Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Money Market Fund Reform – Amendment to Form PF
Release No. IC-30551; File No. S7-03-13

Dear Ms. Murphy,

We write in response to your request for comment for the proposed rule changes identified above affecting money market funds under SEC oversight. We serve as corporate trustee and investment manager for a large number of clients through trust and escrow agreements, and believe that both proposed reform alternatives would have a significant and negative impact on how we provide services.

We use prime institutional money market funds on behalf of our clients to invest large amounts of money that must be invested in highly-liquid vehicles that are well-known and reviewed and rated by recognized rating agencies.

We and our clients understand that these prime institutional funds carry various risks. These risks are included in decisions on using prime institutional funds versus other types of funds. Neither we nor our clients consider prime funds to be either guaranteed or identical to other types of funds; however we do consider these funds to be effective and dependable vehicles for use in institutional investing.

Do not implement Option 1 including bifurcating types of money market funds, forcing a floating NAV, and abolishing the use of amortized accounting. We count on these funds to be purchased, sold, and accounted for at a dollar with the current rounding conventions in use for many years. We urge you to continue to permit amortized accounting for assets in all money market funds – this is an accepted, understood, and highly-effective method for accounting inside the funds as well as in trading these funds. Daily mark-to-market pricing with rounding to four decimal places is an unnecessary change providing little benefit while adding enormous operational costs and tax ramifications. Four decimal place accounting is unlike any other mutual fund, and will, certainly in the short run, add to investor confusion. Reliance on daily mark-to-market pricing adds additional risks in highly volatile markets when these funds are often used with same-day settlements and late day trading.

Do not implement Option 2 implementing "gate" provisions in the event of certain levels of liquidity. While this may provide some reduction in risk of "runs" on prime institutional funds, it does not make sense to separate out prime institutional funds for this (the only other MMF other than Reserve to "break the buck" was a government-only fund in 1994.) and is addressing a potential problem late in the process.

If the Commission wants to maintain the availability and use of money market funds including prime institutional funds, it should consider increasing the mandatory diversification levels, limiting any one corporate issuer to 2 ½% rather than the current 5% limit.

These two proposals will add significantly to operational expenses for prime institutional fund providers, investment managers, and end investors without providing any quantifiable benefit to any of these entities. Implementing onerous restrictions on prime institutional funds will cause unintended consequences of the disappearance of these funds, depriving our clients of a dependable and well-known investment option, as well as depriving corporations of a long-standing and effective short-term funding vehicle. We encourage you to not implement either of these options.

Sincerely,

John C. Barber
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Cleveland, OH 44114