

 **Source.**
1st Corporation
Investment Advisors, Inc.

P.O. Box 1602
South Bend, IN 46634

The Honorable Joe Donnelly
United States Senate
720 Hart Senate Office Building
Washington, DC 20510-1406

Re: The Consumer Financial Choice and Capital Markets Protection Act of 2015

Dear Senator Donnelly,

I am writing as Chief Investment Officer of 1st Source Corporation Investment Advisors to request your support in cosponsoring the above-captioned legislation (the "bill") being developed by Senators Toomey and Manchin which would codify the ability of "institutional" investors such as ourselves to invest in any stable value money market fund ("MMF") in the same manner as "natural persons."

By creating a statutory basis for the MMF, the bill will ensure that all investors may continue to utilize an important cash management vehicle. At the same time, the bill preserves the tax-exempt MMF as a critical purchaser of state and local government debt.

Under the bill, the SEC would continue to have full authority to regulate all aspects of MMF operations with the exception that the Investment Company Act will now permit a MMF to choose to value its portfolio using the amortized cost method of accounting and thereby maintain a stable share price. We support this change for a number of reasons.

First, changing the stable share price to floating share price creates costly administrative burdens to governments, large and small. This is because, as investors, we rely on MMFs for one of the main components of our short-term investing needs.

We invest in money market funds because of their simple accounting methodology and professional management, security and liquidity – all features that are necessary for governments to protect public funds, access cash, and pay bills when they are due.

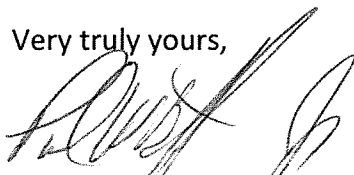
Second, we are subject to policies and legal restrictions permitting only funds that do not fluctuate in value. If a floating NAV requirement is imposed on MMFs, governments may be forced out of these funds and would have to look to other investment vehicles that have historically paid lower yields, or to other less secure products with equal or less liquidity than MMFs. All of these potential scenarios would increase costs to local governments.

Finally, a floating share price requirement for institutional investors will also harm local governments that issue municipal securities. Tax-exempt MMFs are the largest investor in short-term municipal bonds, holding roughly 70 percent of all outstanding short term bonds (totaling over \$500 billion). We rely on the sale of these bonds to support government functions important to our citizens. Without a stable share price for all investors, MMFs are far less able to purchase municipal securities. Losing this vital investing power would lead to higher debt issuance costs.

For all of these reasons we hope that you can join Senators Toomey and Manchin in leading an effort, through the bill, to preserve a stable share price for MMFs.

Thank you for your consideration of this request.

Very truly yours,

A handwritten signature in black ink, appearing to read "Paul W. Gifford, Jr.", written in a cursive style.

Paul W. Gifford, Jr., CFA
Chief Investment Officer
1st Source Corporation Investment Advisors, Inc.