

1. FUND INCOME POSITION FOR FY 1986 AND REVIEW OF REMUNERATION COEFFICIENT

b. Setoff in Connection with Retroactive Reduction of Charges  
Due by Members in Arrears

1. When the Fund decides upon a retroactive reduction in the rate of charge specified in Rule I-6(4), the amount to be paid to a member that has charges or repurchases overdue in the General Resources Account, on the effective date of the payment by the Fund, shall be set off pro tanto, as of that date, against such overdue obligations in the following manner: the member shall be requested to specify which overdue obligations, among the categories listed in paragraph 2, it wishes to discharge by the setoff; in the absence of a response by the member within seven business days after the request, the setoff shall apply to the member's overdue obligations, within the categories listed in paragraph 2, in the descending order of maturities.

2. The setoff under paragraph 1 shall apply to:

- (a) special charges due on the amount of overdue charges under Executive Board Decision No. 8165, G/0/TR, December 30, 1985;
- (b) special charges due on the amount of overdue repurchases under Article V, Section 8(c);
- (c) charges due under Article V, Section 8(a) or (b);
- (d) overdue repurchase obligations.

Decision No. 8271-(86/74), adopted  
April 30, 1986