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**IMMEDIATE
ATTENTION**

EBD/99/106

September 3, 1999

To: Members of the Executive Board

From: The Secretary

Subject: **Rules and Regulations Amended Since the 1998 Annual Meeting**

Attached for the Executive Board's consideration is a draft letter to the Chairman of the Board of Governors submitting for review by the Governors the text of the amendments to the Rules and Regulations adopted since the 1998 Annual Meeting. A proposed resolution for the Board of Governors is attached as Annex II.

It is not proposed to bring this matter to the agenda for discussion unless an Executive Director so requests by noon on Monday, September 13, 1999. In the absence of such a request, the letter and draft resolution will be deemed approved for review by the Governors, and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads

DRAFT

September xx, 1999

Dear Mr. Chairman:

In accordance with Section 16 of the By-Laws, the attached amendments of the Rules and Regulations adopted since the 1998 regular meeting (Annex I) are submitted for review by the Board of Governors. A draft resolution for approval by Governors appears in Annex II.

Rules O-1 and T-1(c) were amended by the Executive Board (with effect from January 1, 1999) to reflect that the deutsche mark and the French franc have been replaced by the euro as the currency of Germany and France, respectively.

The Executive Board has made no other changes in the Rules and Regulations since the last Annual Meeting.

Very truly yours,

/s/

Michel Camdessus
Managing Director
and
Chairman of the Executive Board

Chairman of the Board of Governors
1999 Annual Meeting
International Monetary Fund

ANNEX I

RULES AND REGULATIONS AMENDED SINCE THE 1998 ANNUAL MEETING

Rule O-1. Text as amended, effective January 1, 1999:

The value of the SDR shall be the sum of the values of the following amounts of the following currencies:

Euro (France)	0.1239
Euro (Germany)	0.2280
Japanese yen	27.200
Pound sterling	0.1050
U.S. dollar	0.5821

Rule T-1(c). Text as amended, effective January 1, 1999:

The combined market interest rate shall be the sum, rounded to the two nearest decimal places, of the products that result from multiplying each yield or rate listed below, expressed as an equivalent annual bond yield, for the preceding Friday by the value in terms of the SDR on that Friday of the amount of the corresponding currency specified in Rule O-1, as determined pursuant to Rule O-2(b). If a yield or rate is not available for a particular Friday, the calculation shall be made on the basis of the latest available yield or rate.

U.S. dollar	Market yield for three-month U.S. Treasury bills
Euro (Germany)	Three-month interbank deposit rate in Germany
Euro (France)	Three-month rate for Treasury bills
Japanese yen	Three-month rate on certificates of deposit
Pound sterling	Market yield for three-month U.K. Treasury bills

DRAFT RESOLUTION

Amendments of the Rules and Regulations

RESOLVED:

That the Board of Governors of the Fund hereby notifies the Executive Board that it has reviewed the amendment of Rules O-1 and T-1(c), which have been made since the 1998 Annual Meeting, and has no changes to suggest.

