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May 31, 1945

Dear Mr. Nordskog:

This is in reply to your inquiry of May 5 about Article IX, section 8, of the Fund Agreement, and Article VII, section 8, of the International Bank Agreement.

The text of the sections to which you refer was prepared by Committee 4, of Commission I, on the Form and Status of the Fund, and by Committee 4, of Commission II, on the Form and Status of the Bank. The final wording was adopted after full discussion in these Committees on the basis of draft proposals submitted by various nations. No individual person or persons are responsible for the final wording which was approved by the Conference as a whole. There were no dissenting voices on the part of any country to the adoption of the sections mentioned.

It may interest you to know that the Chairman of Committee 4 of Commission I was Dr. Manuel B. Llosa, Vice President of the Peruvian Chamber of Deputies, and the reporting delegate was Professor Wilhelm Kielhau, Director of the Bank of Norway. The Secretary of the Committee was Col. Charles H. Dyson, of the United States Army. The Chairman of Committee 4, of Commission II, was Sir Chintaman B. Deshmukh, Governor of the Reserve Bank of India; the reporting delegate was Dr. Leon Baranski, Director General of the Bank of Poland, and the Secretary was Dr. Henry Edminston, Vice President of the Federal Reserve Bank of St. Louis. At the meetings of these Committees a large number of delegates from various nations were present, and the text agreed upon represented their joint conclusions.

The purpose of these clauses of the agreement is merely to assure the Bank and the Fund of freedom of action in carrying out the duties imposed upon them by the agreements. The immunity from legal process for officers of the two organizations extends merely to their official actions. They are liable for their personal obligations, and are subject to criminal action for all acts other than those performed as part of their functions as officers of these international organizations.

Sincerely,

(Signed) Ansel F. Lufford

Assistant to the Secretary

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HJB:RB:mrd:bpj 5-31-45