



THE DREYFUS CORPORATION

J. Charles Cardona
President

August 19, 2014

Via Email Submission to rule-comments@sec.gov

U.S. Securities and Exchange Commission
Attn: Mr. Kevin M. O'Neill, Deputy Secretary
100 F Street, NE
Washington, D.C. 20549-1090

RE: Notice of Proposed Exemptive Order Granting Permanent Exemptions under the Securities Exchange Act of 1934 from the Confirmation Requirements of Exchange Act Rule 10b-10 for Certain Money Market Funds - File Number S7-08-14

Dear Mr. O'Neill:

The Dreyfus Corporation ("Dreyfus") appreciates the opportunity to comment on the U.S. Securities and Exchange Commission's (the "Commission") notice of proposed exemptive relief (the "Notice") for variable net asset value ("VNAV") money market funds ("MMFs") from the immediate confirmation delivery requirements that would apply under Rule 10b-10 of the Exchange Act.

In our September 17, 2013 comment letter on the 2013 MMF reform proposals, we noted our expectations that (a) demand for immediate confirmations by institutional investors¹ might be limited and (b) the cost of compliance with immediate confirmation delivery requirements would be passed on to MMF investors. As a result, we supported maintaining the exemption for VNAV MMF investors under Rule 10b-10 to the same extent as will be available for constant net asset value ("CNAV") MMF investors.

We appreciate the Commission recognizing the cost of compliance with Rule 10b-10 relative to its potential limited value for VNAV MMFs² and proposing a means to relieve this burden for such funds. However, the Notice would establish a "notice and negative consent" condition on MMFs in order for a fund to take advantage of the exemption. We believe the Notice can be read to require notice and negative consent on a transaction-by-transaction basis, which if this is the case, we further believe, establishes a burden that equates with having to build immediate confirmation delivery capacities for all VNAV MMFs. In our view, a negative consent procedure, perhaps to be executed frequently and on a real-time basis, is inconsistent with and defeats the intended purpose of helping to flexibly and smoothly facilitate the shift from constant net asset value ("CNAV") MMFs to VNAV MMFs for institutional prime investors.



BNY MELLON
ASSET MANAGEMENT



While we continue to support a full exemption from Rule 10b-10's immediate confirmation delivery requirements for VNAV MMFs, as stated in our September 17th comment letter, we request in the alternative that the Commission clearly indicate that the notice and negative consent procedure can be applied on a one-time basis, client by client of course, rather than transaction-by-transaction. In this way, at least, MMF providers can secure understandings with VNAV MMF clients regarding their confirmation requirements in advance of the October 2016 compliance date.³ This will assist greatly with a smoother, less costly, and more flexible transition to VNAV structure.

We appreciate the opportunity to provide these comments and we are available for discussion or to answer questions. In that regard, you can reach me directly at (██████████) or, in my absence, please contact John B. Hammalian, Senior Managing Counsel, at ██████████.

Very truly yours,

J. Charles Cardona

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President

With copies to:

- The Honorable Mary Jo White, Chair
- The Honorable Luis A. Aguilar, Commissioner
- The Honorable Daniel M. Gallagher, Commissioner
- The Honorable Kara M. Stein, Commissioner
- The Honorable Michael S. Piwowar, Commissioner

Norman B. Champ, III, Director, Division of Investment Management

Stephen Luparello, Director, Division of Trading and Markets

¹ Correspondingly, we would not expect retail investors to populate VNAV MMFs when CNAV MMF alternatives are readily available.

² As the Commission recognized, the net asset value of VNAV MMFs can be expected fluctuate minimally and less frequently than daily.

³ Of course, any new VNAV MMF clients would be addressed similarly after the compliance date.