StradleyRonon

Money Market Funds

Counseling some of the largest money market fund (MMF) complexes and their independent trustees, Stradley Ronon is at the forefront of current and emerging regulatory and compliance developments and well positioned to advise on matters that impact the operation of MMFs. The breadth of our experience in MMF regulation allows our money market fund lawyers to tackle cutting-edge issues with technical knowledge and practical savvy.

Comprehensive Legal Support

Highly respected for our ability to break down the complex regulations impacting MMFs, we assist legal, compliance and portfolio management personnel in complying with the many requirements of MMF regulation, as well as independent directors/trustees of fund boards in carrying out their fiduciary responsibilities. We regularly advise on matters ranging from day-to-day portfolio management of MMFs to addressing troubled holdings in MMF portfolios and managing MMFs through times of market stress, including engaging with regulators regarding matters impacting MMFs.

Our MMF practitioners collaborate across our firm to address the numerous and varied issues impacting MMF management, operations and compliance, including International Swaps and Derivatives Association (ISDA) documentation, bankruptcy concerns, tax issues and banking-related matters.

Our Services

Our MMF practitioners advise MMF sponsors of various sizes and complexities, including some of the largest U.S. MMF families, in navigating the evolving regulatory framework impacting MMFs.

Structure and Operations

From formation to registration to day-to-day operations, we provide support to all types of MMFs, including institutional prime, retail, tax-exempt and government MMFs. The breadth of our experience includes advising on requirements related to liquidity fees, including providing counsel to independent directors/trustees with respect to their responsibilities and fiduciary duties. We prepare and review MMF filings with the SEC, including registration statements and Form N-CR and Form N-MFP filings. Further, we review securities for eligibility as MMF investments under Rule 2a-7 and address troubled holdings in money market portfolios, including related communications with the fund board, the public and SEC staff (such as seeking no-action relief).

Regulatory Developments

Our team is fluent in the full spectrum of SEC rules and related requirements applicable to MMFs and well positioned to respond to the ever-changing regulatory landscape. We engage with regulators regarding matters impacting MMFs, including obtaining relief from SEC regulatory requirements, responding to SEC examinations and inquiries, and advising on SEC enforcement proceedings.

Compliance

We handle day-to-day portfolio compliance issues, along with developing and reviewing MMF compliance policies and procedures. Our lawyers also conduct training sessions for portfolio personnel, board members, compliance officers and others relating to management and compliance. Further, we collaborate with our tax lawyers to provide U.S. Department of the Treasury and Internal Revenue Service guidance regarding tax compliance issues and implications for MMFs.

On the Cutting Edge

Frequently quoted in financial publications on recent developments and sought-after thought leaders for industry conferences — including *The Wall Street Journal* and Crane Data's Money Fund Symposium, one of the largest MMF conferences in the world — our lawyers remain on the cutting edge of the MMF industry. We are also sought out by industry trade groups in connection with the submission of comment letters to regulators on proposed MMF regulation and the subsequent implementation of reforms.

Representative Matters

- Advised on the creation and development of the BNY Dreyfus Stablecoin Reserves Fund, one of the first money market funds intended to function as a permitted reserve vehicle for payment stablecoin issuers under the GENIUS Act.
- Represented the Securities Industry and Financial Markets Association Asset Management Group (SIFMA AMG) in connection with comment letters submitted to the SEC and Financial Stability Board on proposed reforms of MMF regulation. A comment letter on which we counseled SIFMA AMG was cited by the SEC more than 100 times in the SEC's 2023 final adoption of amendments to Rule 2a-7.
- Advised various MMFs and their independent trustees in connection with MMF reforms adopted by the SEC in 2023 (including two of the top five largest MMF complexes), including with respect to liquidity fees, MMF structuring and changes in product lineups, developing compliance policies and programs, preparing and reviewing filings with the SEC, conducting training sessions with portfolio management and compliance officers, and advising on general Rule 2a-7 compliance.
- Provide ongoing representation to MMFs, their investment advisers, and/or their independent trustees/directors with respect to trillions of dollars in assets under management, including seven of the 20 largest MMF complexes.

Experience

Stradley Ronon Advises on Launch of BNY Dreyfus Stablecoin Reserves Fund
Stradley Ronon worked with BNY Investments Dreyfus (Dreyfus) in the launch of the BNY Dreyfus Stablecoin Reserves Fund, one of the first stablecoin reserve money market funds. Established after the enactment of the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act, which created the first comprehensive regulatory framework for payment stablecoins, the BNY Dreyfus Stablecoin Reserves Fund is intended to function as a permitted reserve vehicle for payment stablecoin issuers under the GENIUS Act. The signing of the GENIUS Act creates potential new use cases for money market funds, positioning these funds at the forefront of a new chapter in the digital assets industry.

Stradley Ronon represents the BNY family of mutual funds. Dreyfus, the affiliated liquidity solutions provider of BNY, manages over $300 billion in money market fund assets. The BNY Dreyfus Stablecoin Reserves Fund launched on November 13.