

**IMMEDIATE
ATTENTION**

EBD/09/72

September 21, 2009

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Rules and Regulations Amended Since the 2008 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 2008 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 Thursday, September 24, 2009**. In the absence of such a request, the letter and draft resolution will be deemed approved and it will be so recorded in the minutes of the next meeting thereafter.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

Att: (1)

Other Distribution:
Department Heads

September 21, 2009

Dear Mr. Chairman:

In accordance with Section 16 of the By-Laws, the attached amendments of the Rules and Regulations adopted since the 2008 regular meeting (Annex I) are submitted for review by the Board of Governors. A draft resolution for approval by Governors appears in Annex II.

Rule T-1(c) was amended by the Executive Board (with effect from February 5, 2009) to replace “Thirteen-week Japanese Government financing bills” with “Three-Month Japanese Treasury Discount Bills.”

Rule I-8 was amended by the Executive Board (with effect from April 10, 2009) to add the following first sentence “The following provisions shall apply to all GRA arrangements.” and to amend Rule I-8(a) and I-8(b) (with effect from March 24, 2009).

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

Yours very truly,

/s/

Dominique Strauss-Kahn
Managing Director
and
Chairman of the Executive Board

Chairman of the Board of Governors
2009 Annual Meetings
International Monetary Fund

Annex I
RULES AND REGULATIONS AMENDED SINCE THE
2008 ANNUAL MEETINGS

Rule T-1(c). Text as amended, effective February 5, 2009.

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 | Three-month Eurepo rate |
| Japanese yen | Three-Month Japanese Treasury Discount Bills |
| Pound sterling | Market yield for three-month U.K. Treasury bills |

Rule I-8, first sentence. Text as amended, effective April 10, 2009:

The following provisions shall apply to all GRA arrangements.

Rule I-8(a) and I-8(b). Text as amended, effective March 24, 2009:

(a) A charge shall be payable at the beginning of each twelve-month period (the “relevant period”) of an arrangement as follows:

- (i) 15/100 of 1 percent per annum on amounts of up to 200 percent of the member's quota that could be purchased during the relevant period;
- (ii) 3/10 of 1 percent per annum on amounts in excess of 200 percent and up to 1000 percent of the member's quota that could be purchased during the relevant period; and
- (iii) 3/5 of 1 percent per annum on amounts in excess of 1000 percent of the member's quota that could be purchased during the relevant period.

(b) When a purchase is made under an arrangement, the amount of the charge paid shall be reduced, and a refund equal to the reduction shall be made, as follows:

- (i) to the extent that purchases during the relevant period do not exceed 200 percent of the member's quota, the portion of the charge calculated in accordance with subparagraph (a)(i) above shall be reduced by the proportion that the amount of the purchase bears to the amount of the

- arrangement not exceeding 200 percent of the member's quota that could be purchased during the relevant period;
- (ii) to the extent that purchases during the relevant period exceed 200 percent but do not exceed 1000 percent of the member's quota, the portion of the charge calculated in accordance with subparagraph (a)(ii) above shall be reduced by the proportion that the amount of the purchase bears to the amount of the arrangement exceeding 200 percent but not exceeding 1000 percent of the member's quota that could be purchased during the relevant period; and
 - (iii) to the extent that purchases during the relevant period exceeds 1000 percent of the member's quota, the portion of the charge calculated in accordance with subparagraph (a)(iii) above shall be reduced by the proportion that the amount of the purchase bears to the amount of the arrangement exceeding 1000 percent of the member's quota that could be purchased during the relevant period.

**Annex II
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 amendments of Rules T-1(c) and I-8, which have been made since the 2008 Annual Meeting, and has no changes to suggest.