

COMMENT LETTER

January 17, 2024

ICI Comment Letter on CFTC Proposed Revisions to Regulation 1.25

On January 17, 2024, Investment Company Institute (ICI) submitted comments to the Commodity Futures Trading Commission (CFTC) regarding its proposed amendments to Regulation 1.25 under the Commodity Exchange Act (CEA), which specifies permitted investments ("Permitted Investments") by futures commission merchants (FCMs) of customer funds and by derivatives clearing organizations (DCOs) of customer funds that FCMs post with them as margin for their customers' positions. Among other amendments, the CFTC proposed to allow short-term Treasury exchange-traded funds ("Treasury ETFs") meeting certain conditions to qualify as Permitted Investments, limit the scope of money market funds (MMFs) as Permitted Investments to government MMFs, within the meaning of SEC Rule 2a-7, that do not elect to apply a discretionary liquidity fee ("Permitted Government MMFs"), and amend the concentration limits that a FCM or DCO may invest customer funds into Permitted Investments.

Read more in the [comment letter](#).

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