 % of its assets are invested in units or shares of a single MMF. An MMF may, in aggregate, invest no more than 17,5 % of its assets in units or shares of other MMFs.   <p>Units or shares of other MMFs shall be eligible for investment by an MMF provided that all of the following conditions are fulfilled:</p> <ol class="crrCharList"> the targeted MMF is authorised under this Regulation; where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF; where an MMF invests 10 % or more of its assets in units or

			SECTION	its assets in units or shares of other MMFs: <ol class="crrRomanList"> - the prospectus of that MMF shall disclose the maximum level of the management fees that may be charged to the MMF itself and to the other MMFs in which it invests; and - the annual report shall indicate the maximum proportion of management fees charged to the MMF itself and to the other MMFs in which it invests. Paragraphs 2 and 3 of this Article shall not apply to an MMF that is an AIF authorised in accordance with Article 5, where all of the following conditions are met: <ol class="crrCharList"> - the MMF is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors; - the employee savings scheme referred to in point (a) only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments. By way of derogation from paragraphs 2 and 3 of this Article, an MMF that is a UCITS authorised in accordance with Article 4(2) may acquire units or shares in other MMFs in accordance with Article 55 or 58 of Directive 2009/65/EC under the following conditions: <ol class="crrCharList"> - the MMF is marketed solely through an employee savings scheme governed by national	Eligible units or shares of MMFs	Article 16		

governed by national law and which has only natural persons as investors; the employee savings scheme referred to in point (a) only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.   Short-term MMFs may only invest in units or shares of other short-term MMFs. Standard MMFs may invest in units or shares of short-term MMFs and standard MMFs.

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> An MMF shall invest no more than: <ol class="crrCharList"> 5 % of its assets in money market instruments, securitisations and ABCPs issued by the same body; 10 % of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15 % of its assets may be deposited with the same credit institution. - By way of derogation from point (a) of paragraph 1, a VNAV MMF may invest up to 10 % of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market		

such money market instruments, securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5 % of its assets does not exceed 40 % of the value of its assets. Until the date of application of the delegated act referred to in Article 11(4), the aggregate of all of an MMF's exposures to securitisations and ABCPs shall not exceed 15 % of the assets of the MMF.
As from the date of application of the delegated act

referred to in Article 11(4), the aggregate of all of an MMF's exposures to securitisations and ABCPs shall not exceed 20 % of the assets of the MMF, whereby up to 15 % of the assets of the MMF may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs. The aggregate risk exposure to the same counterparty of an MMF stemming from OTC derivative transactions which fulfil the conditions set out in Article 13 shall not exceed 5 % of the assets of the MMF. The aggregate amount of cash provided to the same counterparty of an MMF in reverse repurchase agreements shall not exceed 15 % of the assets of the MMF.   <p>Notwithstanding the individual limits laid down in paragraphs 1 and 4, an MMF shall not combine, where to do so would result in an investment of more than 15 % of its assets in a single body, any of the following:</p> <ol class="crrCharList"> investments in money market instruments

				instruments; securitisations and ABCPs issued by that body; - deposits made with that body; - OTC financial derivative instruments giving counterparty risk exposure to that body. By way of derogation from the diversification requirement provided for in the first subparagraph, where the structure of the financial market in the Member State in which the MMF is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the MMF to use financial institutions in another Member State, the MMF may combine the types of investments referred to in points (a) to (c) up to a maximum investment of 20 % of its assets in a single body. - By way of derogation from point (a) of paragraph 1, the competent authority of an MMF may authorise an MMF to invest, in accordance with the principle of risk-spreading, up to 100 % of its assets in different money market instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and	Diversification	Article 17		

DOCUMENT	**SECTION**			Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong. The first subparagraph shall only apply where all of the following requirements are met: <ol class="crrCharList"> - the MMF holds money market instruments from at least six different issues by the issuer; - the MMF limits the investment in money market instruments from the same issue to a maximum of 30 % of its assets; - the MMF makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5 % of its assets; - the MMF includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5 % of its assets. - Notwithstanding the individual limits laid down in paragraph 1, an MMF may invest no more than 10 % of its assets in bonds issued by a single credit institution that has its registered			Provisions on investment policies	Section II

office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
Where an MMF invests more than 5 % of its assets in the bonds referred to in the first subparagraph issued by a single issuer, the total value of those investments shall not exceed 40 % of the value of the assets of the MMF.
Notwithstanding the individual limits laid down in paragraph 1, an MMF may invest no more than 20 % of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 8 of this Article.
Where an MMF invests more than 5 % of its assets in the bonds referred to in the first subparagraph issued by a single issuer, the total value of those investments shall not exceed 60 % of the value of the assets of the MMF, including any possible investment in assets referred to in paragraph 8, respecting the limits set out therein.
Companies which are included in the same group for the purposes of

purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the CouncilDirective 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19). or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 1 to 6 of this Article.		
<ol class="crrNumList"> An MMF shall not hold more than 10 % of the money market instruments, securitisations and ABCPs issued by a single body. The limit laid down in paragraph 1 shall not apply in respect of holdings of money market instruments issued or guaranteed by the Union, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and	Concentration	Article 18

				Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.			

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> - The manager of an MMF shall establish, implement and consistently apply a prudent internal credit quality assessment procedure for determining the credit quality of money market instruments, securitisations and ABCPs, taking into account the issuer of the instrument and the characteristics of the instrument itself. - The manager of an MMF shall ensure that the information used in applying the internal credit quality assessment procedure is of sufficient quality, up-to-date and from reliable sources. - The internal assessment procedure shall be based on prudent, systematic and continuous assessment methodologies. The methodologies used shall be subject to validation by the manager of an MMF based on historical experience and empirical evidence, including back testing. The manager of an MMF shall ensure that the internal credit quality assessment procedure complies with all of the following general principles: <ol class="crrCharList"> - an effective process is to be established to obtain and update relevant information on the issuer and the instrument's characteristics.		

				characteristics; - adequate measures are to be adopted and implemented to ensure that the internal credit quality assessment is based on a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instrument; - the internal credit quality assessment procedure is to be monitored on an ongoing basis and all credit quality assessments shall be reviewed at least annually; - while there is to be no mechanistic over-reliance on external ratings in accordance with Article 5a of Regulation (EC) No 1060/2009, the manager of an MMF shall undertake a new credit quality assessment for a money market instrument, securitisations and ABCPs when there is a material change that could have an impact on the existing assessment of the instrument; - the credit quality assessment methodologies are to be reviewed at least annually by the manager of an MMF to determine whether they remain appropriate for the current portfolio and external conditions and the review shall be transmitted to the competent authority of the manager of the MMF. Where the manager of the MMF becomes aware of errors in the credit quality assessment methodology or in its application, it shall immediately correct those errors; - when methodologies	Internal credit quality assessment procedure	Article 19		

methodologies, models or key assumptions used in the internal credit quality assessment procedure are changed, the manager of an MMF is to review all affected internal credit quality assessments as soon as possible.		
<ol class="crrNumList"> - The manager of an MMF shall apply the procedure laid down in Article 19 to determine whether the credit quality of a money market instrument, securitisation or ABCP receives a favourable assessment. Where a credit rating agency registered and certified in accordance with Regulation (EC) No 1060/2009 has provided a rating of that money market instrument, the manager of the MMF may have regard to such rating and supplementary information and analysis in its internal credit quality assessment, while not solely or mechanistically relying on such rating in accordance with Article 5a of Regulation (EC) No 1060/2009. The credit quality assessment shall take into account at least the following factors and general principles: <ol class="crrCharList"> - the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument; - qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation; - the short-term nature of money market instruments;	Internal credit quality assessment	Article 20

				- the asset class of the instrument; - the type of issuer distinguishing at least the following types of issuers: national, regional or local administrations, financial corporations, and non-financial corporations; - for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets; - the liquidity profile of the instrument. The manager of an MMF may, in addition to the factors and general principles referred to in this paragraph, take into account warnings and indicators when determining the credit quality of a money market instrument referred to in Article 17(7).			Credit quality of money market instruments, securitisations and ABCPs	Section III
				<ol class="crrNumList"> The manager of an MMF shall document its internal credit quality assessment procedure and credit quality assessments. Documentation shall include all of the following: <ol class="crrCharList"> the design and operational details of its internal credit quality assessment procedure in a manner that allows competent authorities to understand and evaluate the appropriateness of a credit quality assessment; the rationale for and the analysis supporting the credit quality assessment, as well as the manager of the MMF's choice of criteria for, and the frequency of, the				

frequency of, the review of the credit quality assessment; - all major changes to the internal credit quality assessment procedure, including identification of the triggers of such changes; - the organisation of the internal credit quality assessment procedure and the internal control structure; - complete internal credit quality assessment histories on instruments, issuers and, where relevant, recognised guarantors; - the person or persons responsible for the internal credit quality assessment procedure. - The manager of an MMF shall keep all the documentation referred to in paragraph 1 for at least three complete annual accounting periods. - The internal credit quality assessment procedure shall be detailed in the fund rules or rules of incorporation of the MMF and all documents referred to in paragraph 1 shall be made available upon request to the competent authorities of the MMF and to the competent authorities of the manager of the MMF.	Documentation	Article 21
<div class="crrArticle"> The Commission shall adopt delegated acts in accordance with Article 45 in order to supplement this Regulation by specifying the following points: <ol class="crrCharList"> the criteria for the validation of the credit quality assessment methodology, as referred to in Article 19(3); the criteria for quantification of the credit risk, and of the relative risk of default	Delegated acts for the credit quality assessment	Article 22

of an issuer and of the instrument, as referred to in point (a) of Article 20(2); - the criteria for establishing qualitative indicators on the issuer of the instrument, as referred to in point (b) of Article 20(2); - the meaning of material change as referred to in point (d) of Article 19(4). </div>		
<ol class="crrNumList"> - The internal credit quality assessment procedure shall be approved by the senior management, the governing body, and, where it exists, the supervisory function of the manager of an MMF. Those parties shall have a good understanding of the internal credit quality assessment procedure and the methodologies applied by the manager of an MMF, as well as a detailed comprehension of the associated reports. - The manager of an MMF shall report to the parties referred to in paragraph 1 on the MMF's credit risk profile, based on an analysis of the MMF's internal credit quality assessments. Reporting frequencies shall depend on the significance and type of information and shall be at least annual. - Senior management shall ensure, on an ongoing basis, that the internal credit quality assessment procedure is operating properly. Senior management shall be regularly informed about the performance of the internal credit quality assessment procedures, the areas where deficiencies were identified, and the status of efforts	Governance of the credit quality assessment	Article 23

	and actions taken to improve previously identified deficiencies. - Internal credit quality assessments and their periodic reviews by the manager of an MMF shall not be performed by the persons performing or responsible for the portfolio management of an MMF.				

SUBTITLE	Obligations concerning the investment policies of MMFs
TITLE	CHAPTER II

-

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> A short-term MMF shall comply on an ongoing basis with all of the following portfolio requirements: <ol class="crrCharList"> - its portfolio is to have a WAM of no more than 60 days; - its portfolio is to have a WAL of no more than 120 days, subject to the second and third subparagraphs; - for LVNAV MMFs and public debt CNAV MMFs, at least 10 % of their assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day. A LVNAV MMF or public debt CNAV MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 10 % of its portfolio in daily maturing assets; - for a short-term VNAV MMF, at least 7,5 % of its assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day. A short-term VNAV MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 7,5 % of its portfolio in daily maturing assets; - for LVNAV MMFs and public debt CNAV MMFs, at least 30 % of their assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days. A LVNAV MMF or public debt CNAV MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 30 % of its portfolio in weekly maturing assets; - for a short-term VNAV MMF, at least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. A short-term VNAV MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 15 % of its portfolio in weekly maturing assets; - for the purpose of the calculation referred to in point (e), assets referred to in Article 17(7) which are highly liquid and can be redeemed and settled within one working day and have a residual maturity of up to 190 days may also be	Portfolio rules for short-term MMFs	Article 24

				residual maturity of up to 190 days may also be included within the weekly maturing assets of a LVNAV MMF and public debt CNAV MMF, up to a limit of 17,5 % of its assets; - for the purpose of the calculation referred to in point (f), money market instruments or units or shares of other MMFs may be included within the weekly maturing assets of a short-term VNAV MMF up to a limit of 7,5 % of its assets provided they are able to be redeemed and settled within five working days. For the purposes of point (b) of the first subparagraph, when calculating the WAL for securities, including structured financial instruments, a short-term MMF shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, a short-term MMF may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times: <ol class="crrRomanList"> - the put option is able to be freely exercised by the short-term MMF at its exercise date; - the strike price of the put option remains close to the expected value of the instrument at the exercise date; - the investment strategy of the short-term MMF implies that there is a high probability that the option will be exercised at the exercise date. By way of derogation from the second subparagraph, when calculating the WAL for securitisations and ABCPs, a short-term MMF may instead, in the case of amortising instruments, base the maturity calculation on one of the following: <ol class="crrRomanList"> - the contractual amortisation profile of such instruments; - the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result. - If the limits referred to in this Article are exceeded for reasons beyond the control of an MMF, or as a result of the exercise of subscription or redemption rights, that MMF shall adopt as a priority objective the correction of that situation, taking due account of the interests of its unit holders or shareholders. - All MMFs referred to in Article 3(1) of this Regulation may take the form of a short-term MMF.		
				<ol class="crrNumList"> A standard MMF shall comply on an ongoing basis with all of the following requirements: <ol class="crrCharList"> - its portfolio is to have at all times a WAM of no more than 6 months; - its portfolio is to have at all times a WAL of no more than 12 months, subject to the second and third subparagraphs; - at least 7,5 % of its assets are to be comprised of daily maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of one working day or cash which can be withdrawn by giving prior notice of one working day. A standard MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 7,5 % of its portfolio in daily maturing assets; - at least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of five working days or cash which can be withdrawn by giving prior notice of five working days. A standard MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 15 % of its portfolio in weekly maturing assets; - for the purpose of the calculation referred to in point (d),		

			ARTICLE	purpose of the calculation referred to in point (d), money market instruments or units or shares of other MMFs may be included within the weekly maturing assets up to 7,5 % of its assets provided they are able to be redeemed and settled within five working days. For the purposes of point (b) of the first subparagraph, when calculating the WAL for securities, including structured financial instruments, a standard MMF shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, a standard MMF may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times: <ol class="crrRomanList"> - the put option is able to be freely exercised by the standard MMF at its exercise date; - the strike price of the put option remains close to the expected value of the instrument at the exercise date; - the investment strategy of the standard MMF implies that there is a high probability that the option will be exercised at the exercise date. By way of derogation from the second subparagraph, when calculating the WAL for securitisations and ABCPs, a standard MMF may instead, in the case of amortising instruments, base the maturity calculation on one of the following: <ol class="crrRomanList"> - the contractual amortisation profile of such instruments; - the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result. - If the limits referred to in this Article are exceeded for reasons beyond the control of a standard MMF or as a result of the exercise of subscription or redemption rights, that MMF shall adopt as a priority objective the correction of that situation, taking due account of the interests of its unit holders or shareholders. - A standard MMF shall not take the form of a public debt CNAV MMF or a LVNAV MMF.	Portfolio rules for standard MMFs	Article 25
				<div class="crrArticle">An MMF that solicits or finances an external credit rating shall do so in accordance with Regulation (EC) No 1060/2009. The MMF or the manager of the MMF shall clearly indicate in the MMF's prospectus, and in all communication to investors in which the external credit rating is mentioned, that the rating was solicited or financed by the MMF or by the manager of the MMF.</div>	MMF credit ratings	Article 26
				<ol class="crrNumList"> Without prejudice to any more stringent requirements set out in Directive (EU) 2015/849 of the European Parliament and of the CouncilDirective (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73)., the manager of an MMF shall establish, implement and apply procedures and exercise all due diligence with a view to anticipating the effect of concurrent redemptions by several investors, taking into account at least the type of investor, the number of units or shares in the fund owned by a single investor and the evolution of inflows and outflows. <p>If		

				the value of the units or shares held by a single investor exceeds the amount of the corresponding daily liquidity requirement of an MMF, the manager of the MMF shall consider, in addition to the factors set out in paragraph 1, all of the following:</p> <ol class="crrCharList"> - identifiable patterns in investor cash needs, including the cyclical evolution of the number of shares in the MMF; - the risk aversion of the different investors; - the degree of correlation or close links between different investors in the MMF. - Where investors route their investments via an intermediary, the manager of an MMF shall request the information to comply with paragraphs 1 and 2 from the intermediary in order to manage appropriately the liquidity and investor concentration of the MMF. - The manager of an MMF shall ensure that the value of the units or shares held by a single investor does not materially impact the liquidity profile of the MMF where it accounts for a substantial part of the total NAV of the MMF.	Know your customer policy	Article 27
				<ol class="crrNumList"> - Each MMF shall have in place sound stress testing processes that identify possible events or future changes in economic conditions which could have unfavourable effects on the MMF. The MMF or the manager of an MMF shall assess the possible impact that those events or changes could have on the MMF. The MMF or the manager of an MMF shall regularly conduct stress testing for different possible scenarios. The stress tests shall be based on objective criteria and consider the effects of severe plausible scenarios. The stress test scenarios shall at least take into consideration reference parameters that include the following factors: <ol class="crrCharList"> - hypothetical changes in the level of liquidity of the assets held in the portfolio of the MMF; - hypothetical changes in the level of credit risk of the assets held in the portfolio of the MMF, including credit events and rating events; - hypothetical movements of the interest rates and exchange rates; - hypothetical levels of redemption; - hypothetical widening or narrowing of spreads among indices to which interest rates of portfolio securities are tied; - hypothetical macro systemic shocks affecting the economy as a whole. - In addition, in the case of public debt CNAV MMFs and LVNAV MMFs, the stress tests shall estimate for different scenarios the difference between the constant NAV per unit or share and the NAV per unit or share. - Stress tests shall be conducted at a frequency determined by the board of directors of the MMF, where applicable, or the board of directors of the manager of an MMF, after considering what an appropriate and reasonable interval in light of the market conditions is and after considering any envisaged changes in the portfolio of the MMF. Such frequency shall be at least bi-annual. - Where the stress test reveals any vulnerability of the MMF, the manager of an MMF shall draw up an extensive report with the results of the stress testing and a proposed action plan. Where necessary, the manager of an MMF shall take action to strengthen the robustness of the MMF, including actions that reinforce the liquidity or the quality of the assets of the MMF and shall immediately inform the competent authority of the MMF of the measures taken. - The extensive report with the results of the stress testing and proposed action plan shall be submitted for examination to the	Stress testing	Article 28

	plan shall be submitted for examination to the board of directors of the MMF, where applicable, or the board of directors of the manager of an MMF. The board of directors shall amend the proposed action plan if necessary and approve the final action plan. The extensive report and the action plan shall be kept for a period of at least 5 years. The extensive report and the action plan shall be submitted to the competent authority of the MMF for review. - The competent authority of the MMF shall send the extensive report referred to in paragraph 5 to ESMA. - ESMA shall issue guidelines with a view to establishing common reference parameters of the stress test scenarios to be included in the stress tests taking into account the factors specified in paragraph 1. The guidelines shall be updated at least every year taking into account the latest market developments.		

SUBTITLE	Obligations concerning the risk management of MMFs
TITLE	CHAPTER III

-

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> - The assets of an MMF shall be valued on at least a daily basis. - The assets of an MMF shall be valued by using mark-to-market whenever possible. When using mark- to-market: <ol class="crrCharList"> - the asset of an MMF shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market; - only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors: <ol class="crrRomanList"> - the number and quality of the counterparties; - the volume and turnover in the market of the asset of the MMF; - the issue size and the portion of the issue that the MMF plans to buy or sell. - Where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of an MMF shall be valued conservatively by using mark-to-model. The model shall accurately estimate the intrinsic value of the asset of an MMF, based on all of the following up-to-date key factors: <ol class="crrCharList"> - the volume and turnover in the market of that asset; - the issue size and the portion of the issue that the MMF plans to buy or sell; - market risk, interest rate risk, credit risk attached to the asset. When using mark-to-model, the amortised cost method shall not be used. - A valuation carried out in accordance with paragraphs 2, 3, 4, 6 and 7 shall be communicated to the competent authorities. - Notwithstanding paragraphs 2, 3 and 4, the assets of public debt CNAV MMFs may additionally be valued by using the amortised cost method. - By way of derogation from paragraphs 2 and 4, in addition to the mark-to-market referred to in paragraphs 2 and 3 and the mark-to-model referred to in paragraph 4, the assets of LVNAV MMFs that have a residual maturity of up to 75 days may be valued by using the amortised cost method. The amortised cost method shall only be used for valuing an asset of a LVNAV MMF in circumstances where the price of that asset calculated in accordance with paragraphs 2, 3 and 4 does not deviate from the price of that asset calculated in accordance with the first subparagraph of this paragraph by more than 10 basis points. In the event of such a	Valuation of MMFs	Article 29

				deviation, the price of that asset shall be calculated in accordance with paragraphs 2, 3 and 4.		
				<ol class="crrNumList"> - An MMF shall calculate a NAV per unit or share as the difference between the sum of all assets of the MMF and the sum of all liabilities of the MMF valued in accordance with mark-to-market or mark-to-model, or both, divided by the number of outstanding units or shares of the MMF. - The NAV per unit or share shall be rounded to the nearest basis point or its equivalent when the NAV is published in a currency unit. - The NAV per unit or share of an MMF shall be calculated and published at least daily on the public section of the website of the MMF.	Calculation of NAV per unit or share	Article 30
			ARTICLE	<ol class="crrNumList"> - A public debt CNAV MMF shall calculate a constant NAV per unit or share as the difference between the sum of all of its assets valued in accordance with the amortised cost method, as provided for in Article 29(6), and the sum of all of its liabilities, divided by the number of its outstanding units or shares. - The constant NAV per unit or share of a public debt CNAV MMF shall be rounded to the nearest percentage point or its equivalent when the constant NAV is published in a currency unit. - The constant NAV per unit or share of a public debt CNAV MMF shall be calculated at least daily. - The difference between the constant NAV per unit or share and the NAV per unit or share calculated in accordance with Article 30 shall be monitored and published daily on the public section of the website of the MMF.	Calculation of the constant NAV per unit or share of public debt CNAV MMFs	Article 31
				<ol class="crrNumList"> - A LVNAV MMF shall calculate a constant NAV per unit or share as the difference between the sum of all of its assets valued in accordance with the amortised cost method as specified in Article 29(7), and the sum of all its liabilities, divided by the number of its outstanding units or shares. - The constant NAV per unit or share of a LVNAV MMF shall be rounded to the nearest percentage point or its equivalent when the constant NAV is published in a currency unit. - The constant NAV per unit or share of a LVNAV MMF shall be calculated at least daily. - The difference between the constant NAV per unit or share and the NAV per unit or share calculated in accordance with Article 30 shall be monitored and published daily on the public section of the website of the MMF.	Calculation of the constant NAV per unit or share of LVNAV MMFs	Article 32
				<ol class="crrNumList"> - The units or shares of an MMF shall be issued or redeemed at a price that is equal to the MMF's NAV per unit or share, notwithstanding permitted fees or charges as specified in the prospectus of the MMF. By way of derogation from paragraph 1: <ol class="crrCharList"> - the units or shares of a public debt CNAV MMF may be issued or redeemed at a price that is equal to that MMF's constant NAV per unit or share; - the units or shares of a LVNAV MMF may be issued or redeemed at a price that is equal to that MMF's constant NAV per unit or share, but only where the constant NAV per unit or share calculated in accordance with Article 32(1), (2) and (3) does not deviate from the NAV per unit or share calculated in accordance with Article 30 by more than 20 basis points. In relation to point (b), when the constant NAV per unit or share calculated in accordance with Article 32(1), (2) and	Issue and redemption price	Article 33

	calculated in accordance with Article 32(1), (2) and (3) deviates from the NAV per unit or share calculated in accordance with Article 30 by more than 20 basis points, the following redemption or subscription shall be undertaken at a price that is equal to the NAV per unit or share calculated in accordance with Article 30. Potential investors shall, prior to the conclusion of the contract, be clearly warned in writing by the manager of an MMF of the circumstances in which the LVNAV MMF will no longer redeem or subscribe at a constant NAV per unit or share.		
SUBTITLE	Valuation rules		
TITLE	CHAPTER IV		

-

	CONTENT	**SUBTITLE**	**TITLE**
ARTICLE	<ol class="crrNumList"> - The manager of a public debt CNAV MMF or of a LVNAV MMF shall establish, implement and consistently apply prudent and rigorous liquidity management procedures for ensuring compliance with the weekly liquidity thresholds applicable to such funds. The liquidity management procedures shall be clearly described in the fund rules or instruments of incorporation, as well as in the prospectus. In ensuring compliance with the weekly liquidity thresholds, the following shall apply: <ol class="crrCharList"> - whenever the proportion of weekly maturing assets as set out in point (e) of Article 24(1) falls below 30 % of the total assets of the public debt CNAV MMF or of the LVNAV MMF and the net daily redemptions on a single working day exceed 10 % of total assets, the manager of the public debt CNAV MMF or of the LVNAV MMF shall immediately inform its board thereof and the board shall undertake a documented assessment of the situation to determine the appropriate course of action having regard to the interests of the investors and shall decide whether to apply one or more of the following measures: <ol class="crrRomanList"> - liquidity fees on redemptions that adequately reflect the cost to the MMF of achieving liquidity and ensure that investors who remain in the fund are not unfairly disadvantaged when other investors redeem their units or shares during the period; - redemption gates that limit the amount of shares or units to be redeemed on any one working day to a maximum of 10 % of the shares or units in the MMF for any period up to 15 working days; - suspension of redemptions for any period up to 15 working days; or - take no immediate action other than fulfilling the obligation laid down in Article 24(2); - whenever the proportion of weekly maturing assets as set out in point (e) of Article 24(1) falls below 10 % of its total assets, the manager of a public debt CNAV MMF or of a LVNAV MMF shall immediately inform its board thereof and the board shall undertake a documented assessment of the situation and, on the basis of such assessment and having regard to the interests of the investors, shall apply one or more of the following measures and document the reasons for its choice: <ol class="crrRomanList"> - liquidity fees on redemptions that adequately reflect the cost to the MMF of achieving liquidity and ensure that investors who remain in the fund are not unfairly disadvantaged when other investors redeem	Specific requirements for public debt CNAV MMFs and LVNAV MMFs	Article 34

disadvantaged when other investors redeem their units or shares during the period; - a suspension of redemptions for a period of up to 15 working days. - When, within a period of 90 days, the total duration of the suspensions exceeds 15 days, a public debt CNAV MMF or a LVNAV MMF shall automatically cease to be a public debt CNAV MMF or a LVNAV MMF. The public debt CNAV MMF or the LVNAV MMF shall immediately inform each investor thereof in writing in a clear and comprehensible way. - After the board of the public debt CNAV MMF or of the LVNAV MMF has determined its course of action with regard to both points (a) and (b) of paragraph 1, it shall promptly provide details of its decision to the competent authority of that MMF.		

SUBTITLE	Specific requirements for public debt CNAV MMFs and LVNAV MMFs
TITLE	CHAPTER V

-

	CONTENT	SUBTITLE	TITLE
ARTICLE	<ol class="crrNumList"> - A MMF shall not receive external support. - External support means direct or indirect support offered to an MMF by a third party, including a sponsor of the MMF, that is intended for or in effect would result in guaranteeing the liquidity of the MMF or stabilising the NAV per unit or share of the MMF. External support shall include: <ol class="crrCharList"> - cash injections from a third party; - purchase by a third party of assets of the MMF at an inflated price; - purchase by a third party of units or shares of the MMF in order to provide liquidity to the fund; - issuance by a third party of any kind of explicit or implicit guarantee, warranty or letter of support for the benefit of the MMF; - any action by a third party the direct or indirect objective of which is to maintain the liquidity profile and the NAV per unit or share of the MMF.	External support	Article 35
SUBTITLE	External support		
TITLE	CHAPTER VI		

-

	CONTENT	SUBTITLE	TITLE
	<ol class="crrNumList"> - An MMF shall indicate clearly which type of MMF it is in accordance with Article 3(1) and whether it is a short-term or a standard MMF in any external document, report, statement, advertisement, letter or any other written evidence issued by it or by the manager of the MMF, addressed to or intended for distribution to prospective investors, unit-holders, or shareholders. The manager of an MMF shall, at least weekly, make all of the following information available to the MMF's investors: <ol class="crrCharList"> - the maturity breakdown of the portfolio of the MMF; - the credit profile of the MMF; - the WAM and WAL of the MMF; - details of the 10 largest holdings in the MMF, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements; - the total value of the assets of the MMF; - the net yield of the MMF. Any document of an MMF used for marketing purposes shall clearly include all of the following statements: <ol	Transparency	Article 36

				[illegible] class="crrCharList"> - that the MMF is not a guaranteed investment; - that an investment in MMFs is different from an investment in deposits, with particular reference to the risk that the principal invested in an MMF is capable of fluctuation; - that the MMF does not rely on external support for guaranteeing the liquidity of the MMF or stabilising the NAV per unit or share; - that the risk of loss of the principal is to be borne by the investor. - No communication by the MMF or by the manager of an MMF to investors or potential investors shall in any way suggest that an investment in the units or shares of the MMF is guaranteed. - Investors in an MMF shall be clearly informed of the method or methods used by the MMF to value the assets of the MMF and calculate the NAV. Public debt CNAV MMFs and LVNAV MMFs shall explain clearly to investors and potential investors any use of the amortised cost method or of rounding or both.		
			ARTICLE	<ol class="crrNumList"> - For each MMF that it manages, the manager of the MMF shall report information to the competent authority of the MMF on at least a quarterly basis. By way of derogation from the first subparagraph, for an MMF whose assets under management in total do not exceed EUR 100000000, the manager of the MMF shall report to the competent authority of the MMF on at least an annual basis. The manager of an MMF shall upon request provide the information reported pursuant to the first and second subparagraphs also to the competent authority of the manager of an MMF, if different from the competent authority of the MMF. The information reported pursuant to paragraph 1 shall comprise the following points: <ol class="crrCharList"> - the type and characteristics of the MMF; - portfolio indicators such as the total value of assets, NAV, WAM, WAL, maturity breakdown, liquidity and yield; - the results of stress tests and, where applicable, the proposed action plan; - information on the assets held in the portfolio of the MMF, including: <ol class="crrRomanList"> - the characteristics of each asset, such as name, country, issuer category, risk or maturity, and the outcome of the internal credit quality assessment procedure; - the type of asset, including details of the counterparty in the case of derivatives, repurchase agreements or reverse repurchase agreements; - information on the liabilities of the MMF, including: <ol class="crrRomanList"> - the country where the investor is established; - the investor category; - subscription and redemption activity. If necessary and duly justified, competent authorities may solicit additional information. In addition to the information referred to in paragraph 2, for each LVNAV MMF that it manages, the manager of an MMF shall report the following: <ol class="crrCharList"> - every event in which the price of an asset valued by using the amortised cost method in accordance with the first subparagraph of Article 29(7) deviates from the price of that asset calculated in accordance with Article 29(2), (3) and (4) by more than 10 basis points; - every event in which the	Reporting to competent authorities	Article 37

	basis points; - every event in which the constant NAV per unit or share calculated in accordance with Article 32(1) and (2) deviates from the NAV per unit or share calculated in accordance with Article 30 by more than 20 basis points; - every event in which a situation mentioned in Article 34(3) occurs and the measures taken by the board in accordance with points (a) and (b) of Article 34(1). - ESMA shall develop draft implementing technical standards to establish a reporting template that shall contain all the information referred to in paragraphs 2 and 3. ESMA shall submit those draft implementing technical standards to the Commission by 21 January 2018. Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010. - Competent authorities shall transmit to ESMA all information received pursuant to this Article. Such information shall be transmitted to ESMA no later than 30 days after the end of the reporting quarter. ESMA shall collect the information to create a central database of all MMFs established, managed or marketed in the Union. The European Central Bank shall have a right of access to that database, for statistical purposes only.		

SUBTITLE	Transparency requirements
TITLE	CHAPTER VII

-

CONTENT	SUBTITLE	TITLE
<ol class="crrNumList"> - The competent authorities shall supervise compliance with this Regulation on an ongoing basis. - The competent authority of the MMF or, where relevant, the competent authority of the manager of an MMF shall be responsible for supervising compliance with Chapters II to VII. - The competent authority of the MMF shall be responsible for supervising compliance with the obligations set out in the fund rules or in the instruments of incorporation, and the obligations set out in the prospectus, which shall be consistent with this Regulation. - The competent authority of the manager of an MMF shall be responsible for supervising the adequacy of the arrangements and organisation of the manager of the MMF so that the manager of the MMF is in a position to comply with the obligations and rules which relate to the constitution and functioning of all the MMFs that it manages. - Competent authorities shall monitor UCITS and AIFs established or marketed in their territories to verify that they do not use the MMF designation or suggest that they are an MMF unless they comply with this Regulation.	Supervision by the competent authorities	Article 38
<div class="crrArticle"> Without prejudice to powers vested in competent authorities in accordance with Directive 2009/65/EC or 2011/61/EU, as applicable, competent authorities shall, in accordance with national law, have all supervisory and investigatory powers that are necessary for the exercise of their functions with respect to this Regulation. They shall, in particular, have the power to do all of the following: <ol class="crrCharList"> request access to any document in any form, and to receive or take a copy thereof;	Powers of	Article

				- require an MMF or the manager of an MMF to provide information without delay; - require information from any person related to the activities of an MMF or the manager of an MMF; - carry out on-site inspections with or without prior announcement; - take appropriate measures to ensure that an MMF or the manager of an MMF continues to comply with this Regulation; - issue an order to ensure that an MMF or the manager of an MMF complies with this Regulation and desists from a repetition of any conduct that could infringe this Regulation. </div>	competent authorities	Article 39
				<ol class="crrNumList"> - Member States shall lay down the rules on penalties and other measures applicable to infringements of this Regulation and shall take all measures necessary to ensure that they are implemented. The penalties and other measures provided for shall be effective, proportionate and dissuasive. - By 21 July 2018, the Member States shall notify the Commission and ESMA of the rules referred to in paragraph 1. They shall notify the Commission and ESMA without delay of any subsequent amendment thereto.	Penalties and other measures	Article 40
			ARTICLE	<ol class="crrNumList"> Without prejudice to powers vested in competent authorities in accordance with Directive 2009/65/EC or 2011/61/EU, as applicable, the competent authority of an MMF or the manager of an MMF shall, while respecting the principle of proportionality, take the appropriate measures referred to in paragraph 2 where an MMF or the manager of an MMF: <ol class="crrCharList"> - fails to comply with any of the requirements regarding asset composition, in infringement of Articles 9 to 16; - fails to comply with any of the portfolio requirements, in infringement of Article 17, 18, 24 or 25; - has obtained authorisation through false statements or any other irregular means, in infringement of Article 4 or 5; - uses the designation money market fund, MMF or of another designation that suggests that a UCITS or AIF is an MMF, in infringement of Article 6; - fails to comply with any of the requirements regarding the internal credit quality assessment, in infringement of Article 19 or 20; - fails to comply with any of the governance, documentation or transparency requirements, in infringement of Article 21, 23, 26, 27, 28 or 36; - fails to comply with any of the requirements regarding valuation, in infringement of Article 29, 30, 31, 32, 33 or 34. In the cases referred to in paragraph 1, the competent authority of the MMF shall, as appropriate: <ol class="crrCharList"> - take measures to ensure that the MMF or the manager of an MMF concerned complies with the relevant provisions; - withdraw an authorisation granted in accordance with Article 4 or 5.	Specific measures	Article 41
				<ol class="crrNumList"> - ESMA shall have the powers necessary to carry out the tasks attributed to it by this Regulation. - ESMA's powers in accordance with Directives 2009/65/EC and 2011/61/EU shall be exercised also with respect to this Regulation and in compliance with Regulation (EC) No 45/2001. - For the purpose of Regulation (EU) No 1095/2010, this Regulation shall be included under any further legally binding Union	Powers and competences of ESMA	Article 42

included under any further legally binding Union act which confers tasks on the Authority referred to in Article 1(2) of Regulation (EU) No 1095/2010.		
<ol class="crrNumList"> - The competent authority of the MMF and the competent authority of the manager of an MMF, if different, shall cooperate with each other and exchange information for the purpose of carrying out their duties under this Regulation. - Competent authorities and ESMA shall cooperate with each other for the purpose of carrying out their respective duties under this Regulation in accordance with Regulation (EU) No 1095/2010. - Competent authorities and ESMA shall exchange all information and documentation necessary to carry out their respective duties under this Regulation in accordance with Regulation (EU) No 1095/2010, in particular to identify and remedy infringements of this Regulation. The competent authorities of the Member States responsible for the authorisation or supervision of MMFs under this Regulation shall communicate information to the competent authorities of other Members States where such information is relevant for monitoring and responding to the potential implications of the actitivies of individual MMFs or MMFs collectively for the stability of systemically relevant financial institutions and the orderly functioning of markets on which MMFs are active. ESMA and the European Systemic Risk Board (ESRB) shall also be informed and shall forward that information to the competent authorities of the other Member States. - On the basis of the information transmitted by national competent authorities pursuant to Article 37(5), ESMA shall, in accordance with powers conferred on it under Regulation (EU) No 1095/2010, prepare a report to the Commission in light of the review outlined in Article 46 of this Regulation.	Cooperation between authorities	Article 43

SUBTITLE	Supervision
TITLE	CHAPTER VIII

-

CONTENT	**SUBTITLE**	**TITLE**
<ol class="crrNumList"> - By 21 January 2019, an existing UCITS or AIF that invests in short-term assets and has as distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment shall submit an application to the competent authority of the MMF together with all documents and evidence necessary to demonstrate the compliance with this Regulation. - No later than 2 months after receiving the complete application, the competent authority of the MMF shall assess whether the UCITS or AIF is compliant with this Regulation in accordance with Articles 4 and 5. The competent authority of the MMF shall issue a decision and notify it immediately to the UCITS or AIF.	Treatment of existing UCITS and AIFs	Article 44
<ol class="crrNumList"> - The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article. - The power to adopt delegated acts referred to in Articles 11, 15 and 22 shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation. - The delegation of power referred to in Articles 11, 15 and 22 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to		

				the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force. - Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. - As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council. - The delegated acts adopted pursuant to Articles 11, 15 and 22 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of 2 months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 2 months at the initiative of the European Parliament or of the Council.	Exercise of the delegation	Article 45
			ARTICLE	<ol class="crrNumList"> - By 21 July 2022, the Commission shall review the adequacy of this Regulation from a prudential and economic point of view, following consultations with ESMA and, where appropriate, the ESRB, including whether changes are to be made to the regime for public debt CNAV MMFs and LVNAV MMFs. The review shall in particular: <ol class="crrCharList"> - analyse the experience acquired in applying this Regulation, the impact on investors, MMFs and the managers of MMFs in the Union; - assess the role that MMFs play in purchasing debt issued or guaranteed by the Member States; - take into account the specific characteristics of the debt issued or guaranteed by the Member States and the role that the debt plays in financing the Member States; - take into account the report referred to in Article 509(3) of Regulation (EU) No 575/2013; - take into account the impact of this Regulation on the short-term financing markets; - take into account the regulatory developments at international level. By 21 July 2022, the Commission shall present a report on the feasibility of establishing an 80 % EU public debt quota. That report shall have regard to the availability of short-term EU public debt instruments and assess whether LVNAV MMFs might be an appropriate alternative to non-EU public debt CNAV MMFs. If the Commission concludes in the report that the introduction of an 80 % EU public debt quota and the phasing out of public debt CNAV MMFs that include an unlimited amount of non-EU public debt are not feasible, it should present the reasons for that. In the event that the Commission concludes that the introduction of an 80 % EU public debt quota is feasible, the Commission may make legislative proposals to introduce such a quota, whereby at least 80 % of the assets of public debt CNAV MMFs are to be invested in EU public debt instruments. In addition, if the Commission concludes that LVNAV MMFs have become an appropriate alternative to non-EU public debt CNAV MMFs, it may make appropriate proposals to remove the derogation for public debt CNAV MMFs altogether. The results of the review shall be communicated to the European Parliament and to the Council, accompanied, where necessary, by appropriate proposals for amendments.	Review	Article 46

<div class="crrArticle">This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 21 July 2018, with the exception of Article 11(4), Article 15(7), Article 22 and Article 37(4) which shall apply from 20 July 2017.</div>	Entry into force	Article 47

SUBTITLE	Final provisions
TITLE	CHAPTER IX