

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 III

***Obligations concerning the risk management of MMFs***

Article 25

**Portfolio rules for standard MMFs**

1 A standard MMF shall comply on an ongoing basis with all of the following requirements:

- a its portfolio is to have at all times a WAM of no more than 6 months;
- b its portfolio is to have at all times a WAL of no more than 12 months, subject to the second and third subparagraphs;
- c at least 7,5 % of its assets are to be comprised of daily maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of one working day or cash which can be withdrawn by giving prior notice of one working day. A standard MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 7,5 % of its portfolio in daily maturing assets;
- d at least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of five working days or cash which can be withdrawn by giving prior notice of five working days. A standard MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 15 % of its portfolio in weekly maturing assets;
- e for the purpose of the calculation referred to in point (d), money market instruments or units or shares of other MMFs may be included within the weekly maturing assets up to 7,5 % of its assets provided they are able to be redeemed and settled within five working days.

For the purposes of point (b) of the first subparagraph, when calculating the WAL for securities, including structured financial instruments, a standard MMF shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, a standard MMF may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

- (i) the put option is able to be freely exercised by the standard MMF at its exercise date;
- (ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date;
- (iii) the investment strategy of the standard MMF implies that there is a high probability that the option will be exercised at the exercise date.

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**Changes to legislation:** There are outstanding changes not yet made to Regulation (EU) 2017/1131 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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By way of derogation from the second subparagraph, when calculating the WAL for securitisations and ABCPs, a standard MMF may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

- (i) the contractual amortisation profile of such instruments;
- (ii) the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.

2 If the limits referred to in this Article are exceeded for reasons beyond the control of a standard MMF or as a result of the exercise of subscription or redemption rights, that MMF shall adopt as a priority objective the correction of that situation, taking due account of the interests of its unit holders or shareholders.

3 A standard MMF shall not take the form of a public debt CNAV MMF or a LVNAV MMF.

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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](#)

### 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\(1\)\(f\)](#)