



*PRESS RELEASE*

*5<sup>th</sup> November 2013*

As the debate about the EC's proposed Money Market Fund Regulation enters a new phase, IMMFA has released a collection of papers which explain the background to their position on the key issues.

The European Commission made its proposal for a Regulation on Money Market Funds in September 2013. The MEPs in the European Parliament had their first exchange of views on this topic in the ECON Committee yesterday (4<sup>th</sup> November 2013).

**“Money market funds are an important tool for everyday businesses in the broader economy, helping them to safely manage their surplus cash and diversify their risk.”** said Susan Hindle Barone, Secretary General of IMMFA. **“Decisions will be taken in Europe which will profoundly impact the benefits MMFs provide to a very wide range of investors, such as corporates, pensions providers and local governments. We want to be sure that those decisions are as well-informed. These documents are designed to explain the fundamental issues presented by the European Commission’s proposal as simply as possible.”**

The documents address the following points:

- IMMFA Fact Sheet on Money Market Funds
- The Problem with Capital Buffers
- The Use of Amortised Cost Accounting
- Definition of Liquidity Requirements
- Fund Level Ratings
- Credit Process and Internal Rating Scale
- Reverse Repurchase Agreements
- Eligible Securitisations - Asset-Backed Commercial Paper

As well as providing an overall summary of IMMFA’s views on MMF.

IMMFA Summary Views on MMF Reform – October 2013

<http://www.immfa.org/IMMFA%20Summary%20Views%20on%20MMF%20Reform%20-%20October%202013.pdf>

IMMFA Position Papers on MMF Reform – October 2013

<http://www.immfa.org/assets/files/important/IMMFA-Position-Papers-on-MMF-Reform-October-2013.pdf>

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The following documents provide more extensive background on many of the points made above:

**IMMFA Position on Capital Buffers – May 2013**

<http://www.immfa.org/assets/files/publications/IMMFA%20Position%20on%20Capital%20Buffers%20-%20May%202013.pdf>

**IMMFA Summary Paper on Money Market Funds - February 2013**

<http://www.immfa.org/assets/files/publications/IMMFA%20Summary%20Position%20Paper%2014th%20Feb%202013.pdf>

**The Use of Amortised Cost Accounting in Money Market Funds – January 2013**

<http://www.immfa.org/assets/files/publications/IMMFA%20The%20use%20of%20amortised%20cost%20accounting%20by%20MMF.pdf>

**Bank Runs, Money Market Funds and the First Mover Advantage – January 2013**

<http://www.immfa.org/assets/files/publications/Bank%20Runs%20Money%20Market%20Funds%20and%20the%20First%20Mover%20Advantage%20%28v2%20January%202013%29.pdf>