

I. Purposes and Policies of the Fund

The Fund will be guided in all its decisions by the purposes and policies set forth below:

1. To promote international monetary cooperation through a permanent institution which provides the machinery for consultation on international monetary problems.

2. To facilitate the expansion and balanced growth of international trade and to contribute in this way to the maintenance of a high level of employment and real income, which must be a primary objective of economic policy.

3. To give confidence to member countries by making the Fund's resources available to them under adequate safeguards, thus giving members time to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

4. To promote exchange stability, to maintain orderly exchange arrangements among member countries, and to avoid competitive exchange depreciation.

5. To assist in the establishment of multilateral payments facilities on current transactions among member countries and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

6. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.

Alternative A

Creation, Purposes and Policies of the International Monetary Fund.

*Added over*

# There is hereby established the International Monetary Fund, hereinafter referred to as the "Fund". It shall be guided in all its decisions by the following purposes and policies:

\* 1. To promote international monetary cooperation by providing permanent machinery for consultation on international monetary problems;

\* 2. To facilitate the expansion and balanced growth of international trade and to contribute thereby to the maintenance of a high level of employment and real income, which must be a primary objective of economic policy;

(Subdivisions 3 -6 same as in Joint Statement)



**Section 6. Restrictions on Taxation of Fund, its Employees and Obligations.**

(a) The Fund, its assets, property, income, activities, operations, and transactions of whatsoever nature shall be exempt and immune from any taxation or liability for the collection or payment of any tax, including without limitation by reason of this enumeration, excises, duties, and imposts, imposed by any member country or any political subdivision or taxing authority of any member country.

(b) Any officer or employee of the Fund shall be exempt and immune from any taxation with respect to the receipt of any salary or remuneration for personal services paid by the Fund except any such tax, imposed by a member country of which such officer or employee is a citizen or by any political subdivision or taxing authority thereof, which does not discriminate against such officer or employee or such salary or remuneration because of the source of such salary or remuneration.

(c) Any obligation or security of whatsoever nature issued by the Fund, and any dividend or interest thereon, by whomsoever held or received, shall be exempt and immune from any taxation, including without limitation by reason of this enumeration, income, estate, inheritance, gift or property taxes, except any taxation, imposed by a member country of which the taxpayer is a citizen or domestic corporation, organization, association, estate, or trust or imposed by any political subdivision or taxing authority thereof, which does not discriminate against such obligation, dividend, or interest, because of its origin.