

July 2, 2013

The Honorable Mary Jo White  
Chairman  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Dear Chair White:

The undersigned trade organizations represent a diverse range of businesses and corporate financial professionals who rely on money market mutual funds (“ MMMFs”) to meet their investment and short-term financing needs. Accordingly, we support strengthening MMMFs while ensuring the preservation of this cash management tool essential to American businesses’ growth and job creation.

On June 5, 2013, the U.S. Securities and Exchange Commission (“Commission”) approved proposed rules for MMMF reform (“Proposal”), which include a floating net asset value (“NAV”) for institutional prime funds, liquidity fees and gates, as well as other enhancements. We remain concerned about a floating NAV as it presents significant accounting, tax, and operational implications. While we appreciate that the Commission acknowledges these issues, the Proposal provides no clear cut solutions for them. Accordingly, we believe that it is incumbent upon the Commission to work jointly with other bodies and interested stakeholders to make certain that accounting, tax, and operational implications are fully addressed before the Proposal is finalized. As a next step, we therefore request that the Commission convene a roundtable to discuss the various issues that the Proposal raises for companies, states and municipalities, and others who rely on MMMFs for cash management and short-term financing.

Such a roundtable would afford the Commission and other regulatory agencies an opportunity to collectively address the complicated repercussions of requiring MMMFs to float the NAV. Significant changes to business processes, systems, and policies will be required to implement this alternative. The Proposal concedes as much, noting that the move to a floating NAV will necessitate complex and potentially costly changes to numerous financial and accounting systems. Conducting a roundtable would inform the Commission on the decision-making process of corporate treasurers on this issue and the extent to which they may stop using MMMFs if unworkable regulations are implemented.

It is also presently unclear whether the Internal Revenue Service is able to address the tax reporting burdens and consequences of a floating NAV administratively, or whether legislative changes to the Internal Revenue Code will be required. A roundtable

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would encourage further consideration of this and other broader implications, including the potential impact to the commercial paper markets if the capital pool provided by MMMFs declines substantially. Many organizations issue commercial paper to meet their short-term financing needs, and we believe further consideration of the impact on the commercial paper market is necessary to avoid funding disruptions that could have material adverse consequences on these organizations.

Given the hundreds of questions raised in the Proposal, we believe that convening a roundtable and continuing the dialogue with interested parties will aid the Commission in generating a more informed, effective rule. Such an approach will ensure that any potential regulatory changes aimed at MMMF reform will be consistent with the Commission's statutory responsibility to promote efficiency, competition, and capital formation. We appreciate the opportunity to continue working with the Commission on MMMF reform, and we would welcome the opportunity to discuss the logistical aspects of a roundtable, including prospective participants, in greater detail.

Sincerely,

Association for Financial Professionals  
Financial Executives International's Committee on Corporate Treasury  
National Association of Corporate Treasurers  
National Association of Manufacturers  
National Retail Federation  
Retail Industry Leaders Association  
U.S. Chamber of Commerce

cc: The Honorable Elisse Walter  
The Honorable Troy Paredes  
The Honorable Luis Aguilar  
The Honorable Dan Gallagher  
Mr. Norm Champ, Division of Investment Management  
Ms. Diane Blizzard, Division of Investment Management