

Regulation (EU) 2017/1131 of the European Parliament and of the Council
of 14 June 2017 on money market funds (Text with EEA relevance)

CHAPTER I

General provisions

Article 2

Definitions

For the purposes of this Regulation, the following definitions apply:

- (1) ‘short-term assets’ means financial assets with a residual maturity not exceeding 2 years;
- (2) ‘money market instruments’ means money market instruments as defined in Article 2(1)(o) of Directive 2009/65/EC, and instruments as referred to in Article 3 of Commission Directive 2007/16/EC⁽¹⁾;
- (3) ‘transferable securities’ means transferable securities as defined in Article 2(1)(n) of Directive 2009/65/EC, and instruments as referred to in Article 2(1) of Directive 2007/16/EC;
- (4) ‘repurchase agreement’ means any agreement in which one party transfers securities or any rights related to that title to a counterparty, subject to a commitment to repurchase them at a specified price on a future date specified or to be specified;
- (5) ‘reverse repurchase agreement’ means any agreement in which one party receives securities, or any rights related to a title or security from a counterparty subject to a commitment to sell them back at a specified price on a future date specified or to be specified;
- (6) ‘securities lending’ and ‘securities borrowing’ mean any transaction in which an institution or its counterparty transfers securities subject to a commitment that the borrower will return equivalent securities at some future date or when requested to do so by the transferor, that transaction being known as ‘securities lending’ for the institution transferring the securities and being known as ‘securities borrowing’ for the institution to which they are transferred;
- (7) ‘securitisation’ means securitisation as defined in Article 4(1)(61) of Regulation (EU) No 575/2013;
- (8) ‘mark-to-market’ means the valuation of positions at readily available close out prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers;
- (9) ‘mark-to-model’ means any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input;
- (10) ‘amortised cost method’ means a valuation method which takes the acquisition cost of an asset and adjusts that value for amortisation of premiums or discounts until maturity;

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- (11) ‘public debt constant net asset value MMF’ or ‘public debt CNAV MMF’ means an MMF:
 - (a) that seeks to maintain an unchanging net asset value (NAV) per unit or share;
 - (b) where the income in the fund is accrued daily and can either be paid out to the investor or used to purchase more units or shares in the fund;
 - (c) where assets are generally valued according to the amortised cost method and where the NAV is rounded to the nearest percentage point or its equivalent in currency terms; and
 - (d) that invests at least 99,5 % of its assets in instruments referred to in Article 17(7), reverse repurchase agreements secured with government debt referred to in Article 17(7) and in cash;
- (12) ‘low volatility net asset value MMF’ or ‘LVNAV MMF’ means an MMF that complies with the specific requirements laid down in Articles 29, 30 and 32 and in Article 33(2) (b);
- (13) ‘variable net asset value MMF’ or ‘VNAV MMF’ means an MMF that complies with the specific requirements laid down in Articles 29 and 30 and in Article 33(1);
- (14) ‘short-term MMF’ means an MMF that invests in eligible money market instruments referred to in Article 10(1) and is subject to the portfolio rules set out in Article 24;
- (15) ‘standard MMF’ means an MMF that invests in eligible money market instruments referred to in Article 10(1) and (2) and is subject to the portfolio rules set out in Article 25;
- (16) ‘credit institution’ means credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013;
- (17) ‘competent authority of the MMF’ means:
 - (a) for UCITS, the competent authority of the UCITS home Member State designated in accordance with Article 97 of Directive 2009/65/EC;
 - (b) for EU AIFs, the competent authority of the home Member State of the AIF as defined in Article 4(1)(p) of Directive 2011/61/EU;
 - (c) for non-EU AIFs, any of the following:
 - (i) the competent authority of the Member State where the non-EU AIF is marketed in the Union without a passport;
 - (ii) the competent authority of the EU AIFM managing the non-EU AIF, where the non-EU AIF is marketed in the Union with a passport or is not marketed in the Union;
 - (iii) the competent authority of the Member State of reference if the non-EU AIF is not managed by an EU AIFM and is marketed in the Union with a passport;
- (18) ‘legal maturity’ means the date when the principal of a security is to be repaid in full and which is not subject to any optionality;

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- (19) 'weighted average maturity' or 'WAM' means the average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in the MMF reflecting the relative holdings in each asset;
- (20) 'weighted average life' or 'WAL' means the average length of time to legal maturity of all of the underlying assets in the MMF reflecting the relative holdings in each asset;
- (21) 'residual maturity' means the length of time remaining until the legal maturity of a security;
- (22) 'short sale' means any sale by an MMF of an instrument which the MMF does not own at the time of entering into the agreement to sell, including such sale where, at the time of entering into the agreement to sell, the MMF has borrowed or agreed to borrow the instrument for delivery at settlement, not including:
 - (a) a sale by either party under a repurchase agreement where one party has agreed to sell to the other a security at a specified price with a commitment from the other party to sell the security back at a later date at another specified price; or
 - (b) an entry into a futures contract or other derivative contract where it is agreed to sell securities at a specified price at a future date;
- (23) 'manager of an MMF' means, in the case of an MMF that is a UCITS, the UCITS management company, or the UCITS investment company in the case of a self-managed UCITS, and, in the case of an MMF that is an AIF, an AIFM or an internally-managed AIF.

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- (1) Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions ([OJ L 79, 20.3.2007, p. 11](#)).

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Changes and effects yet to be applied to :

- Regulation power to modify conferred by [2023 c. 29 s. 3Sch. 1 Pt. 1](#)
- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 1](#)
- Art. 2 words inserted by [S.I. 2021/1376 reg. 29\(2\)](#)

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Sch. 1 inserted by [S.I. 2019/394 reg. 18\(5\)](#)
- Signature words omitted by [S.I. 2019/394 reg. 18\(4\)](#)
- Art. 1(1)(a) substituted by [S.I. 2019/394 reg. 4\(a\)\(ii\)](#)
- Art. 2(2) substituted by [S.I. 2019/394 reg. 5\(1\)\(a\)](#)
- Art. 2(3) substituted by [S.I. 2019/394 reg. 5\(1\)\(b\)](#)
- Art. 2(17)(a) word substituted by [S.I. 2019/394 reg. 5\(1\)\(c\)\(i\)](#)
- Art. 2(17)(b) words substituted by [S.I. 2019/394 reg. 5\(1\)\(c\)\(ii\)](#)
- Art. 2(17)(c) words substituted by [S.I. 2019/394 reg. 5\(1\)\(c\)\(iii\)](#)
- Art. 2(23) substituted by [S.I. 2019/394 reg. 5\(1\)\(d\)](#)
- Art. 2(24)-(40) inserted by [S.I. 2019/394 reg. 5\(1\)\(e\)](#)
- Art. 2(24)-(40) words substituted in earlier amending provision [S.I. 2019/394, reg. 5\(1\)\(e\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(a\)\(i\)](#)
- Art. 2a inserted by [S.I. 2019/394 reg. 5\(2\)](#)
- Art. 2a words substituted in earlier amending provision [S.I. 2019/394, reg. 5\(2\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(a\)\(ii\)](#)
- Art. 4(1)(aa) inserted by [2021 c. 22 s. 26\(2\)\(a\)](#)
- Art. 4(1A)-(1C) inserted by [S.I. 2019/394 reg. 6\(a\)\(iii\)](#)
- Art. 4(1B) word substituted by [S.I. 2019/394, reg. 6\(a\)\(iii\)](#) (as amended) by [S.I. 2019/1390 reg. 10\(2\)](#)
- Art. 4(1C) words substituted in earlier amending provision [S.I. 2019/394, reg. 6\(a\)\(iii\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(b\)](#)
- Art. 4(1ZA)-(1ZC) inserted by [2021 c. 22 s. 26\(2\)\(b\)](#)
- Art. 4(2)-(2B) substituted for Art. 4(2) by [S.I. 2019/394 reg. 6\(b\)](#)
- Art. 4(5)(f) word substituted by [S.I. 2019/394 reg. 6\(d\)\(ii\)](#)
- Art. 4A inserted by [2021 c. 22 s. 26\(3\)](#)
- Art. 5(4)(b) words substituted by [S.I. 2019/394 reg. 7\(d\)\(i\)\(aa\)](#)
- Art. 5(4)(c) words substituted by [S.I. 2019/394 reg. 7\(d\)\(i\)\(bb\)](#)
- Art. 5(8) inserted by [S.I. 2019/394 reg. 7\(g\)](#)
- Art. 5(8) words substituted in earlier amending provision [S.I. 2019/394, reg. 7\(g\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(c\)](#)
- Art. 6(1)(aa) inserted by [2021 c. 22 s. 26\(4\)](#)
- Art. 6(3) inserted by [S.I. 2019/394, reg. 8\(c\)](#) (as inserted) by [S.I. 2019/1390 reg. 10\(3\)\(b\)](#)
- Art. 6(3) words substituted in earlier amending provision [S.I. 2019/394, reg. 8\(c\)](#) (as amended by [S.I. 2019/1390, reg. 10\(3\)\(b\)](#)) by [S.I. 2020/1301 reg. 3Sch. para. 49\(a\)](#)
- Art. 7(1)-(3A) substituted for Art. 7(1)-(3) by [S.I. 2019/394 reg. 9\(a\)](#)
- Art. 7(6) inserted by [S.I. 2019/394 reg. 9\(b\)](#)
- Art. 7(6) words substituted in earlier amending provision [S.I. 2019/394, reg. 9\(b\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(d\)](#)
- Art. 8(3) inserted by [S.I. 2019/394 reg. 10\(1\)\(d\)](#)
- Art. 8(3) words substituted in earlier amending provision [S.I. 2019/394, reg. 10\(1\)\(d\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(e\)\(i\)](#)

- Art. 9(1)(a) word inserted by [S.I. 2019/394 reg. 10\(2\)\(a\)\(i\)\(aa\)](#)
- Art. 9(1)(a) words inserted by [S.I. 2019/394 reg. 10\(2\)\(a\)\(i\)\(bb\)](#)
- Art. 9(1)(a) words inserted by [S.I. 2019/394 reg. 10\(2\)\(a\)\(i\)\(dd\)](#)
- Art. 9(1)(a) words substituted by [S.I. 2019/394 reg. 10\(2\)\(a\)\(i\)\(cc\)](#)
- Art. 9(1)(g) words inserted by [S.I. 2019/394 reg. 10\(2\)\(a\)\(ii\)](#)
- Art. 10(1)(a) words substituted by [S.I. 2019/394 reg. 10\(3\)\(a\)](#)
- Art. 11(1)(a) words substituted by [S.I. 2021/1376 reg. 29\(3\)](#)
- Art. 11(1)(d) inserted by [2023 c. 29 Sch. 2 para. 40](#)
- Art. 12(c) substituted by [S.I. 2019/394 reg. 10\(5\)](#)
- Art. 12(c) words substituted in earlier amending provision [S.I. 2019/394, reg. 10\(5\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 25\(e\)\(ii\)](#)
- Art. 13(c) word substituted by [S.I. 2019/394 reg. 10\(6\)\(b\)](#)
- Art. 14(c)(i) substituted by [S.I. 2019/394 reg. 10\(7\)](#)
- Art. 15(6)(a) word inserted by [S.I. 2019/394 reg. 10\(8\)\(a\)\(i\)\(aa\)](#)
- Art. 15(6)(a) words inserted by [S.I. 2019/394 reg. 10\(8\)\(a\)\(i\)\(bb\)](#)
- Art. 15(6)(b) words substituted by [S.I. 2019/394 reg. 10\(8\)\(a\)\(ii\)](#)
- Art. 16(4)(a) words inserted by [S.I. 2019/394 reg. 10\(9\)\(d\)\(ii\)](#)
- Art. 16(4)(c) words inserted by [S.I. 2019/394 reg. 10\(9\)\(d\)\(iii\)](#)
- Art. 16(4)(c)(i) words substituted by [S.I. 2019/394 reg. 10\(9\)\(d\)\(iv\)](#)
- Art. 16(4)(c)(ii) words substituted by [S.I. 2019/394 reg. 10\(9\)\(d\)\(iv\)](#)
- Art. 17(1)(b) words substituted by [S.I. 2019/394 reg. 11\(1\)\(a\)\(i\)](#)
- Art. 17(1)(b) words substituted by [S.I. 2019/394 reg. 11\(1\)\(a\)\(ii\)](#)
- Art. 19(4)(e) word substituted by [S.I. 2019/394 reg. 12\(1\)](#)
- Art. 21(1)(a) words substituted by [S.I. 2019/394 reg. 12\(2\)\(a\)](#)
- Art. 38(6) inserted by [S.I. 2019/394 reg. 17\(1\)\(f\)](#)