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June 6, 2023

Heather Slavkin Corzo  
Policy Director, Office of the Chair  
Securities and Exchange Commission  
100 F Street, NW  
Washington, DC 20549

VIA EMAIL

Dear Director Slavkin Corzo:

I would like to thank you and your colleagues for meeting with us last week. We appreciate the opportunity to engage with you on the important subject of Money Market Fund (MMF) regulation.

We noted your interest in the opportunity to improve liquidity in the money markets through the creation of an “All to All” trading platform. After our meeting, we reached out to the Investment Company Institute (ICI) to discuss the concept, and we are all reaching out to other organizations in hopes of facilitating development of such a market utility. It may be that the SEC can play a role in enabling the development of this concept by convening a meeting of industry stakeholders to launch this initiative as well as through potential regulatory relief of a nature yet to be determined. We will keep you apprised of our progress. This effort, along with the de-linking of board consideration of fees and gates from weekly liquid assets, would go a long way in improving the resilience of MMFs.

We also appreciated the discussion of the economic case for whether independent directors would “do the right thing” in imposing a liquidity fee or redemption gate when circumstances warranted. We have performed a game theory analysis to identify the independent directors’ optimal strategy (which is also a “Nash Equilibrium” strategy). Simply put, that analysis strongly suggests that independent directors would act in the best interests of shareholders if confronted with the prospect of material dilution as a result of excessive redemption activity during periods of market volatility. Recognizing that mandatory liquidity fees or swing pricing would actually precipitate runs on MMFs, we intend to file a further comment letter soon that will present this economic analysis to underscore the viability of discretionary fees and gates as the best tool to deal with potential dilution.

Thanks again for meeting with us. Please feel free to contact me if you have any questions or would like to meet further on these topics.

Respectfully,

/s/ Peter J. Germain  
Peter J. Germain  
Chief Legal Officer

CC: Jacob Krawitz  
Oliver M. Richard