

## SEC requests comments on potential money market fund reforms

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There is a broad consensus that the MMF reforms adopted in the wake of the 2008 crisis have not fully achieved their intended aims. A report released by the President's Working Group on Financial Markets in December 2020 concluded that, notwithstanding reforms adopted by the SEC in 2010 and 2014, "more work is needed to reduce the risk that structural vulnerabilities in prime and tax-exempt MMFs will lead to or exacerbate stresses in short-term funding markets." Last week, the SEC requested comment on the President's Working Group report, signaling the beginning of an MMF reform process that is likely to require coordinated action by several regulatory agencies, and perhaps the private sector.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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