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REGIONS MORGAN KEEGAN
TRUST

J. Kenneth Alderman
Executive Vice President

September 4, 2009

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

Re: SEC File Number S7-11-09 (July 11, 2009)

Dear Ms. Murphy:

Regions Bank appreciates the opportunity to comment on the proposed amendments to certain rules that govern money market funds under the Investment Company Act. In particular, the Trust and Asset Management arm of Regions Bank has the following concerns and comments related to the proposals.

1. The suggestion that money market funds move from amortized cost as a way of valuing portfolio securities to a "floating" NAV would place additional administrative and operational burdens on investors. The current dollar –in, dollar-out investment experience of a stable net asset value relieves investors of the necessity of having to consider timing of purchases and sales, to comply with the "wash sale rule", or to minimize tax consequences. Because stable NAV funds qualify as cash equivalents, investors need not recognize gains or losses for accounting and tax reporting purposes.

2. Many investors are precluded from buying assets with fluctuating market values. Laws and regulations permit certain institutional investors, municipalities, insurance companies, and other state regulated entities to invest in stable NAV funds. Many corporations have policies that permit investment of operating cash in non-fluctuating pools. Indentures and other trust documents often authorize investments in money market funds because of their stable NAV. Changing money market valuations to a fluctuating NAV would eliminate these funds as a viable investment option for these investors.

3. The proposed changes to the interpretation of liquidity remove certain investment products from being included as part of a stable fund to the detriment of investors. For example, a bank CD may not meet the definition if it has a maturity longer than 7 days and an early withdrawal penalty if it is sold before maturity. Currently, 10% of the assets of a stable fund may be invested in illiquid assets, but the proposal would require all purchases to be liquid assets. The proposed requirements will likely reduce the yield on

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these funds and will drive investors to seek other stable value investments that have a higher yield.

The proposed amendments to the rules are likely to result in increased money market fund expenses and reduced yields. These proposed changes would also affect institutional and retail investors and will require many of our trust and asset management customers to either change their investment policy statements, revise state statutes governing allowable investments, or find alternative stable value investment options. Regions Bank encourages the Commission to consider other proposed solutions to address the recent market concerns.

Sincerely,

J. Kenneth Alderman

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