

MEMO# 8593

January 27, 1997

INSTITUTE COMMENTS ON PROPOSED AMENDMENTS TO RULE 2A-7

1 See Memorandum to Money Market Funds Advisory Committee No. 1-97 and SEC Rules Committee No. 5-97, dated January 15, 1997. January 27, 1997 TO: MONEY MARKET FUNDS ADVISORY COMMITTEE No. 3-97 SEC RULES COMMITTEE No. 10-97 RE: INSTITUTE COMMENTS ON PROPOSED AMENDMENTS TO RULE 2a-7

The Institute has filed the attached comment letter on the proposed technical amendments to Rule 2a-7 under the Investment Company Act, regulating money market funds. The Institutes letter is substantially similar to the draft letter previously circulated to you.¹ The only significant difference is that the final letter suggests revised language for the condition in the definition of "collateralized fully," regarding the status of a repurchase agreement in the event of a counterparty bankruptcy, to more accurately reflect current insolvency law and procedures thereunder. Amy B.R. Lancellotta Associate Counsel Attachment (in .pdf format)

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