

Regulation (EU) 2017/1131 of the European Parliament and of the Council
of 14 June 2017 on money market funds (Text with EEA relevance)

CHAPTER I

General provisions

Article 1

Subject matter and scope

1 This Regulation lays down rules for money market funds (MMFs) established, managed or marketed in the [^{F1}United Kingdom], 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:

- [^{F2}a require authorisation as UCITS or are authorised as UCITS under section 243 or 261D of FSMA M1 or regulation 14 of the OEIC Regulations M2; or are AIFs;]
- b invest in short-term assets; and
- c have distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment.

^{F3}2

Textual Amendments

- F1** Words in Art. 1(1) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **4(a)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F2** Art. 1(1)(a) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **4(a)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F3** Art. 1(2) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **4(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Article 2

Definitions

For the purposes of this Regulation, the following definitions apply:

- (1) ‘short-term assets’ means financial assets with a residual maturity not exceeding 2 years;
- (2) [^{F4}‘money market instruments’ means instruments normally dealt in on the money market which—
 - (a) are liquid;

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- (b) have a value which can be accurately determined at any time; and
 - (c) satisfy the conditions set out in Article 2a(1);]
- (3) [^{F5}‘transferable securities’ means instruments in the following categories which satisfy the conditions set out in Article 2a(4)—
 - (a) shares in companies and other securities equivalent to shares in companies;
 - (b) bonds and other forms of securitised debt; or
 - (c) any other negotiable securities which carry the right to acquire securities referred to in subparagraph (a) or (b) by subscription or exchange;]
- (4) ‘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;
- (5) ‘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;
- (6) ‘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;
- (7) ‘securitisation’ means securitisation as defined in Article 4(1)(61) of Regulation (EU) No 575/2013;
- (8) ‘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;
- (9) ‘mark-to-model’ means any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input;
- (10) ‘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;
- (11) ‘public debt constant net asset value MMF’ or ‘public debt CNAV MMF’ means an MMF:
 - (a) that seeks to maintain an unchanging net asset value (NAV) per unit or share;
 - (b) 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;
 - (c) 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

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- (d) 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;
- (12) ‘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);
- (13) ‘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);
- (14) ‘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;
- (15) ‘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;
- (16) ‘credit institution’ means credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013;
- (17) ‘competent authority of the MMF’ means:
- (a) for [F6EEA UCITS], the competent authority of the [F6EEA UCITS] home Member State designated in accordance with Article 97 of Directive 2009/65/EC;
- (b) for [F7EEA AIF]s, the competent authority of the home Member State of the AIF as defined in Article 4(1)(p) of Directive 2011/61/EU;
- (c) for [F8non-EEA AIF]s, any of the following:
- (i) the competent authority of the Member State where the [F8non-EEA AIF] is marketed in the Union without a passport;
- (ii) the competent authority of the EU AIFM managing the [F8non-EEA AIF], where the non-EU AIF is marketed in the Union with a passport or is not marketed in the Union;
- (iii) the competent authority of the Member State of reference if the [F8non-EEA AIF] is not managed by an EU AIFM and is marketed in the Union with a passport;
- (18) ‘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;
- (19) ‘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;
- (20) ‘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;
- (21) ‘residual maturity’ means the length of time remaining until the legal maturity of a security;
- (22) ‘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

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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:

- (a) 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
 - (b) 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;
- (23) [^{F9}‘manager of an MMF’ means—
- (a) in the case of an MMF that is a UK UCITS—
 - (i) if the UCITS is an investment company that has not designated a management company, the investment company; or
 - (ii) in all other cases, the management company (as defined in section 237(2) of FSMA, as amended from time to time) for that UCITS;
 - (b) in the case of an MMF that is an EEA UCITS treated as a recognised scheme under regulation 60 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019—
 - (i) if the EEA UCITS has not designated an operator (as defined in section 237(2) of FSMA), the UCITS;
 - (ii) in all other cases, the operator of the EEA UCITS;
 - (c) in the case of an MMF that is an AIF, an AIFM or an internally managed AIF;]

(24) [^{F10}‘AIF’ has the meaning given in regulation 3 of the AIFM Regulations, as amended from time to time;

(25) ‘AIFM’, in relation to an AIF, has the meaning given in regulation 4(1) of the AIFM Regulations, as amended from time to time;

(26) ‘UK AIF’ and ‘EEA AIF’ have the meanings given in regulation 2(1) of the AIFM Regulations, as amended from time to time;

(27) ‘UCITS’ has the meaning given in section 236A of FSMA, as amended from time to time;

(28) ‘UK UCITS’ has the meaning given in section 237(3) of FSMA, as amended from time to time;

(29) ‘EEA UCITS’ means a UCITS which is authorised pursuant to Article 5 of Directive 2009/65/EC in an EEA State;

(30) ‘EU MMF’ means an AIF or UCITS which was authorised as an MMF under the EU MMF Regulation (as it had effect immediately before IP completion day) by the competent authority of a Member State other than the United Kingdom, and that authorisation has not been withdrawn or cancelled;

(31) ‘temporary marketing permission’ means—

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- (a) for an EEA AIF, permission to market in the United Kingdom under regulation 78A(1) of the AIFM Regulations;
 - (b) for an EEA UCITS, permission to market in the United Kingdom by virtue of Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 (temporary authorisation in connection with temporary recognition);
- (32) ‘Regulation (EU) 600/2014’ means Regulation (EU) 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012;
 - (33) ‘EU MMF Regulation’ means Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds as it has effect in EU law;
 - (34) ‘Directive 2011/61/EU’ means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010;
 - (35) ‘Directive 2009/65/EC’ means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (“UCITS”);
 - (36) ‘FSMA’ means the Financial Services and Markets Act 2000;
 - (37) ‘AIFM Regulations’ means the Alternative Investment Fund Managers Regulations 2013;
 - (38) ‘OEIC Regulations’ means the Open-Ended Investment Companies Regulations 2001;
 - (39) ‘FCA’ means the Financial Conduct Authority;
 - (40) ‘PRA’ means the Prudential Regulation Authority.

Any reference in this Regulation to a sourcebook is a reference to a sourcebook in the Handbook of Rules and Guidance published by the FCA under the FSMA as in force on IP completion day.]

[^{F11}Any reference to the PRA Rulebook is to the rulebook published by the PRA containing rules made by that Authority under FSMA as that rulebook has effect on 1 January 2022.]

Textual Amendments

- F4** Art. 2(2) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(a)** (with savings in [S.I. 2019/680](#), reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Art. 2(3) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(b)** (with savings in [S.I. 2019/680](#), reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F6** Word in Art. 2(17)(a) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(c)(i)** (with savings in [S.I. 2019/680](#), reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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- F7** Words in Art. 2(17)(b) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(c)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F8** Words in Art. 2(17)(c) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(c)(iii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F9** Art. 2(23) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(d)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F10** Art. 2(24)-(40) and words inserted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(1)(e)** (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 25(a)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F11** Words in Art. 2 inserted (1.1.2022) by [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), **29(2)**

f^{F12} Article 2a

Conditions for money market instruments and transferable securities

1. An instrument satisfies the conditions in this paragraph if it—
 - a is a financial instrument within paragraph 2, and
 - b satisfies one of the criteria in paragraph 3.
2. A financial instrument comes within this paragraph if it is—
 - a admitted to trading or dealt in on—
 - i a UK regulated market (within the meaning of Article 2(1)(13A) of Regulation (EU) 600/2014);
 - ii an EU regulated market (within the meaning of Article 2(1)(13B) of Regulation (EU) 600/2014 which operates regularly and is recognised and open to the public; or
 - b admitted to official listing on a stock exchange in a country other than the United Kingdom or a Member State;
 - c dealt in on a regulated market (within the meaning of Article 2(1)(13) of Regulation (EU) 600/2014) in a country other than the United Kingdom or a Member State which operates regularly and is recognised and open to the public provided that the choice of stock exchange or market has been approved by the FCA or is provided for in law or the fund rules or the instruments of incorporation of the investment company; or
 - d not admitted to trading.
3. An instrument satisfies one of the criteria in this paragraph if—
 - a it has a maturity at issuance of up to and including 397 days;
 - b it has a residual maturity of up to and including 397 days;
 - c it undergoes regular yield adjustments in line with money market conditions at least every 397 days; or
 - d its risk profile, including credit and interest rate risks, corresponds to that of financial instruments which have a maturity referred to in point (a) or (b), or are subject to a yield adjustment referred to in point (c).
4. Instruments satisfy the conditions in this paragraph if—

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- a the potential loss which a UCITS may incur with respect to holding those instruments is limited to the amount paid for them;
 - b their liquidity does not compromise the ability of a UCITS to comply with rule 6.2.16(3) of the Collective Investment Schemes sourcebook;
 - c reliable valuation is available for them—
 - i in the case of securities admitted to or dealt in on a regulated market as referred to in paragraph 2(a) or recently issued securities which satisfy the conditions in paragraph 5, in the form of accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
 - ii in the case of other securities as referred to in paragraph 6 in the form of regular and accurate information to the UCITS on the security or, where relevant, on the portfolio of the security;
 - d appropriate information is available for them as follows—
 - i in the case of securities admitted to or dealt in on a regulated market as referred to in paragraph 2(a) or recently issued securities which satisfy the conditions in paragraph 5, in the form of regular, accurate and comprehensive information to the market on the security or, where relevant, on the portfolio of the security;
 - ii in the case of other securities as referred to in paragraph 6, in the form of regular and accurate information to the UCITS on the security or, where relevant, on the portfolio of the security;
 - e they are negotiable;
 - f their acquisition is consistent with the investment objectives or the investment policy, or both, of the UCITS pursuant to the law of the United Kingdom which was relied on by the United Kingdom immediately before IP completion day to implement Directive 2009/65/EC;
 - g their risks are adequately captured by the risk management process of the UCITS.
5. A recently issued security satisfies the conditions in this paragraph if—
- a the terms of issue include an undertaking that an application will be made for admission to official listing on a stock exchange or to another regulated market (within the meaning of Article 2(1)(13) of Regulation (EU) 600/2014) which operates regularly and is recognised and open to the public, provided that the choice of stock exchange or market has been approved by the FCA or is provided for in law or the fund rules or the instruments of incorporation of the investment company; and
 - b the admission referred to in point (a) is secured within a year of issue.
6. The securities referred to in this paragraph are—
- a transferable securities or money market instruments which are not admitted to or dealt in on a regulated market as referred to in paragraph 2(a) or recently issued securities which satisfy the conditions in paragraph 5;
 - b precious metals or certificates representing them;
 - c ancillary liquid assets.]

Textual Amendments

F12 Art. 2a inserted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **5(2)** (as amended by [S.I. 2020/1301](#), regs. 1, 3, **Sch. para. 25(a)(ii)**) (with savings in [S.I. 2019/680](#), **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**

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Article 3

Types of MMFs

- 1 MMFs shall be set up as one of the following types:
 - a a VNAV MMF;
 - b a public debt CNAV MMF;
 - c a LVNAV MMF.
- 2 The authorisation of an MMF shall explicitly state the type of MMF, from those set out in paragraph 1.

Article 4

Authorisation of MMFs

- 1 No collective investment undertaking shall be established, marketed or managed [^{F13}in the United Kingdom as an MMF unless—
 - a it has been authorised by the FCA in accordance with this Regulation;
 - [^{F14}aa it is authorised and supervised in a country or territory approved by regulations under Article 4A and satisfies the condition in paragraph 1ZA;]
 - b it is an EU MMF with temporary marketing permission; or
 - c it is an EU MMF which satisfies the condition in paragraph 1A and—
 - i which is a recognised scheme under section 272 of FSMA; or
 - ii in relation to which the FCA has received written notification under regulation 57 (subject to paragraph 1C), 58 or 59 of the AIFM Regulations.]

^{F15}
...

[^{F16}1ZA. An undertaking satisfies the condition in this paragraph if the FCA has received written notification that the undertaking intends to be marketed in the United Kingdom as an MMF.

- 1ZB. A notification under paragraph 1ZA must—
- a be made by such person, and in such form and manner, as the FCA may direct, and
 - b contain or be accompanied by such information as the FCA may direct.

1ZC. Different directions may be given under paragraph 1ZB in relation to different undertakings or categories of undertaking.]

[^{F17}1A. An EU MMF satisfies the condition in this paragraph if, immediately before the relevant date, it was—

- a a recognised scheme under Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019; or
 - b marketed in the United Kingdom under Part 9A of the Alternative Investment Fund Managers Regulations 2013.
- 1B. For the purposes of paragraph 1A, the “relevant date” is the date on which—
- a the EU MMF was declared to be a recognised scheme under section 272 of FSMA, or
 - b the FCA received the written notification referred to in paragraph 1(c)(ii).

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1C. If an EU MMF was marketed in the United Kingdom by an EEA AIFM before IP completion day under regulation 57 of the AIFM Regulations, the AIFM must give notice to the FCA for the purposes of paragraph 1(c) under regulation 58 or 59 of those Regulations.]

[^{F18}2 The following requirements apply to unit trust schemes (within the meaning of section 237(1) of FSMA)—

- a a unit trust scheme that applies for authorisation under section 243 of FSMA and under this Regulation for the first time must be authorised as a money market fund under section 243A of FSMA;
- b a unit trust scheme that has already been authorised under section 243 of FSMA may apply to be authorised as a money market fund under section 243A of FSMA and in accordance with the procedure set out in paragraph 5 of this Article.

2A. The following rules apply to contractual schemes (within the meaning of section 235A(1) of FSMA)—

- a a contractual scheme that applies for authorisation under section 261D of FSMA and under this Regulation for the first time must be authorised as a money market fund under section 261EA of FSMA;
- b a contractual scheme that has already been authorised under section 261D of FSMA may apply to be authorised as a money market fund under section 261EA of FSMA and in accordance with the procedure set out in paragraph 5 of this Article.

2B. The following rules apply to open-ended investment companies (within the meaning of section 236(1) of FSMA)—

- a an open-ended investment company that applies for authorisation under regulation 14 of the OEIC Regulations and under this Regulation for the first time must be authorised as a money market fund under regulation 14(1A) of the OEIC Regulations;
- b an open-ended investment company that has already been authorised under regulation 14 of the OEIC Regulations may apply to be authorised as a money market fund under regulation 14(1A) of the OEIC Regulations and in accordance with the procedure set out in paragraph 5 of this Article.]

3 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.

4 No collective investment undertaking shall be authorised as an MMF unless the [^{F19}FCA] is satisfied that the MMF will be able to meet all the requirements of this Regulation.

5 For the purposes of authorisation as an MMF, a collective investment undertaking shall submit to [^{F20}the FCA] all of the following documents:

- a 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);
- b identification of the manager of the MMF;
- c identification of the depositary;
- d a description of, or any information on, the MMF available to investors;
- e a description of, or any information on, the arrangements and procedures needed to comply with the requirements referred to in Chapters II to VII;
- f any other information or document requested by the [^{F21}FCA] of the MMF to verify compliance with the requirements of this Regulation.

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7 [F²³the FCA] 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.

Textual Amendments

- F13** Words in Art. 4(1) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(a)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F14** Art. 4(1)(aa) inserted (23.2.2022) by [Financial Services Act 2021 \(c. 22\)](#), **ss. 26(2)(a)**, 49(5); S.I. 2022/163, reg. 2(c)
- F15** Words in Art. 4(1) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(a)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F16** Art. 4(1ZA)-(1ZC) inserted (23.2.2022) by [Financial Services Act 2021 \(c. 22\)](#), **ss. 26(2)(b)**, 49(5); S.I. 2022/163, reg. 2(c)
- F17** Art. 4(1A)-(1C) inserted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(a)(iii)** (as amended by S.I. 2019/1390, regs. 1(4), **10(2)** and S.I. 2020/1301, regs. 1, 3, **Sch. para. 25(b)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F18** Art. 4(2)-(2B) substituted for Art. 4(2) (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F19** Words in Art. 4(4) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(c)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F20** Words in Art. 4(5) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(d)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F21** Word in Art. 4(5)(f) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(d)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F22** Art. 4(6) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(e)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F23** Words in Art. 4(7) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **6(f)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

[F²⁴ Article 4A

Approval of country or territory

1. The Treasury may make regulations for the purposes of Article 4(1)(aa) approving a country or territory in relation to MMFs.
2. The Treasury may not make regulations under paragraph 1 unless satisfied that the law and practice of the country or territory imposes requirements on MMFs which have equivalent effect to the requirements imposed by this Regulation.

Changes to legislation: Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

3. In making regulations under this Article, the Treasury may have regard to any matter that they consider relevant.

4. When considering whether to make, vary or revoke regulations under this Article, the Treasury may ask the FCA to prepare a report on the law and practice of the country or territory under which MMFs are authorised and supervised, or particular aspects of such law and practice.

5. A request for a report under paragraph 4 must be made in writing.

6. If the Treasury ask for a report under paragraph 4, the FCA must provide the Treasury with the report.]

Textual Amendments

F24 Art. 4A inserted (23.2.2022) by [Financial Services Act 2021 \(c. 22\)](#), ss. **26(3)**, 49(5); S.I. 2022/163, reg. 2(c)

Article 5

Procedure for authorising MMFs that are AIFs

1 An AIF shall be authorised as an MMF only if the [^{F25}FCA] approves the application submitted by an AIFM, that has already been [^{F26}given permission under Part 4A of FSMA] to manage an MMF that is an AIF, and also approves the fund rules and the choice of the depositary.

2 When submitting the application for managing an MMF that is an AIF, the authorised AIFM shall provide the [^{F27}FCA] with:

- a the written agreement with the depositary;
- b information on delegation arrangements regarding portfolio and risk management and administration with regard to the AIF;
- c information about the investment strategies, the risk profile and other characteristics of MMFs that are AIFs that the AIFM manages or intends to manage.

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3 Any subsequent modifications of the documentation referred to in paragraph 2 shall be immediately notified to the [^{F29}FCA] by the AIFM.

4 The [^{F30}FCA] shall refuse the application of the AIFM only in the event that any of the following applies:

- a the AIFM does not comply with this Regulation;
- b the AIFM does not comply with [^{F31}UK law on alternative investment fund managers];
- c the AIFM is not authorised by [^{F32}the FCA] to manage MMFs;
- d the AIFM has not provided the documentation referred to in paragraph 2.

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6 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.

7 The [^{F35}FCA] shall not grant authorisation of an AIF as an MMF if the AIF is legally prevented from marketing its units or shares in [^{F36}the United Kingdom].

Changes to legislation: Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

[^{F37}8. For the purposes of this Article, “UK law on alternative investment fund managers” means—

- a the law of the United Kingdom which was relied on by the United Kingdom immediately before IP completion day to implement Directive 2011/61/EU—
 - i in the case of rules made by the FCA under FSMA, as they have effect on IP completion day; and
 - ii as amended from time to time, in all other cases;
- b EU Regulations, made under Directive 2011/61/EU, which form part of retained direct EU legislation, as amended from time to time; and
- c subordinate legislation (within the meaning of the Interpretation Act 1978) made under the Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 on or after IP completion day, as amended from time to time.]

Textual Amendments

- F25** Word in Art. 5(1) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F26** Words in Art. 5(1) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F27** Word in Art. 5(2) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F28** Words in Art. 5(2) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(c)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F29** Word in Art. 5(3) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F30** Word in Art. 5(4) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F31** Words in Art. 5(4)(b) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(d)(i)(aa)** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F32** Words in Art. 5(4)(c) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(d)(i)(bb)** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F33** Words in Art. 5(4) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(d)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F34** Art. 5(5) omitted (31.12.2020) by virtue of [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(e)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F35** Word in Art. 5(7) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F36** Words in Art. 5(7) substituted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **7(f)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Changes to legislation: Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

F37 Art. 5(8) inserted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), 7(g) (as amended by S.I. 2020/1301, regs. 1, 3, Sch. para. 25(c)) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Article 6

Use of designation as MMF

1 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 ^{F38}where—

- a for a UK UCITS or a UK AIF, the UCITS or AIF has been authorised in accordance with this Regulation; or
- ^{F39}aa the UCITS or AIF is authorised and supervised in a country or territory approved by regulations under Article 4A and satisfies the condition in Article 4(1ZA); or
- b the UCITS or AIF is an EEA UCITS or EEA AIF which—
 - i is an EU MMF with temporary marketing permission; or
 - ii is a UK-recognised EU MMF;]

A UCITS or an AIF shall not use a misleading or inaccurate designation which would suggest it is an MMF, ^{F40}unless—

- a for a UK UCITS or a UK AIF, the UCITS or AIF has been authorised as an MMF in accordance with this Regulation; or
- b the UCITS or AIF is an EEA UCITS or EEA AIF which—
 - i is an EU MMF with temporary marketing permission; or
 - ii is a UK-recognised EU MMF;]

A UCITS or an AIF shall not have characteristics which are substantially similar to those referred to in Article 1(1), ^{F41}unless—

- a for a UK UCITS or a UK AIF, the UCITS or AIF has been authorised as an MMF in accordance with this Regulation; or
- b the UCITS or AIF is an EEA UCITS or EEA AIF which—
 - i is an EU MMF with temporary marketing permission; or
 - ii is a UK-recognised EU MMF;]

2 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 ^{F42}the FCA] in written, oral, electronic or any other form.

^{F43}3. —

- 1 For the purposes of this Article, “UK-recognised EU MMF” means an EU MMF which satisfies the condition in subparagraph (2) and—
 - a which is a recognised scheme under section 272 of FSMA; or
 - b in relation to which the FCA has received written notification under regulation 57 (subject to paragraph (4)), 58 or 59 of the AIFM Regulations.
- 2 An EU MMF satisfies the condition in this subparagraph if, immediately before the relevant date, it was—
 - a a recognised scheme under Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019; or

Changes to legislation: Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- b marketed in the United Kingdom under Part 9A of the AIFM Regulations.
- 3 For the purposes of subparagraph (2), the “relevant date” is the date on which—
- a the EU MMF was declared to be a recognised scheme under section 272 of FSMA, or
- b the FCA received the written notification referred to in subparagraph 1(b).
- 4 If an EU MMF was marketed in the United Kingdom by an EEA AIFM before IP completion day under regulation 57 of the AIFM Regulations, the AIFM must give notice to the FCA for the purposes of subparagraph 1(b) under regulation 58 or 59 of those Regulations.]

Textual Amendments

- F38** Words in Art. 6(1) substituted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), **8(a)(i)** (as amended by S.I. 2019/1390, regs. 1(4), **10(3)(a)(i)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F39** Art. 6(1)(aa) inserted (23.2.2022) by Financial Services Act 2021 (c. 22), **ss. 26(4)**, 49(5); S.I. 2022/163, reg. 2(c)
- F40** Words in Art. 6(1) substituted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), **8(a)(ii)** (as amended by S.I. 2019/1390, regs. 1(4), **10(3)(a)(ii)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F41** Words in Art. 6(1) substituted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), **8(a)(iii)** (as amended by S.I. 2019/1390, regs. 1(4), **10(3)(a)(iii)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F42** Words in Art. 6(2) substituted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), **8(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F43** Art. 6(3) inserted (31.12.2020) by The Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394), regs. 1(3), **8(c)** (as inserted by S.I. 2019/1390, regs. 1(4), **10(3)(b)**) (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 49(a)**)) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**

Article 7

Applicable rules

[^{F44}1 An MMF authorised under this Regulation and the manager of the MMF must comply at all times with this Regulation.

1A. An EU MMF marketed in the United Kingdom under a temporary marketing permission must comply at all times with the EU MMF Regulation.

2 Unless otherwise specified in this Regulation, an MMF which is a UK UCITS and the manager of the MMF must comply at all times with the requirements of UK law on undertakings for collective investment in transferable securities.

2A. Unless otherwise specified in this Regulation, an MMF which is an EEA UCITS and the manager of the MMF must comply at all times with—

- a the requirements of the EU MMF Regulation; and
- b the requirements of Directive 2009/65/EC and any EU Regulations made under it, as the Directive and Regulations have effect in EU law.

Changes to legislation: Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

3 Unless otherwise specified in this Regulation, an MMF which is a UK AIF and the manager of the MMF must comply at all times with the requirements of UK law on alternative investment fund managers (within the meaning of Article 5(8)).

3A. Unless otherwise specified in this Regulation, an MMF which is an EEA AIF and the manager of the MMF must comply at all times with—

- a the requirements of the EU MMF Regulation; and
- b the requirements of Directive 2011/61/EU, as it has effect in EU law.]

4 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.

5 This Regulation shall not prevent MMFs from applying investment limits that are stricter than those required by this Regulation.

[^{F45}6. For the purposes of paragraph 2, “UK law on undertakings for collective investment in transferable securities” means—

- a the law of the United Kingdom which was relied on by the United Kingdom immediately before IP completion day to implement Directive 2009/65/EC—
 - i in the case of rules made by the FCA or by the PRA under FSMA, as they have effect on IP completion day; and
 - ii as amended from time to time, in all other cases;
- b EU regulations, made under Directive 2009/65/EC, which form part of retained direct EU legislation, as amended from time to time; and
- c subordinate legislation (within the meaning of the Interpretation Act 1978) made under the Undertakings for Collective Investment in Transferable Securities Regulations 2011 M15 on or after IP completion day, as amended from time to time.]

Textual Amendments

- F44** Art. 7(1)-(3A) substituted for (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **9(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F45** Art. 7(6) inserted (31.12.2020) by [The Money Market Funds \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/394\)](#), regs. 1(3), **9(b)** (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 25(d)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**

Changes to legislation:

Regulation (EU) 2017/1131 of the European Parliament and of the Council, CHAPTER I is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- [Regulation revoked by 2023 c. 29 Sch. 1 Pt. 1](#)