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STATUTORY INSTRUMENTS

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**2019 No. 394**

**The Money Market Funds (Amendment)  
(EU Exit) Regulations 2019**

**PART 3**

Amendment of EU legislation

**CHAPTER 1**

Amendment of Regulation (EU) 2017/1131

**Investment policies: general rules and eligible assets**

**10.**—(1) In Article 8, in paragraph 2—

- (a) for “UCITS”, the first time it occurs, substitute “UK UCITS”;
- (b) before “obligations” insert “following”;
- (c) after “laid down in” insert “UK law implementing”;
- (d) after paragraph 2 insert—

“**3.** The reference in paragraph 2 to UK law is a reference to the law of the United Kingdom which was relied on by the United Kingdom immediately before exit day to implement the provisions of [Directive 2009/65/EC](#) referred to in paragraph 2—

- (a) in the case of rules made by the FCA or by the PRA under FSMA, as they have effect on exit day; and
- (b) as amended from time to time, in all other cases.”.

(2) In Article 9—

- (a) in paragraph 1—
  - (i) in point (a)—
    - (aa) before “Union” insert “European”;
    - (bb) before “the Member States” insert “the United Kingdom or”;
    - (cc) for “third country” substitute “country other than the United Kingdom or a Member State”;
    - (dd) before “one or more Member States” insert “the United Kingdom or”.
  - (ii) in point (g), after “MMFs” insert “or EU MMFs”;
- (b) in paragraph 3, omit the words after “assets”.

(3) In Article 10—

- (a) in paragraph 1(a), for the words from “point” to the end substitute “rule 5.2.8 of the Collective Investment Schemes sourcebook”;
- (b) in paragraph 3—

- (i) before “Union” insert “European”;
  - (ii) before “a Member State” insert “the United Kingdom or”.
- (4) In Article 11, omit paragraph 4.
- (5) In Article 12 for point (c), substitute—
- “(c) the credit institution has its registered office in the United Kingdom or in a Member State or, where the credit institution has its registered office in a country other than the United Kingdom or a Member State, it is subject to prudential rules considered equivalent to those laid down—
- (i) in European Union law in accordance with a decision adopted before exit day by the Commission under the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013; or
  - (ii) in the law of the United Kingdom, in accordance with regulations made on or after exit day by the Treasury under Article 107(4) of that Regulation as it forms part of domestic law under section 3 of the European Union (Withdrawal) Act 2018.”.
- (6) In Article 13—
- (a) in the opening words, for the words from “is dealt in” to “[Directive 2009/65/EC](#)” substitute “satisfies the conditions in Article 2a(2)(a), (b) or (c) of this Regulation”;
  - (b) in point (c), for “competent authority of the MMF” substitute “FCA”.
- (7) In Article 14, for point (c)(i), substitute—
- “(i) placed on deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in the United Kingdom or in a Member State or, if the credit institution has its registered office in a country other than the United Kingdom or a Member State, provided that it is subject to prudential rules considered by the FCA as equivalent to those laid down in the law of the United Kingdom; or”.
- (8) In Article 15—
- (a) in paragraph 6—
    - (i) in the first subparagraph, in point (a)—
      - (aa) before “Union” insert “European”;
      - (bb) before “a Member State” insert “the United Kingdom or”;
    - (ii) in the first subparagraph, in point (b), for “third country” substitute “country other than the United Kingdom or a Member State”;
    - (iii) in the second subparagraph, for the words from “in accordance with”, the second time they occur, to the end substitute—
 

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      - (a) for UCITS, in the half-yearly and annual reports referred to in Section 4.5 of the Collective Investment Schemes sourcebook; and
      - (b) for AIFs, the annual report referred to in Section 3.3 of the Investment Fund sourcebook.”;
  - (b) in paragraph 7—
    - (i) in the first subparagraph, for the words from “Commission” to “specifying” substitute “Treasury may by Regulations specify”;
    - (ii) omit the second and third subparagraphs.
- (9) In Article 16—

- (a) in paragraph 1—
  - (i) in the first subparagraph, after “other MMF” insert “(including an EU MMF)”;
  - (ii) in the second subparagraph, for “An MMF whose units or shares have been acquired” substitute “A targeted MMF”;
- (b) in paragraph 2, after “other MMFs” insert “(including EU MMFs)”;
- (c) in paragraph 3, after “other MMFs” insert “(including EU MMFs)”;
- (d) in paragraph 4—
  - (i) in the opening words, after “other MMFs” insert “(including EU MMFs)”;
  - (ii) in point (a), at the end insert “or under the EU MMF Regulation”;
  - (iii) in point (c), in the opening words, after “other MMFs” insert “(including EU MMFs)”;
  - (iv) in point (c), in points (i) and (ii), for “other MMFs” substitute “targeted MMFs”;
- (e) in paragraph 5, in the second subparagraph—
  - (i) for “UCITS” substitute “UK UCITS”;
  - (ii) after “4(2)” insert “, (2A) or (2B)”;
  - (iii) for “Article 55 or 58 of [Directive 2009/65/EC](#)” substitute “the Schedule or rules 5.8.2, 5.8.3 and 5.8.4 of the Collective Investment Schemes sourcebook”.