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Treasury Announces Expiration of Guarantee Program for Money Market Funds

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U.S. DEPARTMENT OF THE TREASURY

Press Center

**Treasury Announces Expiration of Guarantee Program for Money Market Funds**

9/18/2009

Program Winds Down as anticipated, Generates \$1.2 billion in participation fees for U.S. Taxpayers

The U.S. Department of the Treasury today announced that the Guarantee Program for Money Market Funds (the "Program") will expire today. The Program was initially established for a three-month period that could be extended up through September 18, 2009. Since inception, Treasury has had no losses under the Program and earned approximately \$1.2 billion in participation fees.

"As the risk of catastrophic failure of the financial system has receded, the need for some of the emergency programs put in place during the most acute phase of the crisis has receded as well," said Treasury Secretary Tim Geithner. "The Guarantee Program for Money Market Funds served its purpose of adding stability to the money market mutual fund industry during market disruptions last fall and ultimately delivered a healthy return to taxpayers."

Treasury designed the Program to stabilize markets after a large money market fund's announcement that its net asset value had fallen below \$1 per share ("broke the buck") in the wake of the failure of Lehman Brothers in September of 2008. Maintaining confidence in the money market mutual fund industry was critical to protecting the integrity and stability of the global financial system.

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