

January 30, 1947

Mr. Coe

Richard Brenner

There is attached the redraft of the material discussed by the Drafting Committee.

In connection with the General Administrative Order on signatures, you may wish to call to the attention of the Board the Drafting Committee's suggestion that there be added to Section 2.02 the following language: "in accordance with the Rules and Regulations."

Attachment:

Proposed Additions and Amendments  
to the Rules and Regulations

Amend G-3 to read:

"When a duly authenticated request for the purchase of foreign exchange in accordance with Article V, Section 3 is received, the Fund shall, on the third business day following the day of the request, instruct the appropriate depository to make the transfer, except in cases which the Executive Board may indicate. The first business day after receipt of the request shall be regarded as the first of the three days."

Add G-5:

"When the request of a member, if consummated, would increase <sup>to</sup> ~~by~~ more than 5% of its quota the aggregate purchases by the member pursuant to Article V, Section 3, during the thirty-day period preceding the date of action specified in G-3, the Secretary of the Board shall notify each Executive Director (or his Alternate if the Executive Director is not available) on the first business day after receipt of the request. If neither the Executive Director nor the Alternate is in Washington or its environs, the notification will be assumed to have been duly delivered if appropriate notice is delivered to his office.

"At the request of any Executive Director, a special meeting shall be called by the Managing Director to discuss the request as soon as feasible, but not later than the morning of the second business day."

Add G-6:

"No member shall buy gold at a price above par value plus "handling charges" or sell gold at a price below par value minus "handling charges". The term "handling charges" means direct handling costs plus not more than 1/4 of 1% for indirect handling costs, and it does not include costs of shipping gold which are matters outside the scope of this rule."

Add I-7:

"For the purposes of Article V, Section 7, the term "financial year" shall be defined as beginning on March 1 and ending on the last day of February.

"For purposes of the Fund's accounts and reports, its fiscal year shall begin on July 1 and end on June 30."

Add I-8:

"When any member offers gold to the Fund pursuant to Article V, Section 6(a), the Fund shall levy a charge (unless in particular cases it decides otherwise) to cover the estimated costs that would be incurred by the Fund if it used the gold so acquired to purchase the currency it has sold."