

I. Composition of the Fund

1. The Fund shall consist of gold, currencies of member countries, and securities of member governments, ^{which} and shall be used for the purpose of stabilizing the values of the currencies of member countries with respect to each other.
2. Each of the member countries shall undertake to provide the Fund with its quota of gold, local currency and securities to be used for the purposes of the Fund.
3. The aggregate quotas of the member countries shall be the equivalent of at least \$5 billion. The quota for each member country shall be determined by an ^{agreed upon} approved formula.
4. Each member country shall provide the Fund with 50 percent of its quota when the Board of Directors of the Fund declares that its operations have begun.
(contribution of 50% of its quota)
5. ~~Each country shall contribute~~ The initial quota payment of each country shall be at least 12.5 percent in gold, 12.5 percent in local currency, and 25 percent in its own (i.e., government) interest-bearing securities. However, any country having less than \$300 million in gold need provide initially only 7.5 percent of its quota in gold, and any country having less than \$100 million in gold need provide initially only 5 percent of its quota in gold, the contribution of local currency being increased correspondingly. A country may, at its option, substitute gold for its securities in meeting its quota requirement.
6. The member countries of the Fund may be called upon to make further provision toward meeting their quotas at such times, in such amounts, and in such form as the Board of Directors of the Fund may determine

provided that all countries shall meet their quotas pro rata, and provided that a four-fifths vote of the Board shall be required for subsequent calls to meet quotas.

III. Monetary Unit of the Fund

1. The monetary unit of the Fund shall be the unitas (U) consisting of $137 \frac{1}{7}$ grains of fine gold. The accounts of the Fund shall be kept and published in terms of unitas.
2. The value of the currency of each member country shall be fixed in terms of gold or the unitas and may not be altered by any member country without the approval of the Fund.
3. No change in the value of the currencies of member countries shall be permitted to alter the value in gold or unitas of the assets of the Fund. Thus, if the currency of a participating country should depreciate (in terms of gold or the unitas), that country must deliver to the Fund an amount of its local currency equal to the decreased value of that currency held by the Fund. Likewise, if the currency of a particular country should ^{appreciate} increase, the Fund must return to that country an amount (in the currency of that country) equal to the resulting increase in the gold or the unitas value of the Fund's holdings. The same provisions shall also apply to the securities of member countries held by the Fund. However, this provision shall not apply to currencies acquired under II, 5 (dealing with blocked foreign balances) in the section on Powers and Operations.

IV. Management

1. The management of the Fund shall be vested in a board of directors composed of one director and one alternate appointed by each member government. Each government shall appoint its director and alternate in a manner determined by it.

The director and alternate shall serve for a period of three years, subject to the pleasure of their government. Directors and alternates may be reappointed. In all voting by the Board, each *director or alternate* representative shall have 100 votes plus one vote for each \$1 million of the quota of his country.

2. No representative shall ^{cast} ~~ask~~ more than one-fourth of the aggregate vote regardless of the quota of his country. All decisions except where specifically provided otherwise shall be decided by a majority of the votes cast.
3. The Board of Directors shall select a managing director and one or more assistant managing directors. The managing director, who shall be chief of the operating staff of the Fund and ex officio chairman of the Board, and ~~one or more~~ assistant managing directors shall hold office for two years, shall be eligible for reelection, and may be removed for cause at any time by the Board. The staff of the Fund shall be selected in accordance with regulations established by the Board of Directors.
4. The Board of Directors may also appoint from among its members an executive committee. A member of the Board of Directors of the Bank selected by that Board shall be a member of the executive committee of the fund. The Board may at any meeting, by a four-fifths vote, authorize any officers or committees of the Fund to exercise any

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specified powers of the Board. Such powers shall be exercised only until the next meeting of the Board, and shall be exercised in a manner consistent with the general policies and practices of the Board.

5. The Board of Directors may appoint advisory committees chosen wholly or partially from persons not regularly employed by the Fund.
6. The Board shall hold one annual meeting and such other ~~regular~~ meetings as it may be desirable to convene. On request of member countries casting one-fifth of the votes, the chairman shall call a meeting of the Board for the purpose of considering matters placed before it by the member countries requesting the meeting.
7. The Board, by a four-fifths vote, may establish rules and regulations governing the operations of the Fund, and the officers and committees of the Fund shall be bound by such rules and regulations. The rules and regulations shall remain in force until the next annual meeting of the Board when they shall automatically expire. They may be renewed by a four-fifths vote of the Board.