

June 27, 1946

TO: Mr. White  
FROM: Mr. Brenner  
SUBJECT: Status of the Draft Rules and Regulations.

I - Problems Remaining in Connection with A through I.

1. Definition of "currency" for B-9
2. Use of proxies at meetings of the Executive Board (RR C).
3. Fund Transactions ( RR I )
  - a). Use of the Fund's resources to acquire currency to hold against forward exchange transactions (AA V-3 (b)).

A special provision may not be necessary but it might be advisable to have a reporting provision to bring to light any such uses.

- b). Special use of the Fund's resources for capital transfers (AA VI - 2).

Notice should be given that this authority is being used in order that the Fund can ascertain whether capital transfers will reduce its holdings of a currency below 75% of the member's quota.

- c). Repurchases (AA V-7 and schedule B; Old RR E-1 to E-4).

In your Topical Divisions this was a separate section but, since all Fund Transactions are being placed under one heading, this part could be one sub-division. Action on it might be delayed as the problems are not urgent.

d). Charges (AA V-8; Old RR E-5 to E-8)

This subject has been partially covered in RR I-7 and I-8. The remainder might be placed under the sub-divisions for Gold and Foreign Exchange.

II - Problems not yet covered.

1. Exchange Controls (Old RR D).
2. Multiple Currencies (Old RR B-21 to B-26)
3. Scarce Currencies (Old RR C-15)
4. Postponement, Limitation, Ineligibility and Withdrawal (Old RR G).
5. Transition period (AA XIV). This may be covered by Exchange Controls.
6. Relations with Non-Members (AA XI).
7. Relations with other International Organizations (AA X; BL2).
8. Accounts and Reports (Old RR F; BL-10 and BL-20).
9. Agenda for Meetings of Governors (BL-6).
- x 10. Collection and Distribution of Data (Old RR F; AA XII-8)
11. Publications.
12. Staff (Old RR H). A separate part on Executive Directors and Alternates may be desirable to cover such problems as taxes and allowances for expenses.

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RB:sm

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