

## **5.Liquidation of the MDRI-II Trust--Establishment of a Post-MDRI-II Trust Interim Administered Account**

1. Pursuant to Article V, Section 2(b) of the Articles, the Fund adopts the Instrument to Establish the Post-MDRI-II Interim Administered Account (the "Account") that is annexed to this decision.

2. In accordance with Article XVII, Section 3 of the Articles, the Fund prescribes that an SDR Department participant or a prescribed holder, by agreement with an SDR Department participant or a prescribed holder and at the instruction of the Fund, may transfer SDRs to that participant or prescribed holder in effecting a transfer to or from the Account or in effecting a payment due to or by the Fund in connection with financial operations under this Account; and operations pursuant to this prescription shall be recorded in accordance with Rule P-9.

(SM/15/141, 06/16/15)

Decision No. 15811-(15/63), adopted

June 23, 2015

## **Annex I. Instrument to Establish the Post-MDRI-II Interim Administered Account**

To help fulfill its purposes, the International Monetary Fund (the "Fund"), at the request of two contributors, has adopted this Instrument to establish the Post-MDRI-II Interim Administered Account (the "Account") in accordance with Article V, Section 2(b) of the Fund's Articles of Agreement, which shall be governed and administered by the Fund in accordance with the terms and conditions of this Instrument.

1. The purpose of the Account is to serve as an interim vehicle for the temporary holding and administration of resources transferred to the Account by a member in the context of the liquidation of the Multilateral Debt Relief Initiative-II Trust (the "MDRI-II Trust"), set forth in Attachment II to Decision No. 13588-(05/99), adopted November 23, 2005, as amended by Decision No. 15708-(15/12), adopted February 4, 2015, pending any decision by such member ("Contributor") as to the final disposition of those resources.
2. The SDR shall be the unit of account. Resources provided to the Account shall be in SDRs or any currency. Transfers may be made in or exchanged for SDRs in accordance with such arrangements as may be made by the Fund for holding and use of SDRs.
3. Upon the instruction of a contributing member, the Fund shall transfer all or part of the resources received from a member, together with the member's pro rata share of the investment returns, to the Catastrophe Containment and Relief Trust established pursuant to Decision No. 15708-(15/12), adopted February 4, 2015, the Poverty Reduction and Growth Trust for use in any current or future subsidy operations authorized for that Trust, or to the account of the contributing member.
4. The resources held in the Account and not immediately needed for operations of the Account shall be invested at the discretion of the Managing Director. Investments pursuant to this paragraph may be made in any of the following: (i) marketable obligations issued by international financial organizations and denominated in SDRs or in the currency of a member of the Fund; (ii) marketable obligations issued by a member or by a national official financial institution of a member and denominated in SDRs or in the currency of that member; or (iii) deposits with a commercial bank, a national official financial institution of a member, or an international financial institution, that are denominated in SDRs or in the currency of a member.
5. The assets held in the Account shall be kept separate from the assets and property of all other accounts of, or administered by, the Fund. The assets and property held in such other accounts shall not be used to discharge or meet any liabilities, obligations or losses incurred in the administration of the Account; nor shall the assets of the Account be used to discharge or meet any liabilities, obligations or losses incurred in connection with any such other accounts of, or administered by, the Fund.

6. The Fund shall maintain separate financial records and prepare financial statements for the Account. The financial statements for the Account shall be expressed in SDRs and prepared in accordance with International Financial Reporting Standards.
7. The external audit firm selected under Section 20 of the Fund's By-Laws shall audit the operations and transactions of the Account. The audit shall relate to the financial year of the Fund.
8. The Fund shall report on the assets and property and on the operations and transactions of the Account in the Annual Report of the Executive Board to the Board of Governors and shall include in that Annual Report the audit report of the external audit firm on the Account.
9. Subject to the provisions of this Instrument, the Fund, in administering the Account, shall apply, mutatis mutandis, the same rules and procedures as apply to operations of the General Resources Account of the Fund.
10. The Managing Director is authorized (a) to make all arrangements, including the establishment of accounts in the name of the Fund, with such depositories as he or she deems necessary to carry out the operations of the Account; and (b) to take all other measures he or she deems necessary to implement the provisions of this Instrument.
11. No charge shall be levied in respect of the services rendered by the Fund in the administration, operation, and termination of the Account. All investment costs, including but not limited to costs associated with the exchange of currencies, purchase of securities, and hiring of external asset managers and custodian banks, shall be borne by, and deducted from, the Account.
12. The Account shall be terminated (a) three years from the effective date of the decision adopting this Instrument, unless the Fund decides to maintain the Account for a longer period of time; or (b) as promptly as practicable following the receipt of instructions from every Contributor regarding the distribution of its resources in the Account, whichever is earlier. In the event of termination under (a) above, the Fund shall distribute to each Contributor with resources remaining in the Account at the time of termination the full amount of such resources, including its share in any retained investment earnings.
13. The provisions of this Instrument may be amended by a decision of the Fund and with the concurrence of each Contributor with resources in the Account at the time of such decision, provided that the extension of the Account period in accordance with paragraph 12 shall not be considered an amendment to this Instrument.
14. Any questions arising under this Instrument between a Contributor and the Fund shall be settled by mutual agreement between the Contributor and the Fund.