



Revised 6/19  
PM

The resources of the Fund shall be used exclusively for the benefit of member countries. IC

7. The unit of account shall be a given weight of gold. No change in the par value of the currency of member countries shall be permitted to alter the gold value of the assets of the Fund.

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The initial rates of exchange of member countries' currencies shall be based on the official dollar quotations of July 1, 1943. If this rate is inappropriate in the judgment of the Fund the initial par value of a member's currency shall be agreed between the member country and the Fund.

11. In proposals on the sale of foreign exchange basic votes shall be adjusted by increasing proportionately the vote of creditor countries and decreasing proportionately the vote of debtor countries notwithstanding 11-2. On the suspension or restoration of membership each country shall have one vote.

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13-11. Member countries shall not engage in exchange dealings in non-member countries or in non-member currencies that will undermine stability of exchange rates established by the Fund.

There is a difference of view on the following provisions:

3-1. Whether the obligatory gold subscription should be of 25 percent of the quota or 10 percent of the gold holdings of a country, whichever is smaller.

Whether the gold contributed to the Fund shall be held by the Fund as a pledge.

5-11. Whether the qualitative controls should apply only after the Fund's holdings of local currency have reached a specified level, or whether such control may be applied at any time with notice of six months to a year.

6-11. Whether in the purchase of foreign exchange from the Fund, half payment for the exchange should be made in gold by countries with adequate holdings of gold, i.e. by adequate gold we mean the amount of the quota.

8-11. Whether the provision for the repurchase of local currency held by the Fund shall apply, in addition to provision for repurchase of local currency with gold, to part of the increase in the foreign exchange holdings of a member country.

9. Whether the Fund may require a member country not to permit an outward movement of capital which is large and sustained (regardless of the source of the funds used to meet the flow) where a member country is significantly using the sources of the Fund.