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Q&A ON MONEY MARKET FUNDS

GUIDE FOR ASSET MANAGEMENT COMPANIES

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AUTORITÉ
DES MARCHÉS FINANCIERS
AMF

INTRODUCTION

Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds will apply from 21 July 2018. In this context, the AMF assists companies that wish or are required to apply for authorisation as a money market fund for one or several of their funds by providing a number of answers to frequently-asked questions.
This information guide is for educational purposes only and is not a policy document. It supplements the current set of regulations (Regulation (EU) 2017/1131 and the associated Delegated Regulation, the instructions relating to products, etc.) and upcoming regulations (ESMA guidelines on MMF reporting, adaptation of AMF product instructions). It will be updated on a regular basis according to the clarifications added to the set of regulations applicable to money market funds.

Money market funds are UCITS or AIFs that invest in short-term liquid assets with the objective of offering returns in line with money market rates and/or of preserving the value of an investment. Money market funds not only provide short-term finance to financial institutions, corporations and governments, but are also tools for investors seeking to manage their excess cash, offering a high degree of liquidity, diversification and stability of value of the principal invested, combined with a market-based yield.

Up until now, the specific rules applicable to money market funds were defined by the CESR 2010-049 guidelines. Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (hereinafter the "**MMF Regulation**") is directly applicable in national law and therefore will not be transposed into French law. The MMF Regulation lays down uniform rules for the operation of money market funds on a European level. These rules are notably intended to make money market funds more resilient and limit the risks to financial stability, and to ensure the equal treatment of investors.

Money market funds (hereinafter "**MMFs**") can be UCITS or AIFs[1]. Outside the rules in relation to the investment policies of UCITS[2], the MMF Regulation applies alongside national legislation, derived notably from the Directives 2009/65/EC (UCITS Directive) and 2011/61/EU (AIFM Directive)[3], unless otherwise specified in the MMF Regulation.

This guide describes the main impacts of the application of the MMF Regulation, then gives details of the authorisation procedures specific to money market funds, notably pending the update of the AMF product instructions[4]. In addition, the guide provides clarifications on the provisions, in the order of the Regulation (investment, assessment of credit quality, valuation, redemption, external support, transparency). Lastly, the applicable legal texts, authorisation application forms and sample letters of undertaking can be found in the appendices.

According to method, for the purpose of this guide, the term "management company" is equivalent to the term "manager of an MMF" that is used in the MMF Regulation[5] and designates an asset management company authorised in France, a management company set up in another European Union Member State, a manager registered in a third country that manages the money market fund, or a self-managed UCITS or internally-managed AIF.

[1] See Article 1(1)(a) of Regulation (EU) 2017/1131.
[2] See Article 8(2) of Regulation (EU) 2017/1131.
[3] See Article 7 of Regulation (EU) 2017/1131.
[4] Instructions 2011-19, 2011-20, 2011-21 and 2012-06.
[5] See Article 2(23) of Regulation (EU) 2017/1131.

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I- THE MAIN CHANGES

Money market funds that are managed or marketed in the European Union must obtain specific authorisation, and the use of the designation 'money market fund' is reserved to funds authorised under the MMF Regulation. Thus:

- funds that use the designation 'money market' and that come under the scope of application of the MMF Regulation[6] must be authorised as an MMF, or if they do not fall under the scope of the MMF Regulation, change name in order to prevent any ambiguity;
- funds that have characteristics which are "*substantially similar*" to those referred to in the MMF Regulation must apply for authorisation in accordance with the MMF Regulation, or change their characteristics so that they no longer fall under the scope of application of the MMF Regulation.

Money market funds, which can be UCITS or AIFs, must be set up as one of the three following types: a variable net asset value fund (VNAV MMF), a public debt constant net asset value fund (CNAV MMF), or a low volatility net asset value fund (LVNAV MMF). They are classified as either "short-term' or "standard".

The investment policy is restricted and replaces previous national or European requirements with regard to the fund's category. The main changes are the following:

- investment in other funds is more strictly defined. Thus, with the exception of funds marketed through an employee savings scheme, money market funds are not permitted to invest in **master-feeder funds and funds of funds**[7];
- there are new concentration limits, which notably has an impact on general professional funds and specialised professional funds, which up to now have benefited from derogation for higher or even free limits;
- **borrowing or lending cash** is not allowed.

The credit quality assessment procedure which shapes the investment must be documented, validated, applied on an ongoing basis and reviewed periodically. Internal credit quality assessments and their periodic reviews **shall not be performed** by the persons performing or responsible for the portfolio management of an MMF.

Regarding valuation, use of the **amortised cost method is no longer permitted** for the calculation of the net asset value. The net asset value calculation must be done **at least daily** (vs. a weekly requirement tolerated up to now for employee investment funds).

Detailed information on the composition of the portfolio of the fund[8] must be made available to investors on a weekly basis. Stress testing processes must be put in place, and stress tests must be conducted regularly with a follow-up procedure. If the stress test reveals vulnerability, a report must be drawn up and, where relevant, an action plan proposed and submitted to the competent authority of the fund. This process is notably based on the ESMA guidelines, which will be regularly updated.

Management companies are required, for each MMF that they manage, to report information to the competent authority of the MMF on at least a quarterly basis (or annually for an MMF whose assets under management do not exceed EUR100 million). As will be confirmed by ESMA, the first reporting must be done in April 2020 for the period covering the **first quarter of 2020.** Moreover, there will be no retroactive application of reporting requirements.

[6] See Article 1(1) of Regulation (EU) 2017/1131.

[7] A money market fund may invest no more than 17.5% of its assets in other MMFs.

[8] See Article 36 of Regulation (EU) 2017/1131: the maturity breakdown, the credit profile, the WAM and WAL, details of the 10 largest holdings in the MMF (name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements), the total value of the assets and net yield.

II- AUTHORISATION PROCEDURE

1. WHICH FUNDS CAN AND SHALL TO APPLY FOR AUTHORISATION AS AN MMF?

In order to guarantee visibility for investors, the use of the term 'money market fund` is regulated at the European level. A UCITS or an AIF that has "*characteristics which are substantially similar*"[9] to those of a money market fund as described in the MMF Regulation (investment in short-term assets; and "*distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment*"[10]) must be authorised as an MMF under the Regulation, while a fund that is not authorised in accordance with the MMF Regulation shall not use the designation "money market fund" or any other misleading or inaccurate designation which would suggest it is a money market fund[11]. This implies that:

- funds that use the designation 'money market fund' and that come under the scope of application of the MMF Regulation must be authorised in accordance with this Regulation, or if they do not fall within the MMF Regulation, change name in order to prevent any ambiguity;
- funds that have characteristics which are "*substantially similar*" to those referred to in the MMF Regulation, without necessarily initially having been designated as a 'money market` fund, must request authorisation in accordance with the MMF Regulation, or change their characteristics so that they no longer fall within the scope of application of the MMF Regulation.

In case of doubt, the management company shall contact the AMF beforehand in order to determine the suitable treatment.

Note: it is specified that registered AIFs[12], for example specialised professional funds, that meet the definition of a "money market fund" within the meaning of the MMF Regulation, must be authorised as an MMF (see 4).

2. WHEN DO AUTHORISATION REQUESTS NEED TO BE SUBMITTED?

The MMF Regulation applies from **21 July 2018**[13]. Consequently **all new UCITS or AIFs** that:

- intend to invest in short-term assets; and
- have as distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment;

must submit an application for authorisation as an MMF.

Existing UCITS and AIFs displaying the characteristics described above must apply for authorisation as an MMF by **21 January 2019 at the latest**[14]**.**

3. WHAT CHARACTERISTICS OF A MONEY MARKET FUND NEED TO BE DEFINED DURING THE AUTHORISATION PROCESS?

[9] See Article 6(1) of Regulation (EU) 2017/1131.
[10] See Article 1(1) of Regulation (EU) 2017/1131.
[11] See Article 6 of Regulation (EU) 2017/1131.
[12] Under the conditions of AMF Instruction 2012-06.
[13] See Article 47 of Regulation (EU) 2017/1131.
[14] Article 44(1) of Regulation (EU) 2017/1131.

A money market fund can be a UCITS or an AIF, and the authorisation process varies according to its type (see 4).

Type: money market funds must be set up as one of the three following types[15]:

- a variable net asset value fund (**VNAV** MMF). Units of a VNAV MMF are issued or redeemed at a value corresponding to the net assets of the fund divided by the number of units in circulation ("***market net asset value per unit***", as defined in Article 30 of the Regulation);
- a low volatility net asset value fund (**LVNAV** MMF). LVNAV funds seek to offer investors the characteristics of a CNAV (constant value) fund, as long as the constant net asset value per unit or share (see below) does not deviate from the market net asset value per unit or share by more than 20 basis points[16]. If this threshold is exceeded, the fund will issue and redeem its units or shares at a price that is equal to the market net asset value per unit or share, like for a VNAV MMF. The Regulation contains specific provisions to ensure equal treatment of investors in the event of large redemptions;
- a public debt constant net asset value fund (**CNAV** MMF). These funds must invest at least 99.5% of their assets in public debt, reverse repurchase agreements secured with government debt, or cash. Units of CNAV funds are issued or redeemed at a constant net asset value per unit ("**CNAV per unit**"). The difference between the CNAV and the market NAV per unit of the fund must be monitored by the management company and communicated to holders on a daily basis[17]. The Regulation also contains specific provisions to ensure equal treatment of investors in the event of large redemptions.

Furthermore, management companies must indicate whether the funds are "**standard**" or "**short-term**"[18], depending on the maturity of the eligible assets[19], the weighted average maturity (WAM) and the weighted average life (WAL), or the daily and weekly liquidity ratios (see question 26). These various characteristics are adapted according to whether the fund is classified as either a short-term or a standard MMF. CNAV and LVNAV MMFs are **necessarily** "short-term", while VNAV funds **can be** "short-term" or "standard"[20].

When applying for authorisation, the money market fund must indicate on its application form (see appendices 2 and 3), as well as on the GECO extranet, one of the classifications listed below, notably for the purpose of notification to ESMA (see 33):

1. Public debt constant net asset value money market fund (CNAV MMF);
2. Low volatility net asset value money market fund (LVNAV MMF);
3. Short-term variable net asset value money market fund (short-term VNAV MMF);
4. Standard variable net asset value money market fund (standard VNAV MMF).

Note: the former classifications (money market/short-term money market) will be maintained **during the transition period** up until the deadline for authorisation of existing funds (from 21 July 2018 up until the authorisation of existing funds, which have until 21 January 2019 to submit their application[21]), and will coexist with the new classifications during this period. At the end of this period, all of the funds will have switched to the new classifications.

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[15] See Article 3(2) of Regulation (EU) 2017/1131 and Art. 2(11) to (13) of Regulation (EU) 2017/1131 for the definitions.
[16] See Article 33(2) b) of Regulation (EU) 2017/1131.
[17] See Article 31 of Regulation (EU) 2017/1131.
[18] See Art. 2(14) to (15) of Regulation (EU) 2017/1131 for definitions.
[19] See Art. 10(1) and 10(2) of Regulation (EU) 2017/1131. A "short-term" money market fund invests in money market instruments that have a maturity of less than 397 days, while "standard" money market funds are also allowed to invest in money market instruments with a residual maturity of 2 years, provided that the time remaining until the next interest rate reset date is 397 days or less.
[20] See Articles 24(3) and 25(3) of Regulation (EU) 2017/1131.
[21] As the AMF has a maximum of two months to grant the MMF authorisations (see Article 44(2) of Regulation (EU) 2017/1131), the period will be extended up to 21 March 2019 at the latest.

Furthermore, the **prospectus**, **KIID** and all other communication[22] of a money market fund must specify:

- the type of money market fund it is:
  - A public debt constant net asset value money market fund (CNAV MMF);
  - A low volatility net asset value money market fund (LVNAV MMF);
  - A variable net asset value money market fund (VNAV MMF);
- and if it is a short-term or standard money market fund.

4. HOW DOES A FRENCH FUND GET ITS MMF AUTHORISATION?

The main elements of the authorisation process and documents required are summarised in the table below. Details of these elements are provided in appendices 2 (for UCITS) and 3 (for AIFs) of this guide. These elements are applicable both for existing and new authorised funds.

Type	UCITS	AIF
Application timetable	- from 21 July 2018 for new funds; - 21 January 2019 at the latest for existing funds.	
Time limit for the review of applications	1 month	2 months
Authorisation application file	The **UCITS MMF authorisation application form** (see appendix 2)	The **AIF MMF authorisation application form** (see appendix 3)
	The **UCITS letter of undertaking** (see appendix 2)	The **AIF letter of undertaking** (see appendix 3)
	The constitutive documents of the money market fund (rules or instruments of incorporation);	The constitutive documents of the money market fund (rules or instruments of incorporation);
	The KIID and the prospectus (signalling, where relevant, the differences compared to a reference UCITS authorised in accordance with the MMF Regulation);	The KIID or KID where relevant, and the prospectus (signalling, where relevant, the differences compared to a reference AIF authorised in accordance with the MMF Regulation);
	A description of the MMF, or any information concerning it made available to investors;	The agreement of the depositary.
	The agreement of the depositary.	

The AMF shall send an acknowledgement of receipt on the date of submission of a complete application **and after review of the application shall inform the applicant whether authorisation as an MMF has been granted**. If a non-compliant or incomplete application is submitted, the AMF may return it to the sender with an explanation of the reasons for its return. The AMF may request additional information during the review process.

4.1. MMF AUTHORISATION FOR AN EXISTING UCITS OR AIF

The management company submits the application for authorisation to the AMF. If changes are required for the authorisation to be granted, for example to the fund's investment policy, whether these changes trigger the need for a pre-approval should be assessed in light of the relevant AMF product instruction applicable to the fund (see 9). In such case, the change will be approved by the AMF at the same time the MMF authorisation is granted.

[22] See Article 36(1) of Regulation (EU) 2017/1131.

4.2. CREATION OF A NEW MONEY MARKET UCITS

Authorisation as an MMF is part of the authorisation process under the UCITS Directive, and will be reviewed by the AMF at the same time as the application for authorisation as a UCITS[23]. The management company must ensure that the specific elements of the application for MMF authorisation are submitted in addition to the "classic" application for authorisation as a UCITS. Processing times are those indicated for UCITS, i.e. **one month**[24].

4.3. CREATION OF A NEW MONEY MARKET AIF

For authorised AIFs (retail investment funds, professional investment funds and employee investment funds), authorisation as an MMF is granted at the same time as the authorisation as an AIF. For registered AIFs (specialised professional funds), application for authorisation under the MMF Regulation must be made before it is marketed.

5. CAN A MANAGEMENT COMPANY THAT IS NOT AUTHORISED UNDER THE AIFM DIRECTIVE OBTAIN MMF AUTHORISATION FOR AN AIF THAT IT MANAGES?

According to the provisions of Article 5 of the MMF Regulation, an AIF can only obtain authorisation as an MMF if it is managed by a management company that is authorised in accordance with Directive 2011/61/EU. Consequently, management companies that are not authorised in accordance with Directive 2011/61/EU[25] must apply for and obtain this authorisation in order to be able to obtain MMF authorisation for the AIFs that it manages.

6. CAN A FOREIGN MANAGEMENT COMPANY OBTAIN AUTHORISATION FOR A MONEY MARKET FUND IN FRANCE?

A French-registered UCITS or AIF managed by a foreign management company that has a UCITS or AIF management passport can obtain MMF authorisation for a fund in France under the conditions specified in question 4. In the framework of the authorisation of an AIF, the AMF may, in accordance with the Article 5 of the MMF Regulation, be required to ask the competent authority of the manager for an attestation indicating whether the money market fund is covered by the authorisation of the management company, as well as for any clarifications it deems necessary.

7. ARE MANAGEMENT COMPANIES REQUIRED TO UPDATE THEIR PROCEDURES TO MANAGE MONEY-MARKET FUNDS?

Management companies that already manage funds classified as `money market' or 'short-term money market` according to the former classification must complete their procedures in order to take account of the management of money market funds authorised in accordance with the MMF Regulation, without having to make an update that requires previous authorisation by the AMF under Instruction 2008-03.

[23] See Article 4(2) of Regulation (EU) 2017/1131.
[24] See, respectively, Article 411-10 of the AMF General Regulation for FCP funds and Article 411-6 of the AMF General Regulation for SICAV funds.
[25] Article 3 of the Directive transposed in IV of Article L. 532-9 of the French Monetary and Financial Code.

Management companies that are required to make more substantial changes to their procedures must update their business plan or request an extension of the authorisation of their business plan, under the conditions of Instruction 2008-03.
In any case, management companies must join a **letter of undertaking** to their application for authorisation by which they undertake to comply with the provisions of the MMF Regulation. This letter will be requested for **each MMF authorisation**. A sample letter of undertaking is provided in appendices 2 (for UCITS) and 3 (for AIFs) of this guide.

In case of doubt, the management company shall contact the AMF beforehand in order to determine the suitable treatment.

8. WOULD A SIMPLIFIED MMF AUTHORISATION PROCESS, OR ONE BY ANALOGY, BE POSSIBLE?

For both existing funds applying for authorisation as an MMF and new funds, following an in-depth review of at least one application for each type of money market fund, the AMF could give a management company[26] the possibility to submit its other applications for authorisation in a simplified form, on the sole condition that the constitutive documents of similar funds **are identical to those of the reference fund**.

9. HOW ARE THE MODIFICATIONS MADE TO THE FUNDS WITH RESPECT TO THE MMF AUTHORISATION ASSESSED?

The assessment of modifications made during the life of a fund in relation to an MMF authorisation is not specified by the MMF Regulation.

The principle applied is that the modifications made and the associated required information be assessed **separately**:

- on the one hand, modifications relating to the **specific MMF authorisation**. For these, the AMF **will update** its product instructions soon in order to include the specific points relating to money market funds. Pending this, a **table** is provided (see 9.1);
- on the other hand, modifications relating to **the initial authorisation** (UCITS or AIF), that are already covered by the product instruction applicable to the money market fund, and that apply with no change (see 9.2).

The two areas of modification are presented below and illustrated by examples.

9.1. MODIFICATIONS RELATING TO MMF AUTHORISATION

When an existing fund receives authorisation as an MMF, this requires **notification by any means**. The AMF **will update** its product instructions soon in order to include the specific elements relating to money market funds. Pending this, the following **table** is provided.

[26] Granted via the notification of the authorisation of an MMF of the manager.

Modifications	MMF authorisation	Individual notification	Exit free of charge	Notification by any means
Specific modifications related to the MMF authorisation				
Authorisation as an MMF granted to an existing fund	x			x
Change of type (e.g.: from CNAV to VNAV)[27]	x	x	x	
Exit from the scope of the MMF Regulation	x	x	x	

Notes:

- A fund that is currently classified as "money market" or "short-term money market" and that wishes to obtain authorisation as an MMF, without any other changes, will provide notification by any means after obtaining the MMF authorisation;
- For a fund that is already authorised as an MMF, a change from short-term to standard and vice versa, **with no change in type** (for example, from a short-term VNAV to a standard VNAV), does not require authorisation under the MMF Regulation and the change is assessed according to the rules of the applicable product instruction (see 9.2);
- When a fund exits the scope of the MMF Regulation, authorisation is withdrawn. The requirement to give individual notification with the option to exit free of charge informs investors of the fact that the fund is no longer authorised as an MMF;
- If a UCITS that is an accumulation VNAV MMF wishes to become an income CNAV MMF, this change requires, in addition to the notification by any means described in the table below, individual notification in accordance with AMF Instruction 2011-19[28] (see 9.2).

In case of doubt, the management company shall contact the AMF beforehand in order to determine the suitable treatment.

9.2. MODIFICATIONS RELATING TO THE FUND'S INITIAL AUTHORISATION

The modifications made to the fund are assessed with respect to the applicable product instruction, along with the modifications specifically linked to the MMF authorisation (see 9.1).

Thus, if according to the applicable product instruction a fund must significantly modify its strategy, notably in order to comply with the scope of the MMF Regulation and obtain authorisation as an MMF, it could be required to give individual notification with the option to exit free of charge in accordance with the applicable product instruction. This principle is reflected in the **illustrative table** below:

[27] In accordance with Article 3(2) of Regulation (EU) 2017/1131, a new MMF authorisation must be granted. Automatic conversions of CNAV and LVNAV MMFs into VNAV MMFs in the event of extended suspension of redemptions (see Article 34(2) of Regulation (EU) 2017/1131) do not require a new MMF authorisation.

[28] Article 8 of AMF Instruction 2011-19: "*Distribution procedures*".

Modifications	Authorisarion	Individual notification	Exit free of charge	Notification by any means
Management objective and investment objective policy Risk and reward profile	x See Art. 11 of the applicable product instruction	x in the event of an absolute change in the exposure to one or more types of risk strictly greater than 20% of net assets	x in the event of an absolute change in the exposure to one or more types of risk strictly greater than 20% of net assets	x in the event of an absolute change in the exposure to one or more types of risk equal to or strictly less than 20% of net assets

Example:

- A UCITS that is currently classified as "money market" that changes its strategy and wishes to obtain authorisation as an MMF: whether or not this change needs pre-approval is assessed in accordance with the provisions of Article 11(2) of AMF Instruction 2011-19. If the threshold of 20% reallocated exposure of net assets is reached due to the change, the management company must submit an application to the AMF with two components: (i) MMF authorisation (ii) a request for change subject to pre-approval. This second change requires individual notification with the option to exit free of charge. If the threshold is not exceeded, it is considered a simple change and only the MMF authorisation is granted, with notification by any means;

Note: a fund classified as "money market" or "short-term money market" under the former classification before the entry into application of the MMF Regulation and that **does not wish to** apply for authorisation as an MMF must: (i) check that it does not fall within the scope of the MMF Regulation and is not required to apply for MMF authorisation, (ii) assess whether the changes made are subject to pre-approval in accordance with the applicable product instruction and (iii) define its new classification.

In case of doubt, the management company shall contact the AMF beforehand in order to determine the suitable treatment.

10. WILL THE MMF REGULATION HAVE AN IMPACT ON THE FORMALITIES REQUIRED FOR CROSS-BOARDER FUNDS?

National regulations apply with no change.

Thus, in application of Article 39 of AMF Instruction 2011-19, foreign UCITS marketed in France that have obtained authorisation as an MMF will have to notify the AMF by sending their new KIID and prospectus[29].
French UCITS that have been authorised as MMFs and that are marketed in other countries must fulfil the same obligations with respect to the authorities of the host Member States in accordance with the equivalent national laws that transpose the requirements of Directive 2009/65/EC[30].

[29] See Article 39 of AMF Instruction 2011-19: "*When they are marketed in France, foreign UCITS must send the AMF: […] 2. Changes affecting the UCITS (change of name, creation of a new class of units or shares, creation of a new compartment, merger, demerger, liquidation, winding up, transfer) along with amendments to its key investor information document (KIID) and prospectus.*"

The notification requirements toward the holders of UCITS and AIFs are in line with the applicable product instructions (see 9).

III- INVESTMENT POLICY

11. WHICH ASSETS ARE ELIGIBLE FOR MONEY MARKET FUNDS?

Regulatory source: Chapter II of Regulation (EU) 2017/1131 (Articles 8 to 23)

An exhaustive list of eligible assets is provided in Article 9 of Regulation (EU) 2017/1131.

a) money market instruments[31] (including money market public debt[32]). Money market instruments must have received favourable credit quality assessments[33];
b) securitisations and asset-backed commercial papers (ABCPs);
c) deposits with credit institutions;
d) interest rate and foreign exchange derivatives, used solely for the purpose of hedging;
e) and f) repurchase and reverse repurchase agreements; repurchase agreements can only be used for liquidity management purpose and the cash received can only be placed on deposit or reinvested in a restrictive list of assets[34]. Reverse purchase agreements are subject to restrictions, notably in terms of eligible assets and reuse;
g) shares or units in other money market funds.

The funds may also hold ancillary liquid assets[35]. Borrowing and lending cash are not authorised.
Article 9 of the MMF Regulation specifies that short sales, taking direct or indirect exposure to equity or commodities, entering into securities lending agreements or securities borrowing agreements or any other agreement that would encumber the assets of the money market fund, are **not permitted**.

Investment in the different asset classes is **restricted** notably by quality and availability criteria, as described in Articles 10 to 16. The key points identified are mentioned below.

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[30] Article 93(7) of Directive 2009/65/EC: "*The UCITS shall notify any amendments to the documents referred to in paragraph 2* [the fund rules or its instruments of incorporation, prospectus, KIID, annual and half-yearly reports] *to the competent authorities of the UCITS host Member State"*

[31] Defined in Article 2(1)(o) of Directive 2009/65/EC (transposed into Article L. 214-20 of the French Monetary and Financial Code).

[32] In this guide, "money market public debt" refers to money market instruments issued or guaranteed separately or jointly by the Union, national, regional or 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.

[33] Except for instruments issued or guaranteed by a European institution or central bank of a Member State, see Article 10 of Regulation (EU) 2017/1131 (and in particular Article 10(3) for the list of exemptions).

[34] Listed in Article 15(6) of Regulation (EU) 2017/1131: "*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:*
(a) 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;
(b) 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."

[35] See Article 9(3) of Regulation (EU) 2017/1131 . The notion of "ancillary" is clarified in AMF Instruction 2011-25, 5.3: "*The Autorité des Marchés Financiers considers […] that any exposure to a specific risk exceeding 10% of the fund's assets cannot possibly be considered ancillary. Where exceptional market conditions justify it, however, it is considered that a CIS may increase this limit to 20% for liquid assets."*

12. IS IT POSSIBLE TO CONSIDER THAT THE AVAILABILITY CRITERIA OF A DEPOSIT IS FULFILLED IF THERE IS TIME LAPSE BETWEEN THE PLACEMENT OF THE ORDER AND THE ACTUAL TRANSFER OF THE DEPOSIT?

Deposits must be repayable on demand or able to be withdrawn "*at any time*"[36]. In the absence of details at this stage, note that the ESMA guidelines 2014/937 propose in paragraph 33 a criteria of seven days in the context of repurchase and reverse repurchase agreements for UCITS[37].

13. UNDER WHAT CONDITIONS CAN A MONEY MARKET FUND ENTER INTO DERIVATIVES CONTRACTS?[38]

Like in the case of UCITS notably, financial derivative instruments must be dealt in on a regulated market, or over the counter with an authorised counterparty, and the underlying consist of interest rates, foreign exchange rates, currencies (or indices representing one of those categories) [39]. However, the derivatives used by an MMF should **only serve the purpose of hedging risk**. The 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.

Article 13(c) of the MMF Regulation, relating to authorised counterparties to OTC derivative transactions, refers back to national provisions[40]. The list of authorised counterparties is specified for each type of undertaking for collective investment in the French Monetary and Financial Code[41]. It **remains valid** for money market funds.

Note: the provisions in 3 of Article R. 214-15 of the French Monetary and Financial Code, resulting from the transposition of Article 8(4)(b) of Directive 2007/16/EC ("Eligible Assets Directive"), are more prescriptive than those in the MMF Regulation as they detail the conditions of the daily valuation of the derivative (existence of an independent third party or independent valuation department). Management companies that respect the requirements of the French Monetary and Financial Code do not need to change their procedure to comply with the requirements of the MMF Regulation.

14. UNDER WHAT CONDITIONS CAN A MONEY MARKET FUND INVEST IN ANOTHER FUND?[42]

The acquisition of fund units or shares by money market funds is limited. Thus:

- 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.

Moreover, cross investments are not permitted, and investments in funds of funds is limited (no more than 10% of the assets of the targeted MMF are able to be invested in units or shares of funds). There is an aggregate limit

[36] See Article 12(a) of Regulation (EU) 2017/1131

[37] The AMF has incorporated these guidelines in its Position 2013-06, (25): "*Repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the UCITS.*" This reading appears to be underpinned by that of Articles 24 and 25 of Regulation (EU) 2017/1131, which provides for the possibility to include in the weekly maturing assets "*cash which is able to be withdrawn by giving prior notice of five working days*".

[38] See Article 13 of Regulation (EU) 2017/1131

[39] See Article R. 214-15 of the French Monetary and Financial Code.

[40] Article 13 of Regulation (EU) 2017/1131: "*the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the competent authority of the MMF*".

[41] Thus, for UCITS, Article R. 214-15 2° of the French Monetary and Financial Code refers to R. 214-19 II paragraph 2 for the list of eligible counterparties, while for AIFs, the list of counterparties is provided through reference to Article R. 214-32-28 II paragraph 2. In practice, the two lists are identical.

[42] See Article 16 of Regulation (EU) 2017/1131.

(17.5%) and a limit per fund (5%). A derogation is nevertheless provided for in the case of employee savings funds[43].
Lastly, transparency is required when the fund's investment in other MMFs exceeds 10%[44], while, in order to limit potential conflicts of interest, the manager, or delegated management company of two money market funds, is prohibited from charging subscription or redemption fees to one when it invests in the other[45].

Note: as each fund does not necessarily have full information on the composition of the assets of the others or of its own liabilities, verification of cross investments may be a delicate exercise. In this context, management companies may, as a good practice, set up procedures for verifying the compliance of the investments of their funds within their group, and notify the management company of the fund in which they are investing on their behalf in order to limit the risks of non-compliance.

15. WHAT ARE THE PORTFOLIO'S DIVERSIFICATION REQUIREMENTS?

Diversification requirements are described for the most part in Articles 17 and 18 of Regulation (EU) 2017/1131. They are **summarised** in the table below.

Diversification limits (as a percentage of the net asset value of the fund)					
Asset class	Aggregate limit	Individual limit	Comments	Article of the MMF Regulation	Individual limit within the class
a) money market instruments ;		5% / 10%/40%	For VNAV MMFs, the limit may be raised to 10% of assets provided that the investments held in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of the assets of the portfolio. Derogations are provided for certain sub-asset classes (see below)	17(1) (a) and (2)	Overall individual limit of 15%. The limit is raised to 20% by derogation in accordance with Article 17(6) of the MMF Regulation
b) securitisations and asset-backed commercial paper (ABCPs) ;	15% / 20%		15% up until 1 January 2019 (date of application of the STS Regulation), then 20%, of which 15% for non-STS securitisations	17(3)	
c) deposits with credit institutions ;		10% / 15%	15% in the case of a concentrated market and where it is not economically feasible for the MMF to make deposits in a foreign credit institution	17(1) (b)	
d) over-the-counter financial derivative instruments ;		5%	Limits the counterparty risk.	17(4)	
e) repurchase agreements ;	10%		The cash received as part of repos must not exceed 10% of the fund' assets	14(d)	
f) reverse repurchase agreements ;		15%	Limit on the amount of cash provided to the same counterparty	17(5)	
		15%	Limit on the assets received as part of a reverse repurchase agreement for a given issue	15(4)	
g) units or shares of other MMFs.	17,5%	5%	Except when the MMF is marketed solely through an employee savings scheme under the conditions of Article 16(5)	16	
Liquid assets	see question 18			9(3)	
Derogations to the limits on money market instruments (sub-asset class a)					
Public debt instruments		100%	diversification conditions per issue and information to investors described in Article 17(7)	17(7)	
Covered bonds		10% / 40%	Individual limits are 10% provided that the total value of assets >5% issued by a single entity does not exceed 40% of the value of the assets of the MMF.	17(8)	
HQLA assets 1 and 2a		20% / 60%	Individual limits are 20% provided that the total value of assets >5% issued by a single entity does not exceed 60% of the value of the assets of the MMF.	17(9)	
Holdings (concentration limits, Article 18 of Regulation 2017/1131)					
money market instruments and securitisations and ABCPs (a) and (b)	10%		Except money market public debt	18	

[43] See Article 16(5) of Regulation (EU) 2017/1131.
[44] See Article 16(4)(c) of Regulation (EU) 2017/1131: "*(c) where an MMF invests 10 % or more of its assets in units or shares of other MMFs: (i) 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 (ii) 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.*"
[45] See Article 16(4)(b) of Regulation (EU) 2017/1131: *"(b) 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;"*

16. UNDER WHAT CONDITIONS MAY LESS RESTRICTIVE DIVERSIFICATION REQUIREMENTS BE ALLOWED?

Two higher diversification thresholds are provided for in Article 17(1)(b) and the last paragraph of Article 17(6) of the MMF Regulation.

Article 17(1)(b) of the MMF Regulation provides for a less restrictive diversification requirement for deposits made with the same credit institution (limit raised from 10% to 15%). The two conditions for benefiting from this widened requirement are:

- 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 (a "concentrated banking sector").
- it is not economically feasible for the MMF to make deposits in another Member State.

Furthermore, Article 17(6), last paragraph, of the MMF Regulation provides for a higher diversification ratio for assets invested in a single body that combine money market instruments, securitisations and ABCPs, deposits and OTC financial derivative instruments counterparty risk exposure (limit raised from 15% to 20%). The two conditions for benefiting from this widened requirement are:

- 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 the diversification requirement (a "concentrated financial market").
- it is not economically feasible for the MMF to use financial institutions in another Member State

For both limits, the first criterion (concentrated banking or financial market) is applied in the same way to all funds domiciled in a same Member State. The AMF considers that the French banking and financial market meet this criterion.

The second criterion (not economically feasible) is, however, specific to each fund. It is up to the management company to assess whether this criterion is met for the use of the two limits, for example by taking into account elements such as the economic cost of credit analysis, the cost of monitoring the operational risk, the additional cost of cash monitoring, etc.

17. WHAT ARE THE MODALITIES OF APPLICATION OF THE DEROGATION TO THE DIVERSIFICATION REQUIREMENT FOR INVESTMENTS IN MONEY MARKET PUBLIC DEBT?

The MMF Regulation provides for the possibility of a money market fund[46] to invest up to 100% of its assets in instruments issued or guaranteed by a single public debt issuer, on the condition that they are from several different issues, notification is made to investors, **and authorisation has been granted by the competent authority of the fund**.

The AMF authorises money market funds to make use of this derogation at the same time it grants the MMF authorisation (included in the compliance table in the UCITS and AIF authorisation forms, see appendices 2 and 3, respectively).

Note: use of this derogation by a money market fund involves **notification requirements**. Reference must be made in its fund rules or instruments of incorporation (list of issuers in which the fund intends to invest more

[46] Article 17(7) of Regulation (EU) 2017/1131

than 5% of its assets) as well as in its prospectus and marketing communications (in addition to the list of issuers, a "*prominent statement*" drawing attention to the use of the derogation). The notification procedure for informing holders in the event of a change in the use of the derogation (no longer used, change in the list of issuers, which requires a modification to the rules or instruments of incorporation and prospectus) are not specified in the MMF Regulation. As a result, the specific features linked to each product remain applicable: any change made must be assessed with respect to the product instruction it falls under. The AMF **will update** its product instructions soon. Pending this, the **table** below is provided:

<table>
<tr><th>Modifications</th><th>Authorisation</th><th>Individual notification</th><th>Exit free of charge</th><th>Notification by any means</th></tr>
<tr><td colspan="5">Derogation - investment in money market public debt - Art. 17(7) of the MMF Regulation</td></tr>
<tr><td>Used at a later date than the MMF authorisation</td><td rowspan="3">x
See Art. 11 of the applicable product instruction</td><td rowspan="3">x
in the event of an absolute change in the exposure to one or more types of risk strictly greater than 20% of net assets</td><td rowspan="3">x
in the event of an absolute change in the exposure to one or more types of risk strictly greater than 20% of net assets</td><td rowspan="3">x
in the event of an absolute change in the exposure to one or more types of risk equal to or strictly less than 20% of net assets</td></tr>
<tr><td>Modification to the list of issuers</td></tr>
<tr><td>Derogation no longer used</td></tr>
</table>

In case of doubt, the management company shall contact the AMF beforehand in order to determine the suitable treatment.

18. HOW DO DIVERSIFICATION RULES APPLY WITH RESPECT TO ASSETS THAT ARE DIRECTLY HELD AND ASSETS THAT ARE RECEIVED AS PART OF A REVERSE REPURCHASE AGREEMENT?

A money market fund may receive as part of a reverse repurchase agreement:

- money market instruments that are eligible for investment by a money market fund (i.e. that fulfil the requirements set out in Article 10 of the MMF Regulation);
- in accordance with Article 15(6) of the MMF Regulation, liquid transferable securities or money market instruments other than those that are eligible for investment by a money market fund, provided that those assets comply with certain conditions, notably relating to the nature of the issuers and with respect to the quantitative and qualitative requirements of the credit quality detailed in Article 2 of CDR 2018/990.

Assets received as part of a reverse repurchase agreement are **not included** in the calculation of the limits set out in Article 17 of Regulation (EU) 2017/1131. Thus, it is possible to combine exposures to a same entity through: (i) assets in the categories a) to d) (limits per product and aggregate limit of 15%[47]) and (ii) assets received under reverse repurchase agreements (15% of the net asset value of the fund in accordance with Article 15(4)).
The limit for assets received as part of reverse repurchase agreements in accordance with Article 15(4) shall be calculated **on the aggregate amount of reverse repurchase agreements** and not per transaction.

[47] 20% of the fund's assets by derogation under the conditions set out in Article 17(6) of Regulation (EU) 2017/1131.

19. HOW IS THE ANCILLARY NATURE OF THE LIQUID ASSETS HELD BY THE FUND ASSESSED?

Article 9(3) of the MMF Regulation allows money market funds to hold ancillary liquid assets (see question 11). The notion of "ancillary" is clarified by AMF Position-recommendation 2011-25, 5.3: "*The Autorité des Marchés Financiers considers […] that any exposure to a specific risk exceeding 10% of the fund's assets cannot possibly be considered ancillary. Where exceptional market conditions justify it, however, it is considered that a CIS may increase this limit to 20% for liquid assets."* In any case, ancillary liquid assets, in combination with the exposure to the elements mentioned in Article 17(4) of the MMF Regulation, shall not exceed 25% (30% by derogation under the conditions set out in Article 17(6) of the MMF Regulation).

IV- THE CREDIT QUALITY ASSESSMENT PROCEDURE

20. WHAT REQUIREMENTS APPLY TO THE CREDIT QUALITY ASSESSMENT PROCEDURE?

The requirements relating to the credit quality assessment procedure are described in Articles 19 to 23 of the MMF Regulation, supplemented by commission delegated regulation 2018/990 of 10th April 2018.

Money market funds must apply an **internal credit quality assessment procedure** for determining whether the credit quality of money market instruments, securitisations and ABCPs is favourable (limited reliance on external ratings of agencies, see 21)[48]. The methodologies used must be documented, approved by the senior management of the management company, applied on an ongoing basis, reviewed periodically, and shall not be performed by the persons responsible for the MMF portfolio management[49].

This requirement does not apply to money market instruments issued or guaranteed by a restricted list[50].

Concerning assets received under reverse repurchase agreements, this requirement applies:

- in the general framework provided for in Article 15(2) of the MMF Regulation, to money market instruments received as part of a reverse repurchase agreement, excluding those issued or guaranteed by the above-mentioned list;
- within the derogation set out in Article 15(6) of the MMF Regulation, to assets received as part of a reverse repurchase agreement, whether or not they are issued or guaranteed by issuers on the above-mentioned list.

21. HOW CAN THE RATINGS OF RATING AGENCIES BE USED?

The objective of the methodology is to reduce the dependence of funds on rating agencies, without disregarding the information they provide[51]: the ratings and analyses of agencies are factors that can be taken into account in

[48] See Article 19 of Regulation (EU) 2017/1131
[49] See Articles 19 to 23 of Regulation (EU) 2017/1131
[50] See Article 10(3) of Regulation (EU) 2017/1131: "*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*".
[51] See recital (31) of Regulation (EU) 2017/1131

the internal assessment, along with other indicators[52]. Thus, **solely relying on these ratings**, whether directly or mechanistically (an average of ratings, for example) **is not permitted**[53].
Moreover, any downgrade by a rating agency[54] of an issuer to below its two highest short-term credit ratings[55] requires a new internal credit quality assessment. Note that the management company may consider that, based on its methodology, the credit quality is still positive.

22. TO WHAT EXTENT MAY THE PERSONS RESPONSIBLE FOR THE PORTFOLIO MANAGEMENT CONTRIBUTE TO THE INTERNAL CREDIT QUALITY ASSESSMENT PROCEDURE?

Internal credit quality assessments are performed **independently**: the person responsible for determining the internal credit ratings shall not be persons performing or responsible for the portfolio management of an MMF[56]. This independence must be effective on the functional level. Thus, it is not possible for the person responsible for the credit quality assessment to report to a person responsible for the portfolio management of the fund.

This said, the persons performing or responsible for the portfolio management of a fund may contribute to **defining the methodology** of the credit quality assessment procedure. This procedure shall be approved by the senior management, the governing body, and, where it exists, the supervisory function of the manager of an MMF in accordance with Article 23 of the MMF Regulation.

It is also possible that the persons performing or responsible for the portfolio management of an MMF provide the person responsible for the credit quality assessment with the analyses required with respect to the qualitative criteria listed in Article 5(1) of the Delegated Regulation[57], as long as this is formalised within the methodologies of the credit quality assessment procedure which are systematically implemented and applied in accordance with Article 19 of the MMF Regulation, and that the assessment itself is performed independently.

For example, the decision on the credit quality by the person(s) responsible for the credit quality assessment procedure, based on preparatory work carried out by a manager will be considered independent as long as the former is(are) able to challenge the work of the latter. A cross-validation procedure by managers who have committed to not trading the instruments for which they have performed the credit quality assessment is not permitted.

23. WHAT ARE THE DOCUMENTATION REQUIREMENTS IN THE CREDIT QUALITY ASSESSMENT PROCEDURE?[58]

The entire internal credit quality assessment procedure is documented: the design and operational details, the rationale behind the analysis, frequency of the review, changes resulting from these reviews, organisation (including the identity the person(s) responsible for the credit quality assessment procedure) and the internal control structure, complete internal credit quality assessment histories; All of this documentation referred to must be kept for at least three years, and the procedure shall be detailed in the fund rules or rules of incorporation of the MMF.

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[52] See Article 5(1)(g) of CDR 2018/990.
[53] See Article 20(1) of Regulation (EU) 2017/1131
[54] Credit rating agencies regulated and authorised in accordance with Regulation (EC) 1060/2009, the list of which is determined through "*an internal procedure for the selection of credit rating agencies suited to the specific investment portfolio of the MMF and for determining the frequency at which the MMF should monitor the ratings of those agencies*", under the provisions of Article 8(3) of CDR 2018/990.
[55] See Article 8(1)(b) of CDR 2018/990.
[56] See Article 23(4) of Regulation (EU) 2017/1131.
[57] For example, analysis of the sovereign risk, see Article 5(1)(d) of CDR 2018/990.
[58] See Article 21 of Regulation (EU) 2017/1131.

Note: It is specified that, beyond the histories of the ratings, their review, and the reasons justifying them being changed/maintained is expected to be kept as well.

24. IS IT POSSIBLE TO OUTSOURCE ALL OR PART OF THE DESIGN OR IMPLEMENTATION OF THE CREDIT QUALITY ASSESSMENT PROCEDURE?

The management company is responsible for the quality of the methodology of the credit quality assessment, **and notably for its validation, as well as the case by case validation of each credit quality assessment**. Any outsourcing system must, depending on whether the money market fund is an AIF or a UCITS, comply with the provisions of Articles 318-58 and following or 321-93 and following of the AMF General Regulation.

V- RISK MANAGEMENT

25. WHAT ARE THE OBLIGATIONS IN TERMS OF RISK MANAGEMENT?

In order to contain and assess the risks linked to a fund, the MMF Regulation request production and reporting of several measures, with thresholds to be respected.
Notably, money market funds must comply with the maximum limits for the measures of interest rate risk (WAM) and credit risk (WAL), while they must hold a certain amount of daily maturing assets and weekly maturing assets.
The Regulation also requires the set-up of a procedure for monitoring the liabilities and the risk of large redemptions that could affect the stability of the liquidity profile of the asset portfolio.
Lastly, a stress-testing system must be put in place.

Note: these specific risk monitoring requirements for money market funds apply in addition to the respective risk monitoring requirements that apply to each type of fund (UCITS or AIF), and do not replace them. For example, UCITS and general professional funds are subject to overall risk requirements in accordance with, respectively, Articles R. 214-30[59] and R. 214-193 of the French Monetary and Financial Code.

26. WHAT IS THE DAILY MONITORING PROCEDURE FOR THE RISK CARRIED BY THE ASSETS OF A MONEY MARKET FUND?

In addition to the WAL and WAM limits to be complied with in line with the CESR 2010-049 guidelines, the MMF Regulation introduces the requirement to maintain a buffer consisting of liquid assets that mature daily or weekly. The funds thus must meet the following minimum requirements[60]:

Requirements	Short term			Standard
Type	Short-term CNAV MMF	Short-term LVNAV MMF	Short-term VNAV MMF	Standard VNAV MMF
WAM	≤ 60 days			≤ 6 months

[59] Article R. 214-30 of the French Monetary and Financial Code derives from the transposition of Article 51(3) of Directive 2009/65/EC (the UCITS Directive), as the MMF Regulation does not cite this article among those that do not apply to money market funds.
[60] See Articles 24 and 25 of Regulation (EU) 2017/1131.

WAL	≤ 120 days*	≤ 12 months*
daily maturing assets (1)	≥ 10% of assets	≥ 7.5% of assets
weekly maturing assets (2)	≥ 30% of assets (3)	≥ 15% of assets (4)

* Two special arrangements are provided to take account of options held by the fund and the amortisation profiles of securitisations and ABCPs. Thus:

- for the calculation of the maturity of an asset, the date of a put option may be used instead of the residual maturity until the legal redemption date under certain conditions (no restrictions or economic disincentive, high probability it will be exercised);
- For securitisations or ABCPs: the maturity calculation may be based on the contractual amortisation profile of the instruments or the amortisation profile of the underlying assets.

(1) 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.

(2) 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.

(3) In addition to the assets mentioned in (2), public debt instruments (assets referred to in Article 17(7) of the MMF Regulation) may also be included within these weekly maturing assets up to a limit of 17.5%, provided they have a residual maturity of 190 days and can be redeemed and settled within one working day.

(4) In addition to the assets mentioned in (2), money market instruments or units or shares of other MMFs may also be included up to a limit of 7.5% of assets, provided they are able to be redeemed and settled within five working days.

27. WHAT ARE THE REQUIREMENTS IN TERMS OF INFORMATION ON THE LIABILITIES OF A FUND?

In order to be able to anticipate, as far as possible, the dependence of a fund on a limited number of investors, or the factors triggering redemptions that could endanger the stability of the average liquidity of the portfolio, or put the fund's ability to honour the redemption requests at risk, Article 27 of Regulation (EU) 2017/1131 requires that the fund establish procedures and exercise all due diligence "*with a view to anticipating the effect of concurrent redemptions by several investors*". These procedures must take into account at least the type of investor and the number of units or shares in the fund owned by a single investor.

Reinforced procedures are put in place where a single investor has a significant holding[61]. In this case, it is required that identifiable patterns in investor cash needs, including the cyclical evolution of the number of shares

[61] See Article 27(2) of Regulation (EU) 2017/1131.

or units in the MMF, the risk aversion of the different investors; and the degree of correlation or close links between different investors in the MMF be taken into account.

A section of the MMF's reporting (see 33) is dedicated to information on the liabilities of the fund[62]. Some parts are taken from the reporting section of the AIFMD, such as the breakdown by investor category, retail or professional, or by geographical location. Bearing in mind the operational difficulties that still exist in obtaining this information, the degree of estimation of this data and methodological details will be detailed at a later date in the ESMA guidelines.

28. WHAT ARE THE REQUIREMENTS REGARDING THE STRESS TESTING FRAMEWORK?

Article 28 of Regulation (EU) 2017/1131 requires that management companies put in place stress testing processes for each MMF. The objective of the stress testing procedures is to be able to identify possible events or future changes in economic conditions which could have unfavourable effects on the MMF. Consequently, the fund **must use scenarios that are adapted to its portfolio** and specific investment policy.

Moreover, ESMA has issued guidelines that the AMF follows (see AMF Position 2018-05). These guidelines aim to establish common reference parameters for the stress test scenarios to be included in the stress tests, the results of which will be sent to the competent authorities via the reporting provided for in Article 37 of Regulation (EU) 2017/1131[63]. These results will enable **comprehensive studies** of the resilience of MMFs to be carried out in the future at the national and European levels. At end-2018, the common reference parameters are still being established (the consultation closed on 1 December 2018).

Note: As the scenarios created on the basis of the reference parameters published by ESMA are common to all funds, they will not necessarily be suited to the portfolios of each MMF. Management companies thus must, in accordance with Article 28 of Regulation (EU) 2017/1131, develop their own stress test scenarios, with suitable frequency and monitoring.

Where the stress test reveals any vulnerability of the MMF (whether specific to the fund or derived from the common reference parameters), the management company shall transmit an extensive report with the results of the stress testing and a proposed action plan. This transmission will be done via the reporting procedures described in Article 37 of Regulation (EU) 2017/1131 (field (A.5.10) of Delegated Regulation 2018/708). Pending the effective transmission of this reporting (first quarter of 2020, see 33), management companies are asked to send the extensive report and action plan to their usual AMF contact **within one month** following their approval by the Board of Directors.

Note: the extensive report and action plan are submitted to the AMF for review and not for authorisation. The management company shall implement its action plan in the manner deemed most appropriate and in the best interest of the holders.

[62] Appendix of the Delegated Regulation 2018/708, section (7) Information on the liabilities of the MMF.
[63] Fields (A.5.1 to A.5.9) of Delegated Regulation 2018/708

VI- VALUATION RULES

29. WHAT ARE THE REQUIREMENTS WITH REGARD TO THE VALUATION OF MONEY MARKET FUNDS?

The valuation rules for money market funds are detailed in Chapter IV of Regulation (EU) 2017/1131 (Articles 29 to 33).

Notwithstanding any fees or charges provided for in the fund's prospectus, valuation methods according to the different types of funds are the following[64]:

Type of fund	Calculation of the NAV per unit	Calculation of the CNAV per unit	Subscription and redemption terms
VNAV MMF	Mark to market when possible, otherwise mark-to-model	N/A	Net asset value per unit
LVNAV MMF		Amortised cost under certain conditions (1). Otherwise, mark to market where possible, if not mark-to-model.	If the difference (between the NAV per unit and the CNAV per unit) is below 20bp of the NAV per unit: constant NAV per unit. Otherwise, net asset value per unit.
CNAV MMF		Amortised cost	Net asset value per unit

(1) Strict conditions are laid out[65] for the use of the amortised cost method in the case of LVNAV MMFs:
- the amortised cost method may only be used for assets that have a residual maturity of up to 75 days;
- and the price of an asset calculated using the amortised cost method must not deviate by more than 10 basis points from the price calculated mark-to-market or mark-to-model.

The **amortised cost method shall not be used** for the calculation of the net asset value per unit or share.
The net asset value of the fund must be published **at least daily**, in addition to, for CNAV and LVNAV MMFs, the constant net asset value and the difference between the two[66].

Notes:
- Assets must be valued on at least a daily basis, in accordance with Article 29(1) of the MMF Regulation. With respect to this, it is specified that the definition given in Article 2(8) of the MMF Regulation of a mark-to-market valuation[67] means the valuation of positions at close out prices and not the price at the end of the day.
- Moreover, in accordance with Article 29(3): "*When using mark-to-market: 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;*".
- The valuation of the constant net asset value per unit of public debt CNAV and LVNAV MMFs may also be done using mark-to-market (or mark-to-model if necessary). In any case: "*Investors in an MMF shall*

[64] See Article 33 of Regulation (EU) 2017/1131
[65] See Article 29(7) of Regulation (EU) 2017/1131.
[66] See Articles 30(3), 31(4) and 32(4) of Regulation (EU) 2017/1131.
[67] Article 2 of Regulation (EU) 2017/1131. : "*(8) the valuation of positions at readily available close out prices that are sourced independently, including exchange prices, screen prices, or from several independent reputable brokers;*"

be clearly informed of the method or methods used by the MMF to value the assets of the MMF and calculate the NAV." » (see Article 36(5) of the MMF Regulation and question 32).

30. HOW IS ROUNDING DONE WHEN CALCULATING THE NAV OR CNAV OF A FUND?[68]

The net asset value per unit or share is in principle **rounded to the nearest basis point**, or its equivalent if expressed in monetary units (for example, for a unit issued at €100, to: 0.01%*100 = the nearest €0.01). However, the recital (47) of the MMF Regulation stipulates that: "*the published NAV should be rounded at a maximum to the nearest basis point or its equivalent.*" As a result, management companies must put in place rules for rounding and truncating the net asset value per unit or share **that will enable them to obtain a value that is at least as precise as required by the Regulation**, in the best interest of the holders.

Thus, in the case of a truncation, depending on the amount of the net asset value, the following minimum number of figures after the decimal point is required:

Net asset value (€)	Minimum number of figures after the decimal point to consider
1	5
10	4
100	3
1000	2

For example, for a net asset value of €100, truncating the second figure after the decimal point, which potentially generates a difference between the "gross" value and the published value of less than but close to one basis point, does not provide the degree of precision required by the MMF Regulation, which is a maximum difference of half of a basis point[69]. A minimum number of three figures after the decimal point is thus necessary.

The constant net asset value (CNAV) per unit is **rounded to the closest percentage point**, or its equivalent if it is expressed in monetary units (for example, for a unit issued at €1, to: 1%*1 = the nearest €0.01). The rules for truncating or rounding apply in the same way as for the net asset value per unit: the degree of precision shall be at least equivalent to that obtained via the method provided for in the MMF Regulation.

VII- REDEMPTION RULES

31. WHAT ARE THE SPECIFIC REDEMPTION RULES FOR CNAV AND LVNAV MMFS?

For funds with a constant net asset value per unit (CNAV and LVNAV MMFs), there is the risk that the value of the underlying assets will deviate from the published constant value, notably in the event of a liquidity crisis or abrupt drop in the value of the assets. This situation would lead to the value of these funds being discounted. In order to regulate this situation and guarantee equal treatment of investors, the MMF Regulation requires the managers of CNAV and LVNAV funds to apply "prudent and rigorous" liquidity management procedures that must be **clearly described** in the fund's documents (prospectus, rules or instruments of incorporation).

[68] See recital (47) and Articles 30(2), 31(2) and 32(2) of Regulation (EU) 2017/1131.

[69] E.g.: if the "gross" value per unit is €100.009, a truncation to two decimals would lead to a net asset value per unit of €100, which would generate a 0.9 basis point difference vs. the "gross" value. Application of the rounding formula provided for by the MMF Regulation would result in a value of €100.01, which is closer to the "gross" value (difference of 0.1 basis point).

Thus, a two-level procedure described in Article 34 of the Regulation requires measures to be taken to ensure equal treatment of investors in the event of difficulties.
In all cases, including when no action has been taken, the management company's board will[70] **promptly provide details of its decision to the AMF** (formalised decision and support documentation).

Notes:

- for LVNAV MMFs, where, at the calculation of the NAV and CNAV at a time T_i, the maximum difference allowed between the NAV and the CNAV (0.2%) is exceeded, the units or shares are issued and redeemed up until the next valuation at the net asset value per unit or share at T_i [71]. At the following valuation (T_{i+1}), if the difference has returned to below 0.2%, the fund issues and redeems orders at the CNAV at T_{i+1}. If not, it continues to issue and redeem at the NAV[72];
- for LVNAV MMFs, when the net asset value is lower than the constant net asset value, we note that large redemptions of units at the constant net asset value would lead to a structural decrease in the net asset value, to the point that they could accentuate the difference to above the maximum allowed (0.2%). The management companies of LVNAV MMFs should thus put in place procedures to monitor this risk, notably by determining the quantity of redemptions that would lead to the threshold being exceeded[73];
- for LVNAV and CNAV funds for which redemptions have been suspended by more than 15 days over a period of 90 days, and that "automatically" cease to be an LVNAV or CNAV fund, in accordance with the provisions of Article 34(2) of Regulation (EU) 2017/1131, it is specified that, in accordance with Article 3 of Regulation (EU) 2017/1131, these funds will become VNAV funds and can't become an LVNAV or CNAV fund again (unless a new request for authorisation is made, see 9).

VIII- TRANSPARENCY REQUIREMENTS

32. WHAT INFORMATION IS REQUIRED TO BE SENT OR MADE AVAILABLE TO INVESTORS?

In addition to the elements linked to the form of the money market fund and detailed in the French Monetary and Financial Code, the AMF General Regulation, the product instructions relating to each fund and those derived from other applicable cross legislation (PRIIPS regulation, etc.), the different elements of information specifically mentioned in the MMF Regulation that must be sent or made available to investors are listed below:

Information	Document	Source[74]
- **Requirements related to the type of fund**		

[70] Article 34 of the Regulation states only that it is the fund's "board" that is in charge of the assessment of the situation and taking the decision. For funds that do not have a board of directors (such as FCPs), the procedures apply strictly in an equivalent manner to the governing body of the fund's management company.
[71] Notwithstanding the fees or charges specified in the prospectus and any specific emergency procedures triggered in the framework of the provisions of Article 34 of Regulation (EU) 2017/1131.
[72] See Article 33(2) of Regulation (EU) 2017/1131, second paragraph.
[73] For example, in the case of a difference of 18 basis points, redemptions totalling 10% of net assets would result in the threshold being exceeded.
[74] Article of the MMF Regulation.

A money market fund must indicate clearly the type of money market fund it is (VNAV, CNAV or LVNAV), and whether it is a short-term or standard money market fund.	All documents[75]	36(1)
- **Requirements related to the marketing of the fund**		
Any document of an MMF used for marketing purposes must clearly include all of the following statements:	Documents used for marketing purposes	36(3)
(a) that the MMF is not a guaranteed investment;		
(b) 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;		
(c) that the MMF does not rely on external support for guaranteeing the liquidity of the MMF or stabilising the NAV per unit or share;		
(d) that the risk of loss of the principal is to be borne by the investor.		
- **Provisions on investment policies**		
Use of the derogation by which the fund may invest in money market public debt (Article 17(7) of the MMF Regulation)		17(7)
(article 17(7)(c)) 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;.	Fund rules or instruments of incorporation	
(Article 17(7)(d)) 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 of point 7 of Article 17 of the Regulation that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets.	Prospectus and marketing communications	
In accordance with Article 13 of the SFTR (Regulation 2015/2365), the assets received as part of a reverse repurchase agreement in accordance with the first subparagraph of this paragraph must be disclosed to investors.	Annual and half-yearly reports (Section A of the Annex of the SFT Regulation) and pre-contractual information (Section B of the Annex of the SFTR)	15(6)
- **Credit quality of the instruments selected**		
The internal credit quality assessment procedure must be described in detail in the fund rules or instruments of incorporation of the MMF.	Fund rules or instruments of incorporation	21(3)
- **Valuation**		
Investors in an MMF must be clearly informed of the method or methods used by the MMF to value the assets of the MMF and calculate the NAV.	Clear information to investors	36(5)

[75] Any external document, report, statement, advertisement, letter or any other written evidence issued by the MMF or by the manager of the MMF, addressed to or intended for distribution to prospective investors, unit-holders, or shareholders.

- **Fees**		
Where an MMF invests 10% or more of its assets in units or shares of other MMFs: (i) the prospectus of that MMF must 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 (ii) the annual report must indicate the maximum proportion of management fees charged to the MMF itself and to the other MMFs in which it invests.	Prospectus, annual report	16(4)(c)
- **External credit ratings**		
The MMF or the manager of the MMF must 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.	Pre-contractual information	26
- **Specific requirements for CNAV/LVNAV MMFs**		
Potential investors must, 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.	Pre-contractual information	33
For public debt CNAV MMFs and LVNAV MMFs, the liquidity management procedures must be clearly described in the fund rules or instruments of incorporation, as well as in the prospectus.	Fund rules or instruments of incorporation Prospectus	34
Public debt CNAV MMFs and LVNAV MMFs must explain clearly to investors and potential investors any use of the amortised cost method or of rounding or both.	Clear information to investors and potential investors	36
When, within a period of 90 days, the total duration of the suspensions exceeds 15 days, the fund in question will automatically cease to be a CNAV MMF or a LVNAV MMF. The CNAV MMF or the LVNAV MMF must immediately inform each investor thereof in writing in a clear and comprehensible way.	Individual notification	34(2)
- **Other transparency requirements**		
The manager of an MMF shall, **at least weekly**, make all of the following information available to the MMF's investors:	Notification by any means	36(2)
(a) the maturity breakdown of the portfolio of the MMF;		
(b) the credit profile of the MMF;		
(c) the WAM and WAL of the MMF;		
(d) 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;		
(e) the total value of the assets of the MMF;		
(f) the net yield of the MMF.		

33. WHAT ARE THE REGULAR OR SPECIFIC REPORTING REQUIREMENTS WITH RESPECT TO INFORMATION PROVIDED TO REGULATORS?

In accordance with Article 37 of Regulation (EU) 2017/1131, the MMF must report information to the competent authority of the MMF on a quarterly basis, and at the request of the competent authority of the manager of the

MMF. By way of derogation, for an MMF whose assets under management do not exceed EUR100m, this reporting may be done on an annual basis.
The reporting template is available in the Annex of the Delegated Regulation 2018/708, and is applicable as from 21 July 2018. It will soon be completed by the **publication of guidelines by ESMA**, which will specify the IT format and the definition of certain fields as well as the degree of detail required for the data. ESMA has launched a consultation on these guidelines that will end 14 February 2019. Submission of the first reporting is set for April 2020 for the period covering the **first quarter of 2020.** Moreover, there will be no retroactive application of the reporting requirements.

The table below summarises the information that the MMF is required to report to the AMF or make available on request:

Information	Competent authority	Source[76]
- **Periodic reporting**	- to the competent authority of the MMF - *upon request to the competent authority of the manager of the MMF*	37
Quarterly basis (net assets > EUR100m) or annual basis (<EUR100m)		37(1)
Contains the report and proposed action plan in the event of vulnerability revealed by the stress tests.		28(5)
- **Credit quality assessment methodologies**		
The credit quality assessment methodologies are reviewed at least annually.	Competent authority of the manager of the MMF	19(4)(e)
All documentation related to the credit quality assessment methodologies	- *made available upon request to the competent authorities of the MMF* - *made available upon request to the competent authorities of the manager of the MMF*	21
- **Valuation**		
The NAV and CNAV are communicated to the competent authorities.	Competent authority of the MMF	29(5)
- **Specific measures for CNAV and LVNAV MMFs**		
In the event of emergency measures taken in the context of a breach of the liquidity requirements laid down in Article 34, the manager of the MMF must promptly provide details of its decision to the competent authority of that MMF.	Competent authority of the MMF	34(3)

Moreover, MMFs continue to be required to provide the elements listed notably in the product instructions relating to each fund.

34. WHERE CAN THE LIST OF FUNDS AUTHORISED AS MMFS BE FOUND?

ESMA is required to keep a central public register identifying each authorised MMF, its type, whether it is a short-term or standard MMF, its manager and competent authority[77]. Notification will be made when this register becomes available.

[76] Article of the MMF Regulation.
[77] See Article 4(7) of Regulation (EU) 2017/1131

In addition, the funds authorised in France are available on GECO.

IX- SIDE ASPECTS RELATED TO THE MMF REGULATION

35. IS IT NECESSARY TO ADAPT THE FUND'S DOCUMENTATION REFERRING TO "MONEY MARKET FUNDS" BEFORE THE ENTRY INTO APPLICATION OF THE MMF REGULATION?

Funds that refer in their documents to the possibility of investing in money market funds must ensure that, from the deadline for applications for authorisation of existing money market funds, which have up until 21 January 2019 to submit their application[78], the investments effectively correspond to investments in authorised MMFs. If this is not the case, the documentation must be modified or a reallocation of assets carried out.

36. WHAT IS THE ACCOUNTING IMPACT IN TERMS OF IFRS OF THE APPLICATION OF THE MMF REGULATION ON INVESTMENTS IN MONEY MARKET FUNDS?

Implementation of the MMF Regulation modifies and harmonises the rules of functioning of money market funds. As such, their accounting treatment under IFRS by the investors concerned must be specified. After analysis by the French accounting standards authority (ANC)[79] and the AMF, they considered that, given the requirements of accounting standard IAS 7[80], funds authorised under the MMF Regulation, whether short-term or standard, would benefit from a presumption of eligibility for classification as cash equivalents in investors' IFRS accounts, as long as the fund units are held by the company for the purpose of short-term cash commitments as opposed to investment for other purposes. The presumption of negligible risk of change in the value of these funds can be refuted based on the events and circumstances relating to market trends, notably in periods of tension.

37. HOW DO PRE-EXISTING REGULATIONS APPLY WITH RESPECT TO THE MMF REGULATION?

The MMF Regulation is directly applicable with full harmonisation[81]. As a result, **for the subjects it covers**, its provisions **replace** those applicable to UCITS and AIFs in the legislative and regulatory texts (Monetary and Financial Code, AMF General Regulation). The subjects covered notably relate to the eligible assets and their diversification, valuation methods and the specific provisions for redemptions for the CNAV and LVNAV MMFs.
Moreover, unless otherwise specified in the MMF Regulation, the provisions set down in the UCITS and AIFM Directives **continue to apply** as long as they do **not conflict** with the MMF Regulation[82].

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[78] As the AMF has a maximum of two months to grant the MMF authorisations (see Article 44(2) of Regulation (EU) 2017/1131), the period will be extended up to 21 March 2019 at the latest.
[79] See the Letter addressed by the ANC to the AMF relative to the review of the presumption by which funds authorised under the EU MMF Regulation meet the criteria of "cash equivalents" on 13 November 2018.
[80] Regulation (EU) 1126/2008, International Accounting Standard 7, paragraph 6: "*Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value*."
[81] See Article 1(2) of Regulation (EU) 2017/1131: "*Member States shall not add any additional requirements in the field covered by this Regulation.*" .
[82] See Article 7(2) and (3) of Regulation (EU) 2017/1131. The only case where the MMF Regulation indicates that the provisions laid down in the UCITS and AIFM Directives do not apply is in relation to the eligible investment rules described in Articles 49 to 50(2), Article 51, paragraph 2, and Articles 52 to 57 of the UCITS Directive (see Article 8(2) of Regulation (EU) 2017/1131).

At this stage, **no modification** of the French Monetary and Financial Code is planned to take account of the specific provisions of the MMF Regulation (no "negative transposition"). As a result, when national legislation conflicts with the MMF Regulation, **the latter takes precedence** with respect to money market funds. Notably:

- UCITS that are authorised in accordance with the MMF Regulation are not subject to Articles R. 214-9 to R. 214-29 of the Monetary and Financial Code describing the investment rules for UCITS. They apply the rules defined in Chapter II of the MMF Regulation;
- Retail investment funds (FIVGs) that are authorised in accordance with the MMF Regulation are not subject to Articles R. 214-32-16 to R. 214-32-42 of the Monetary and Financial Code describing the investment rules for FIVGs. They apply the rules defined in Chapter II of the MMF Regulation;

Note: As seen in Question 13, Article 13(c) of the MMF Regulation, relating to authorised counterparties to OTC derivative transactions, refers back to national provisions[83]. Thus, the list of authorised counterparties specified in the French Monetary and Financial Code[84] for each type of fund **remains valid** for money market funds, including UCITS, for which the list of authorised counterparties results from a provision of the French Monetary and Financial Code transposing the provisions of the UCITS Directive, some of which have been "deactivated" by the MMF Regulation.

Moreover, the AMF General Regulation **will be amended** in order to repeal the provisions referring to the CESR 2010-049 guidelines (notably Articles 411-117-IV and 422-75 IV, respectively, for UCITS and retail investment funds (FIVGs), and amendment for the purpose of consistency of Article 424-1 relating to employee investment funds and of Article 423-16 relating to professional specialised investment funds (FPSs)).

[83] Article 13(c) of Regulation (EU) 2017/1131 : "*the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the competent authority of the MMF*".

[84] Thus, for UCITS, Article R. 214-15 2° of the French Monetary and Financial Code refers to R. 214-19 II paragraph 2 for the list of eligible counterparties, while for AIFs, the list of counterparties is provided through reference to Article R. 214-32-28 II paragraph 2. In practice, the two lists are identical.

X- APPENDICES

1. APPENDIX 1 – TIMETABLE FOR APPLICATION OF THE MMF REGULATION AND REGULATORY REFERENCES

1.1. TIMETABLE

1.2. REGULATORY TEXTS

- Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017.

- Delegated Regulation 2018/990 related to:
    - simple, transparent and standardised (STS) securitisations and asset-backed commercial paper (ABCPs);
    - the requirement applicable to assets received as part of reverse repurchase agreements and
    - credit quality assessment methodologies.

- Delegated Regulation 2018/708 defining the implementing technical standards with regard to the template to be used for the MMF reporting provided for in Article 37 of the MMF Regulation;

- ESMA guidelines concerning the MMF stress tests provided for in Article 28 of the Regulation.
    - AMF Position 2018-05 adopting the ESMA guidelines

- Regulation (EU) 2017/2402 (the "STS Regulation")

2. APPENDIX 2 - AUTHORISATION APPLICATION FORM – MMF UCITS - IN ACCORDANCE WITH REGULATION (EU) NO. 2017/1131

2.1. MMF AUTHORISATION APPLICATION FORM FOR UCITS

- Link to the MMF authorisation application form for UCITS

2.2. THE LETTER OF UNDERTAKING FROM THE MANAGEMENT COMPANY - AUTHORISATION OF A FRENCH-REGISTERED UCITS

- Link to the letter of undertaking from the management company - UCITS

3. APPENDIX 3 - AUTHORISATION APPLICATION FORM – MMF AIF - IN ACCORDANCE WITH REGULATION (EU) NO. 2017/1131

3.1. MMF AUTHORISATION APPLICATION FORM FOR AIFS

- Link to the MMF authorisation application form for AIFs

3.2. THE LETTER OF UNDERTAKING FROM THE MANAGEMENT COMPANY - AUTHORISATION OF A FRENCH-REGISTERED AIF

- Link to the letter of undertaking from the management company - AIF