

ภาคผนวก ก

ข้อกำหนดในกองทุนการเงินระหว่างประเทศฉบับย่อ

**Extracts from Articles of Agreement,
By-Laws, Rules and Regulations,
Executive Board Decisions, and Memoranda**

A. Articles of Agreement

ARTICLE III. QUOTAS SUBSCRIPTIONS

Section 3. Payments when quotas changed

(a) Each member which consents to an increase in its quota under Section 2 (a) of this Article shall, within a period determined by the Fund, pay to the Fund twenty-five percent of the increase in special drawing rights, but the Board of Governors may prescribe that this payment may be made, on the same basis for all members, in whole or in part in the currencies of other members specified, with their concurrence, by the Fund, or in the member's own currency. A non-participant shall pay in the currencies of other members specified by the Fund, with their concurrence, a proportion of the increase corresponding to the proportion to be paid in special drawing in its own currency. The Fund's holdings of a member's currency shall not be increased above the level at which they would be subject to charges under Article V, Section 8(b)(ii), as a result of payments by other member under this provision.

ARTICLE V. OPERATIONS AND TRANSACTIONS OF THE FUND

Section 6. Other purchases and sales of special rights by the Fund

(a) The Fund may accept special drawing rights offered by a participant in exchange for an equivalent amount of the currencies of other members.

(b) The Fund may provide a participant, at its request, with special drawing rights for an equivalent amount of the currencies of other member. The Fund's holdings of a member's currency shall not be increased as a result of these transactions above the level at which the holdings would be subject to charges under Section 8(b)(ii) of this Article.

(c) The currencies provided or accepted by the Fund under this Section shall be selected in accordance with policies that take into account the principles of Section 3(d) or 7(I) of this Article. The Fund may enter into transactions under this Section only if a member whose currency is provided or accepted by the Fund concurs in that use of its currency.

Section 7. Repurchase by a member of its currency held by the Fund

(i) All repurchase under this Section shall be made with special drawing rights or with the currencies of other members specified by the Fund. The Fund shall adopt policies and procedures with regard to the currencies to be used by members in making repurchases that take into account the principles in Section 3(d) of this not be increases by the repurchases above the level at which they would be subject to charges under Section 8(b)(ii) of this Article.

Section 8. Charges

(e) A member shall pay all charges in special drawing rights, provided that in exceptional circumstances the Fund may permit a member to pay charges in the currencies of other member specified by Fund, after consultation with them, or in its own currency. The Fund's holding of a member's currency shall not be increased as a result

of payments by other members under this provision above the level at which they would be subject to charges under (b)(ii) above.

Section 9. Remuneration

(d) Remuneration shall be paid in special drawing rights, provided that either the Fund or the member may decide that the payment to the member shall be made in its own currency.

ARTICLE VII. REPLENISHMENT AND SCARCE CURRENCIES

Section 1. Measures to replenish the Fund's holdings of currencies

The Fund may, if it deems such action appropriate to replenish its holding of any member's currency in the General Resources Account needed in connection with its transactions, take either or both of the following steps :

(ii) Require the member, if it is a participant, to sell its currency to the Fund for special drawing rights held in the General Resources Account, subject to Article XIX, Section 4. In replenishing with special drawing rights, the Fund shall pay due regard to the principles of designation under Article XIX, Section 5.

ARTICLE XII. ORGANIZATION AND MANAGEMENT

Section 6. Reserves, distribution of net income, and investment

(c) If any distribution is made of the net income of any year, it shall be made to all members in proportion to their quotas.

(d) The Fund, by a seventy percent majority of the total voting power, may decide at any time to distribute any part of the general reserve. Any such distribution shall be made to all members in proportion to their quotas.

(e) Payments under (c) and (d) above shall be made in special drawing rights, provided that either the Fund or the member may decide that the payment to the member shall be made in its own currency.

ARTICLE XV. SPECIAL DRAWING RIGHT

Section 1. Authority to allocate special drawing rights

To meet the need, as and when it arises, for supplement to existing reserve assets, the Fund is authorized to allocate special drawing rights to members that are participants in the Special Drawing Rights Department.

Section 2. Valuation of the special drawing right

The method of valuation of the special drawing right shall be determined by the Fund by a seventy percent majority of the total voting power, provided, however, that an eighty-five percent majority of the total voting power shall be required for a change in the principle of valuation or a fundamental change in the application of the principle in effect.

ARTICLE XVI. GENERAL DEPARTMENT AND SPECIAL DRAWING RIGHTS DEPARTMENT

Section 1. Separation of operations and transactions

All operations and transactions involving special drawing rights shall be conducted through the Special Drawing Rights Department. All other operations and transactions on the account of the Fund authorized by or under this Agreement shall be conducted through the General Department. Operations and transactions pursuant to Article XVII, Section 2 shall be conducted through the General Department as well as the Special Drawing Rights Department....

Section 3. Recording and information

All changes in holdings of special drawing rights shall take effect only when recorded by the Fund in the Special Drawing Rights Department. Participants shall notify the Fund of the provisions of this Agreement under which special drawing rights are used. The Fund may require participants to furnish it with such other information as it deems necessary for its functions.

**ARTICLE XVII. PARTICIPANTS AND OTHER HOLDERS OF
SPECIAL DRAWING RIGHTS**

Section 1. Participants

Each member of the Fund that deposits with the Fund an instrument setting forth that it undertakes all the obligations of a participant in the Special Drawing Rights Department in accordance with its law and that it has taken all steps necessary to enable it to carry out all of these obligations shall become a participant in the Special Drawing Rights Department as of the date the instrument is deposited, except that no member shall become a participant before the provisions of this Agreement pertaining exclusively to the Special Drawing Rights Department have entered into force and instruments have been deposited under this Section by members that have at least seventy-five percent of the total of quotas.

Section 2. Fund as a holder

The Fund may hold special drawing rights in the General Resources Account and may accept and use them in operations and transactions conducted through the General Resources Account with participants in accordance with the provisions of this Agreement or with prescribed holders in accordance with the terms and conditions prescribed under Section 3 of this Article.

Section 3. Other holders

The Fund may prescribe:

- (i) as holders, non-members, member that are non-participants, instructions that perform functions of a central bank for more than one member, and other official entities;
- (ii) the terms and conditions on which prescribed holders may be permitted to hold special drawing rights and may accept and use them in operations and transactions with participants and other prescribed holders; and
- (iii) the terms and conditions on which participants and the Fund through the General Resources Account may enter into operations and transactions in special drawing rights with prescribed holders.

An eighty-five percent majority of the total voting power shall be required for prescriptions under (i) above. The terms and conditions prescribed by the Fund shall be consistent with the provisions of this Agreement and the effective functioning of the Special Drawing Rights Departments.

ARTICLE XVIII. ALLOCATION AND CANCELLATION OF SPECIAL DRAWING RIGHTS

Section 1. Principles and considerations governing allocation and cancellation

(a) In all its decisions with respect to the allocation and cancellation of special drawing rights the Fund shall seek to meet the long-term global need, as and when it arises, to supplement existing reserve assets in such manner as will promote the attainment of its purposes and will avoid economic stagnation and deflation as well as excess demand and inflation in the world.

(b) The first decision to allocate special drawing rights shall take into account, as special considerations, a collective judgment that is a global need to supplement reserves, and the attainment of a better balance of payments equilibrium, as well as the likelihood of a better working of the adjustment process in the future.

Section 2. Allocation and cancellation

(a) Decision of the Fund to allocate or cancel special drawing rights shall be made for basic periods which shall run consecutively and shall be five years in duration. The first basic period shall begin on the date of the first decision to allocate special drawing rights or such later date as may be specified in that decision. Any allocations or cancellations shall take place at yearly intervals.

(b) The rates at which allocations are to be made shall be expressed as percentages of quotas on the date of each decision to allocate. The rates at which special drawing rights are to be cancelled shall be expressed as percentages of net cumulative allocations of special drawing rights on the date of each decision to cancel. The percentages shall be the same for all participants.

(c) In its decision for any basic period the Fund may provide, notwithstanding (a) and (b) above, that:

- (i) the duration of the basic period shall be other than five years; or
- (ii) the allocations or cancellations shall take place at other than yearly intervals; or
- (iii) the basis for allocations or cancellations shall be the quotas or net cumulative allocations on dates other than the dates of decision to allocate or cancel.

(d) A member that becomes a participant after a basic period starts shall receive allocations beginning with the next basic period in which allocations are made after it becomes a participant unless the Fund decides that the new participant shall start to receive allocations beginning with the next allocation after it becomes a participant. If the Fund decided that a member that becomes a participant during a basic period shall receive allocations during the remainder of the basic period and the participant was not a member on the dates established under (b) or (c) above, the Fund shall determine the basis on which these allocations to the participant shall be made.

(e) A participant shall receive allocations of special drawing rights made pursuant to any decision to allocate unless:

- (i) the Governor for the participant did not vote in favor of the decision; and
- (ii) the participant has notified the Fund in writing prior to the first allocation of special drawing rights under that decision that it does not wish special drawing rights to be allocated to it under the decision. On the re-notice with respect to allocations of special drawing rights subsequent to the termination.

ARTICLE XIX. OPERATIONS AND TRANSACTIONS

IN SPECIAL DRAWING RIGHTS

Section 1. Use of special drawing rights

Special drawing rights may be used in the operations and transactions authorized by or under this Agreement.

Section 2. Operations and transactions between participants,

(a) A participant shall be entitled to use its special drawing rights to obtain an equivalent amount of currency from a participant designated under Section 5 of this Article.

(b) A participant, in agreement with another participant, may use its special drawing rights to obtain an equivalent amount of currency from the other participant.

(c) The Fund, by a seventy percent majority of the total voting power, may prescribe operations in which a participant is authorized to engage in agreement with another participant on such terms and conditions as the Fund deems appropriate. The terms and conditions shall be consistent with the effective functioning of the Special Drawing Rights Department and the proper use of special drawing rights in accordance with this Agreement.

(d) The Fund may make representations to a participant that enters into any operation or transaction under (b) or (c) above that in the judgment of the Fund may be prejudicial to the process of designation according to the principles of Section 5 of this article or is otherwise inconsistent with Article XXII. A participant that persists in entering into such operations or transactions shall be subject or Article XXIII, Section 2

(b)

Section 3. Requirement of need

(a) In transactions under Section 2(a) of this Article, except as otherwise provided in (c) below, a participant will be expected to use its special drawing rights only if it has a need because of its balance of payments or its reserve position or developments in its reserves, and not for the sole purpose of changing the composition of its reserves.

(b) The use of special drawing rights shall not be subject to challenge on the basis of the expectation in (a) above, but the Fund may make representations to a participant that fails to fulfill this expectation. A participant that persists in failing to fulfill this expectation shall be subject to Article XXIII, Section 2(b).

(c) The Fund may waive the expectation in (a) above in any transactions in which a participant uses special drawing rights to obtain an equivalent amount of currency from a participant designated under Section 5 of this Article that would promote reconstitution by the other participant under Section 6(a) of this Article; prevent or reduce a negative balance of the other participant; or offset the effect of a failure by the other participant to fulfill the expectation in (a) above.

Section 4. Obligation to provide currency

(a) A participant designated by the Fund under Section 5 of this Article shall provide on demand a freely usable currency to a participant using special drawing rights under Section 2(a) of this Article. A participant's obligation to provide currency shall not extend beyond the point at which its holdings of special drawing rights in excess of its net cumulative allocation are equal to twice its net cumulative allocation or such higher limit as may be agreed between a participant and the Fund.

(b) A participant may provide currency in excess of the obligatory limit or any agreed higher limit.

Section 5. Designation of participants to provide currency

(a) The Fund shall ensure that a participant will be able to use its special drawing rights by designating participants to provide currency for specified amounts of special drawing rights for the purposes of Sections 2(a) and 4 of this Article. Designations shall be made in accordance with the following general principles supplemented by such other principles as the Fund may adopt from time to time:

- (i) A participant shall be subject to designation of its balance of payments and gross reserve position is sufficiently strong, but this will not preclude the possibility that a participant with a strong reserve position will be designated even though it has a moderate balance of payments deficit. Participants shall be designated in such manner as will promote over time a balanced distribution of holdings of special drawing rights among them.
- (ii) Participants shall be subject to designation in order to promote reconstitution under Section 6(a) of this Article, to reduce negative balances in holdings of special drawing rights, or to offset the effect of failures to fulfill the expectation in Section 3 (a) of this Article.
- (iii) In designating participants, the Fund normally shall give priority to those that need to acquire special drawing rights to meet the objectives of designation under (ii) above.

(b) In order to promote over time balanced distribution of holdings of special drawing rights under (a) (I) above, the Fund shall apply the rules for designation in Schedule F or such rules as may be adopted under (c) below.

(c) The rules for designation may be reviewed at any time and new rules shall be adopted if necessary. Unless new rules are adopted, the rules in force at the time of the review shall continue to apply . . .

Section 7. Exchange rates

(a) Except as otherwise provided in (b) below, the exchange rates for transactions between participants under Section 2(a) and (b) of this Article shall be such that participants using special drawing rights shall receive the same value whatever currencies might be provided and whichever participants provide those currencies, and the Fund shall adopt regulations to give effect to this principle.

(b) The Fund, by an eighty-five percent majority of the total voting power, may adopt policies under which in exceptional circumstances the Fund, by a seventy percent majority of the total voting power, may authorize participants entering into transactions under Section 2(b) of this Article to agree on exchange rates other than those applicable under (a) above.

(c) The Fund shall consult a participant on the procedure for determining rates of exchange for its currency.

(d) For the purpose of this provision the term participant includes a terminating participant.

ARTICLE XX. SPECIAL DRAWING RIGHTS DEPARTMENT

INTEREST AND CHARGES

Section 1. Interest

Interest at the same rate for all holders shall be paid by the Fund to each holder on the amount of the amount of its holdings of special drawing rights. The Fund shall pay the amount due to each holder whether or not sufficient charges are received to meet the payment of interest.

Section 2. Charges

Charges at the same rate for all participants shall be paid to the Fund by each participant on the amount of its net cumulative allocation of special drawing rights plus any negative balance of the participant or unpaid charges.

Section 3. Rate of interest and charges

The Fund shall determine the rate of interest by a seventy percent majority of the total voting power. The rate of charges shall be equal to the rate of interest.

Section 4. Assessments

When it is decided under Article XVI, Section 2 that reimbursement shall be made, the Fund shall levy assessments for this purpose at the same rate for all participants on their net cumulative allocations.

Section 5. Payment of interest, charges, and assessments

Interest, charges, and assessments shall be paid in special drawing rights. A participant that need special drawing rights to pay any charge or assessment shall be obligated and entitled to obtain them, for currency acceptable to the Fund, in a transaction with the Fund conducted through the General Resources Account. If sufficient special drawing rights cannot be obtained in this way the participant shall be obligated and entitled to obtain them with a freely usable currency from a participant after the date for payment shall specify. Special drawing rights acquired by a participant after the date for payment shall be applied against its unpaid charges and cancelled.

ARTICLE XXII. GENERAL OBLIGATIONS OF PARTICIPANTS

In addition to the obligations assumed with respect to special drawing rights under other articles of this Agreement, each participant undertakes to collaborate with the Fund and with other participants in order to facilitate the effective functioning of the Special Drawing Rights Department and the proper use of special drawing rights in accordance with this Agreement and with the objective of making the special drawing right the principal reserve asset in the international monetary system.

ARTICLE XX. EXPLANATION OF TERMS

In interpreting the provisions of this Agreement the Fund and its members shall be guided by the following provision:

(e) Net cumulative allocation of special drawing rights means the total amount of special drawing rights allocated to a participant less its share of special drawing rights that have been cancelled under Article XVIII, Section 2(a)

(f) A freely usable currency means a member's currency that the Fund determines (i) is, in fact, widely used to make payments for international transactions, and (iii) is widely traded in the principal exchange markets . . .

(i) Transactions in special drawing rights mean exchanges of special drawing rights for other monetary assets. Operations in special drawing rights means other uses of special drawing rights.

SCHEDULE F. DESIGNATION

During the first basic period the rules for designation shall be as follows:

(a) Participants subject to designation under Article XIX, Section 5(a) (i) shall be designated for such amounts as will promote over time equality in the ratios of

the participants holdings of special drawing rights in excess of their net cumulative allocations to their official holdings of gold and foreign exchange.

(b) The formula to give effect to (a) above shall be such that participants subject to designation shall be designated:

- (i) in proportion to their official holdings of gold and foreign exchange when the ratios described in (a) above are equal; and
- (ii) in such manner as gradually to reduce the difference between the ratios described in (a) above that are low and the ratios that are high.

ภาคผนวก ข

ระเบียบกฎเกณฑ์เกี่ยวกับการใช้ SDRs

B. By-Laws, Rules and Regulations

RULE G- OPERATIONS AND TRANSACTIONS

G-1. Each member shall designate a fiscal agency in accordance with Article V, Section 1, and may change the agency after notifying the Fund.

G-2. Instructions from a member for the transfer of currency, SDRs, or gold between it and the General Department and for transfers of SDRs through the Special Drawing Rights Department shall be given by the fiscal agency of the member. Instruction shall be authenticated in the manner agreed upon by the Fund and the fiscal agency.

G-3. In its operations on behalf of the Fund a depository will act only on instructions authenticated in such manner as may be agreed upon by the Fund and the depository.

RULE I – CHARGES IN RESPECT OF GENERAL RESOURCES

ACCOUNT TRANSACTIONS AND REMUNERATION

i-6. (1) Deleted.

(2) Deleted.

(3) Deleted.

(4) The rate of charge on holdings (I) acquired as a result of a purchase under a policy that has been the subject of an exclusion under Article XXX(c), or (ii) that exceed the amount of the member's quota after excluding any balances referred to in (I), shall be determined in accordance with (a), (b), and (c) below.

(a) The rate of charge shall be determined at the beginning of each financial year as a proportion of the SDR interest rate under Rule T-1. The proportion shall be determined on the basis of the estimated income and expense of the Fund during the

year, and the target amount of net income for the year. The latter shall be 5 percent of the Fund's reserves at the beginning of the year or such other percentage as the Executive Board may determine particularly in the light of the results in the previous financial year.

- (b) A mid-year review of the Fund's income position shall be held shortly after October 31 of each year. If actual net income for the first six months of the financial year, on an annual basis, is below the target amount for the year by an amount equal to, or greater than, two percent of the Fund's reserves at the beginning of the financial year, the Executive Board will consider how to deal with the situation. If by December 15 no agreement has been reached as a result of this consideration, the proportion of the SDR interest rate under Rule T-1 determined under (a) at the beginning of the year shall be increased as of November 1 to the level necessary to reach target amount of net income for the year.
- (c) A review of the Fund's income position shall be held shortly after the end of each financial year. If the net income for the year just ended is in excess of the target amount for the year, the Executive Board will consider whether the whole or a part of the excess should be used to reduce the rate of charge retroactive for the year just ended, or to place all or part of the excess to reserve.
- (d) If the Fund's net income for a financial year is in excess of the target amount for that year, the Executive Board may for the purpose of the determinations and estimates referred to in (a) and (b) above in respect of the immediately subsequent financial year, decide to deem any part of the excess over the target amount that has been placed to reserve as income for that subsequent financial year.

(5) Deleted.

(6) Deleted.

(7) Deleted

(8) Deleted

(9) Deleted

(10) Deleted

(11) Deleted

I-7 Deleted.

I-8 The following provisions shall apply to stand-by and extended arrangements:

- (a) A charge of $\frac{1}{4}$ of a percent per annum shall be payable at the beginning of each twelve-month period of an arrangement on the total amount of the arrangement that could be purchased during that period.
- (b) When a purchase is made under an arrangement, the amount of the charge paid shall be reduced in the proportion the amount of the purchase bears to the total amount that can be purchased under the arrangement during the period of twelve months or less in which the purchase was made. A refund equal to the reduction shall be made.
- (c) If a member notifies the Fund that it wishes to cancel an arrangement, the Fund shall repay to the member a portion of the charge. The portion repaid shall represent the charge for the period remaining unexpired at the date of cancellation for the amount that could still be purchased under the arrangement at the date of cancellation for which the member has paid a charge.
- (d) Refunds for reductions under subparagraph (b) above and repayments under subparagraph (c) above of a charge paid for an arrangement shall be made in the media selected by the Fund.

I-9 (a) Remuneration shall accrue daily. The amount that has accrued during each quarter of the financial year of the Fund shall be paid as of the beginning of the following quarter.

- (b) A member that wishes to receive in its own currency the whole or a specified portion of the remuneration payable to it shall so notify the Fund.

I-10 (a) The rate of remuneration shall equal to 100 percent of the rate of interest on holdings of SDRs under Rule T-1 (hereafter referred to as "SDR interest rate").

- (b) The relationship of the rate of remuneration to the SDR interest rate will be referred to as the "remuneration coefficient."

RULE J-ACCOUNTING AND REPORTING

- J-1 (b) The accounts of the Special Drawing Rights Department shall be kept in terms of the SDR...
- J-3 (b) A summary statement of the operations and transactions conducted through the Special Drawing Rights Department, and of the position of each participant and each other holder, shall be issued at intervals of three months or less. A statement shall be sent periodically to each participant and each other holder, setting forth the position of the participant or the other holder in the Special Drawing Rights Department and the details of operations and transactions involving the participant or the other holder.

RULE O-VALUATION THE SDR, VALUATION OF CURRENCIES IN TERMS OF THE SDR, FREELY USABLE CURRENCY, PROCEDURES FOR EXCHANGE OF CURRENCY, AND OPERATIONAL BUDGET

Valuation of the SDR

O-1. The value of the SDR shall be the sum of the values of the following amounts of the following currencies:

U.S. dollar	0.572
Deutsche mark	0.453
Japanese yen	31.8
French franc	0.800
Pound sterling	0.0812

Valuation of Currencies in Terms of the SDR

O-2 (a) The value of the United State dollar in terms of the SDR shall be equal to the reciprocal of the sum of the equivalents in United States dollars of the amounts of the currencies specified in Rule O-1, calculated on the basis of exchange rates established in accordance with procedures decided from time by the Fund.

(b) The value of a currency other than the United State dollar in terms of the SDR shall be determined on the basis of the value of the United dollar in terms of the SDR in accordance with (a) above and exchange rate for that other currency determined as follows:

- (i) for the currency of a member having an exchange market in which the Fund finds that a representative spot rate for the United State dollar can be readily ascertained, that representative rate;
- (ii) for the currency of a member having an exchange market in which the Fund finds that a representative spot rate for the United State dollar cannot be readily ascertained but in which a representative spot rate can be readily ascertained for a currency as described in (I), the rate calculated by reference to the representative spot rate for that currency and the rate ascertained pursuant to (I) above for the United States dollar in terms of that currency;

(c) Procedures to establish exchange rates under (b) above shall be determined by the Fund in consultation with members.

Freely Usable Currency

O-3 (a) The Fund shall determine the currencies that are freely usable in accordance with Article XXX (f).

(b) The Fund shall consult a member before placing its currency on, or removing it from, the list of freely usable currencies.

Procedures for Exchange of Currency

O-4 (a) The Fund shall consult all members with respect to procedures for the prompt exchange of currency, or to facilitate such exchange, in connection with

- (i) the operations and transactions of the Fund conducted through the General Resources Account, and

(ii) transactions with designation conducted through the Special Drawing Rights Department.

(b) On the request of any member, an Executive Director, or the Managing Director, the Executive Board shall decide whether procedures under (a) above for the exchange of currency are in accordance with the obligations of members

(c) The Fund shall inform all members of the procedures for the exchange of each freely usable currency.

O-5. A member requesting an exchange of currency in accordance with the procedures under Rule O-4 (a) shall make its request to the Fund not later than the date on which the Fund issues instructions for the execution of the operation or transaction that gives rise to the request.

O-6 (a) An exchange of currency in accordance with the procedures under Rule O-4

(a) shall be made at an exchange rate between the two currencies corresponding to their exchange rates in terms of the SDR as determined under Rule O-2, if

(i) the exchange is requested under Article V, Section 3(e)(i) or (iv) or under Article V, Section 7(j)(I) or (iv), or

(ii) the procedure for the exchange of currency under Rule O-4(a) so provide.

(b) The exchange rate for each currency for the purpose of (a) above shall be determined as of the date of dispatch of the Fund's instruction for the execution of the transaction or operation under (a) above.

(c) The value date for an exchange of currency under (a) above shall be the third business day after the date of dispatch of the Fund's instruction under (b) above, or as close thereto as practicable.

O-7. No member shall levy any charge or commission in respect of an exchange of currency to which Rule O-6 applies.

O-8 (a) An exchange of currency to which Rule O-6 applies shall be made by an official agency of the member issuing the currency, unless the members exchanging currency agree otherwise.

- (b) Instruction for an exchange by an official agency (a) above shall be given by the Fund.
- O-9 (a) In an exchange pursuant to Article V, Section 7(j)(iv), the freely usable currency to be provided by the repurchasing member in the exchange shall be the freely usable currency agreed between the members exchanging currency
- (b) In the absence of agreement under (a) above, the Fund shall specify the freely usable currency to be provided by the repurchasing member. In making any such specification, the Fund shall take account the circumstances of the members exchanging currency.
- O-10 (a) At quarter intervals the Executive Board shall decide on the budget, including amounts, for the use of currencies and SDRs in the operations and transactions of the Fund conducted through the General Resources Account until the next decision takes effect.
- (b) The Executive Board may decide at any time to adopt a special budget.
- (d) On the request of any member, an Executive Director, or the Managing Director, the Executive Board shall review, and if necessary amend, any budget adopted pursuant to (a) or (b) above.

RULE P-PROCEDURES FOR OPERATION AND TRANSACTIONS INVOLVING SDRs

Transactions with Designation

- P-1 (a) A participant shall inform the Fund of its intention to use SRDs in a transaction with designation. If it desires a particular freely useable currency the participant shall indicated this not later than the date on which the Fund issues instructions for the execution of the transaction.
- (b) Instruction for a transaction pursuant to (a) above shall be given by the Fund in accordance with Rule P-2 and procedures under Rule O-4(a), and shall be carried out promptly.

- P-2. In a transaction with designation the freely useable currency shall be provided at an exchange determined under Rule O-2, and official agency of the participant issuing the currency.
- P-3. No participant shall levy any charge or commission in respect of the provision of currency in a transaction with designation.
- P-4. A participant using SRDs in a transaction with designation shall declare that the use is in accordance with Article XIX, Section 3(a), or a waiver under Article XIX, Section 3(c).

Designation of Participants to Provide Currency

- P-6. (a) The exchange rate in a transaction by agreement between participants shall be determined under Rule O-2 as of the date agreement, unless the transaction is carried out at another exchange rate pursuant to authorization by the Fund under Article XIX, Section 7(b). Settlement shall take place on the date of the agreement or any business day from that date, as agreed between the participants.
- (b) No participant shall levy any charge or commission in respect of a transaction under Article XIX, Section 2(b).

Prescribed Operation

- P-7. The parties to an operation pursuant to a prescription under Article XIX, Section 2 (c) shall declare that the operation is in accordance with the prescription.

Recording

- P-8. A participant using SRDs in a transaction shall inform the Fund immediately of the receipt of currency in accordance with the Articles of Agreement and these Rules and Regulations.
- P-9. The Fund shall record a transaction or an operation in the Special Drawing Rights Department when it is satisfied that the transaction or the operation is in conformity with the obligations of participants under the Articles of Agreement and with the Rules and Regulations and any applicable decisions of the Fund. A transaction shall be recorded as of the date on which

currency is provided, and an operation shall be recorded as of the date on which currency is provided, and an operation shall be recorded as of the date on which it is carried out.

RULE Q-OTHER HOLDERS

Q-1. An application for prescription by the Fund as a holder of SDRs, and of the terms and conditions for holding, accepting, and using SDRs in operations and transactions, shall be filed with the Fund with all relevant facts. Terms and conditions shall be prescribed by the Executive Board after consultation with the applicant.

RULE S-SUSPENSION OF USE OF SDRs

S-1. The Managing Director shall report to the Executive Board any facts on the basis of which it appears to him that a participant is not fulfilling obligations under the Articles that could lead to suspension under Article XXIII, Section 2, and may include a complaint in his report.

S-2. A participant may complain that another participant is not fulfilling obligations under the Articles that could lead to suspension under Article XXIII, Section 2, and the Managing Director shall transmit the complaint to the Executive Board with his comments. Any complaint shall be made in writing or by any rapid means of communication, and it shall be accompanied by a statement of the facts on which the participant bases its complaint.

S-3. The Managing Director shall immediately inform a participant of any complaint against it and the statement of the facts on which the complaint is based.

S-4. If the complaint is that the participant has failed to fulfill its obligations under Article XIX, Section 4, the participant shall not use SDRs and this limitation shall continue pending the disposition of the complaint.

S-5. A participant against which a complaint has been made under Rule S-1 or Rule S-2, the Managing Director, or an Executive Director may request the Executive Board to dismiss the complaint. The Executive Board shall consider request forthwith.

S-6. If the right of a participant to use SDRs has been limited under Rule S-4, and a request under Rule S-5 has been made by a participants, the complaint shall be deemed to have been dismissed at the end of ten business days after the request, or at the end of such longer period as the participant states in the request, unless within this time the Executive Board has taken a decision disposing of the complaint.

S-7. If the right of a participant to use its SDRs has been suspended under Article XXIII, Section 2, the participant may request the Executive Board to terminate the suspension. If the Executive Board has taken a decision disposing of the complaint.

S-8. All procedures under Rules S-1 through S-7 shall be conducted as expeditiously as possible, and shall allow the participant an adequate opportunity to state its case both orally and in writing.

RULE T-INTEREST, CHARGES, AND ASSESSMENTS

IN RESPECT OF SDRS.

- T-1. (a) Interest and charges in respect of SDRs shall accrue daily at the rate referred to in (b) below. The amount that has accrued during each quarter of the financial year of the Fund shall be paid promptly as of the beginning of the following quarter. The accounts of participants shall be credited with the excess of interest due. The accounts of holders that are not participants shall be credited with the interest due.
- (b) The rate of interest on holdings of SDRs for each weekly period commencing each Monday shall be equal to the combined market interest rate as determined by the Fund at the beginning of the period in the manner described in (c) below.

- (c) 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.
Deutsche mark	Three-month interbank deposit rate in Germany
French franc	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.

C. Executive Board Decisions

TRANSFER OF SPECIAL DRAWING RIGHTS HELD IN GENERAL

ACCOUNT TO PARTICIPANTS MAKING PURCHASES FROM FUND

Executive Board Decision No. 3414-(71/98) G/S adopted September 10, 1971 is amended to read as follows:

When a member which is a participant in the Special Drawing Account consults in accordance with the Executive Board Decision No. 1371-(62/36), adopted July 20, 1962, on Currencies to Be Drawn and to Be Used in Repurchases, the Managing Director may propose that the participant request the purchase of special drawing rights not in excess of the amount which he shall indicate.

Decision No. 5355-(7/36) G/S

March 15, 1977

CHARGES: MEDIA OF PAYMENT IN GENERAL RESOURCES

ACCOUNT

1. A member whose holdings of SDRs are insufficient for the payment of the total of estimated charges due and payable by it within the next thirty days may:
 - (a) obtain SDRs from the General Resources Account up to a reasonable estimate of the balance of SDRs needed for the payment; or
 - (b) pay balance of the charges in the currencies of other members.
2. A member that is unable to pay charges in SDRs because it is not a participant in the Special Drawing Rights Department and has not been prescribed as an other holder may pay all charges payable under Article V, Section 8 in the currencies of other members.

Decision No. 5702-(78/39) G/S

March 22, 1978, effective April 1, 1978,

As amended by

Decision No. 7096-(82/57) G/S

April 23, 1982

USE OF SDRs IN REPURCHASES

1. (a) Repurchases of the outstanding amount of a member's currency that result from a purchase under the credit tranches and is subject to charges under Article V, Section 8(b), or under the decision on Compensatory Financing of Export Fluctuation (Decision No. 4912-(75/207), as amended) or the decision on The Problem of Stabilization of Prices of Primary Products (Decision No. 2772-(69/47), as amended), or the decided on Compensatory Financing of Fluctuations in the Cost of Cereal Imports (Decision No. 6860-(81/81), as amended), or the decision on the Compensatory and Contingency Financing Facility (Decision No. 8955-(88/126), as amended), shall be completed, pursuant to Article V, Section 7(c), five years after the date of the purchase, provided that the repurchase shall be made in equal quarterly installments during the period beginning three years and ending five years after the date of the purchase unless the Fund approves a different schedule.
- (c) A member that has outstanding purchase under the decision on The Problem of Stabilization of Prices of Primary Products (Decision No. 2772-(69/47), as amended) will be expected to make a repurchases at an earlier date than would be required under (a)

above when, and to the extent that, the international buffer stock for the financing of which the purchase was made makes distributions in currency to the member.

2. Decisions with respect to the timing of repurchases shall be understood to permit a member to combine all repurchases to be made within a calendar month and to complete them not later than the last business day of the month, provided however that the maximum period for use of the Fund's resources according to the policy under which a repurchase is to be made shall not be exceeded.
3. If a member that has an outstanding obligation to pay gold in repurchase has made an equivalent repurchase with special drawing rights in discharge of a commitment the member shall be regarded as having discharged its obligation in accordance with Schedule B, paragraph 2.
4. If a member that has an outstanding obligation to pay gold in repurchase has made an equivalent repurchase with currencies of other members in discharge of a commitment, the member shall be regarded as having discharged its obligations in accordance with Schedule B, paragraph 2, provided that if the currencies paid are not acceptable in repurchase as of the date of the Second Amendment, the members specified by the Fund in accordance with Article V, Section 7(I).
5. If a member that has an outstanding obligation to pay gold in repurchase has not made an equivalent repurchase with special drawing rights or with the currencies of other members in discharge of a commitment, within two months after the date of the Second Amendment of the Articles of Agreement, the member shall make a repurchase equivalent to the outstanding obligation in gold with special drawing rights or, at its option, with the currencies of other members specified by the Fund in accordance with Article, with Article V, Section 7(I). The repurchase shall be regarded as a discharge of the member's obligation in accordance with Schedule B, paragraph 2.
6. The dates for the payment of special drawing rights or currencies of other members in discharge of any obligation to pay gold to the Fund in repurchase, and for any substitution under paragraph 5 above, after the date Second Amendment of the Articles of Agreement shall be determined in accordance with Schedule B, paragraph 1.

7. Repurchase under Schedule B, paragraph 4 shall be completed four years after the date of the Second Amendment of the Articles of Agreement. If the Fund's holdings of a member's currency that are subject to paragraph 4(ii) are in excess of 10 percent of the member's quota on the date of the Second Amendment, the member shall be requested to agree to make the repurchase in four equal installments beginning not later than one year after that date.

Decision No. 5703-(78/39)

March 22, 1978, effective April 1, 1978

As amended by

Decision No. 6862-(81/81)

May 13, 1981, and

Decision No. 8955-(88/126)

August 23, 1988

A member shall discharge any repurchase obligation that accrued in gold before the date of the Second Amendment with special drawing rights or, at its option, with the currencies of other members specified by the Fund in accordance with Article V, Section 7(I).

Decision No. 5809-(78/88)

June 12, 1978

USE OF SDRs IN SETTLEMENT OF FINANCIAL OBLIGATION

A. In accordance with Article XIX, Section 2©, the Fund prescribe that:

1. A participant, by agreement with another participant, may use SDRs to settle a financial obligation to the other participant, if
 - (a) the obligation is denominated in
 - (i) SRDs, or
 - (ii) The currency of a member, or
 - (iii) The currency of a nonmember or another unit of account that is composed of currencies and is applies under an intergovernmental agreement, in respect of with arrangement have been completed for

determination by the Fund of equal value in terms of the SDR on the basis of Article XIX, Section 7(a) and Rule O-2; and

- (b) the amount of SDRs to be used in settlement of an obligation referred to in (a)(ii) or (a)(iii) above is equal in value, in terms of the SDR, at the time of settlement, to the amount of the obligation.
2. The calculation under 1(b) above shall be made at the exchange rate of the third business day preceding the value date or of the second business day preceding the value date if agreed between the parties.
 3. Participants intending to use or acquire SDRs under 1(a) above shall inform the Fund of the denomination and amount of the obligation and the intended value date of the operation. As required by Rule P-7 the lender and the borrower shall declare that the intended use of SDRs will be in accordance with this prescription.
 4. Transfer of SDRs under this prescription shall be made only upon the receipt by the Fund of instructions from the transferor and the transferee.
- B. The Fund shall record operations under this prescription in accordance with Rule P-9.
- C. The Fund shall review this decision prior to June 30 of each year.

Decision No. 600-(79/1) S

December 28, 1978

As amended by

Decision No. 6438-(80/37) S

March 5, 1980

USE OF SDRs IN LOANS

- A. In accordance with Article XIX, Section 2©, the Fund prescribes that:
1. A participant, by agreement with another participant, may make a loan of SDRs to the other participant, if:
 - (a) the principle amount of the loan is denominated in

- (i) SDRs, or
 - (ii) The currency of a member, or
 - (iii) The currency of a nonmember or another unit of account that is composed of currencies and is applied under an intergovernmental agreement, in respect of which arrangements have been completed for determination by the Fund of equal value in terms of the SDR on the basis of Article XIX, Section 7(a) and Rule O-2; and
- (b) the amount of SDRs used in loan referred to in (a)(ii) or (a)(iii) above is equal in value, in terms of the SDR, at the time of the use, to amount of agreement:
- (c) the borrower has undertaken the following obligations under the loan agreement:
- (i) if the loan is denominated in SDRs, to repay with the same amount of SDRs, or the equivalent, at the time of repayment, in the currency of a member on the basis of Article XIX, Section 7(a) and Rule O-2, or in the currency of a nonmember or another unit of account under (a)(iii) above in accordance with the arrangements for valuation referred to therein;
 - (ii) if the loan is denominated in the currency of a member and is to be repaid in SDRs, to repay with the equivalent in SDRs, at the time of repayment, on the basis of Article XIX, Section 7(a) and Rule O-2;
 - (iii) if the loan is under (a)(iii) above and is to be repaid in SDRs, to repay with the equivalent in SDRs, at the time of repayment, in accordance with the arrangements for valuation referred to in (a)(iii) above.
2. The calculations under 1(b) and (c) above shall be made at the exchange rate of the third business day preceding the value date or of the second business day preceding the value date if agreed between the parties.
3. Repayment and the payment of interest with SDRs shall be made in accordance with the prescription of the use of SDRs in the settlement of financial obligations.

4. Participants intending to lend or borrow SDRs under this prescription shall inform the Fund of the amount and value date of the loan, the denomination, rate of interest, maturity, and means of repayment agreed between the parties. As required by Rule P-7 the lender and the borrower shall declare that the intended use of SDRs will be in accordance with this prescription.
 5. Transfer of SDRs under this prescription shall be made only upon the receipt by the Fund of instructions from the transferee.
- B. The Fund shall record operations under this prescription in accordance with Rule P-9.
- C. The Fund shall review this decision prior to June 0 of each year.

Decision No. 6001-(79/1) S

December 28, 1978

USE OF SDRs IN PLEDGED

In accordance with Article XIX, Section 2©, the Fund prescribes that:

1. A participant, by agreement with another participant, may pledge SDRs to secure the performance of a financial obligation to the other participant, if the obligation is denominated in
 - (i) SDRs, or
 - (ii) The currency of a member, or
 - (iii) The currency of a nonmember or another unit of account that is composed of currencies and is applied under an intergovernmental agreement, in respect of which arrangements have been completed for determination by the Fund of equal value in terms of the SDR on the basis of Article XIX, Section 7(a) and Rule O-2.
2. participants intending to engage in an operation involving the pledge of SDRs as pledgor or pledgee shall inform the Fund of the terms of the pledge relating to the amount and denomination of the obligation to be secured by the pledge, the amount of SDRs to be pledged, the effective date of the pledge, and the party or other entity designated by the parties to the operation to give instructions to the Fund to terminate the pledge in whole or in

- part or to transfer the pledged SDRs to the pledgee. As required by Rule P-7 the parties to the operation shall declare that the intended use of SDRs will be in accordance with this prescription.
3. The Fund shall record of SDRs under this prescription only upon receipt by the Fund of instructions from the parties to the operation. A change in the terms of the pledge referred to in 2 above, if consistent with this prescription, shall take effect upon receipt by the Fund of instructions from the parties to the operation. The amount of SDRs to be pledged shall be set aside and shall not be used during the period of the pledge except in accordance with instructions authorized by the terms of the pledge or in order to discharge an obligation of the pledgor under the Articles of Agreement.
 4. The amount of SDRs to be transferred to the pledge in accordance with instructions authorized by the terms of the pledge instruction of the secured obligation shall discharge an equal amount, in terms of the SDR, of the secured obligation at the time of the transfer. Calculations for this purpose shall be made at the exchange rate of the third business day preceding the date of the transfer or of the second business day preceding the date of the transfer if agreed between the parties.
 5. The Fund shall give adequate notice to the parties to an operation under this prescription before pledged SDRs are to be transferred.
 - (a) in accordance with the terms of the pledge; or
 - (b) in order to discharge an obligation of the pledgor under the Articles of Agreement.
 6. The notice under 5(b) above may include advice on the ways in which the obligation could be discharged without the use of pledge SDRs, or in which the pledge of SDRs could be restored.
 7. The Fund shall record operations under this prescription in accordance with Rule P-9.
 8. The Fund shall review this decision prior to June 30 of each year.

Decision No. 6053-(79/34) S

February 26, 1979

As amended by

Decision No. 6438-(80/37) S

March 5, 1980

USE OF SDRs IN TRANSFERS AS SECURITY FOR THE PERFORMANCE OF FINANCIAL OBLIGATIONS

In accordance with Article XIX, Section 2(c), the Fund prescribes that :

1. A participant, by agreement with another participant, may transfer SDRs to the other participant in order to secure the performance of a financial obligation to the other participant, if the obligation is denominated in
 - (i) SDRs, or
 - (ii) The currency of a member, or
 - (iii) The currency of a nonmember or another unit of account that is composed of currencies and is applied under an intergovernmental agreement, in respect of which arrangements have been completed for determination by the Fund of equal value in terms of the SDR on the basis of Article XIX, Section 7(a) and Rule O-2.
2. Participants intending to engage, as transferor or transferee, in an operation involving the transfer of SDRs as security shall inform the Fund of the terms of the security arrangement relating to the amount and denomination of the obligation to be secured, the amount of SDRs to be transferred, the effective date of the transfer, any agreement by the parties regarding SDRs received from the Fund as interest in respect of the transferred SDRs, and the party or other entity designated by the parties to the operation to give instructions to the Fund for the retransfer. As required by Rule P-7 the parties to the operation shall declare that the intended use of SDRs will be in accordance with this prescription.
3. The Fund shall record a transfer of SDRs under this prescription upon the receipt by the Fund of instructions from the parties to the operation. A change in the terms of the security arrangement referred to in 2 above, if consistent with this prescription, shall take effect upon receipt by the Fund of instructions from the parties to the arrangement. At the request of the parties, the amount of SDRs transferred as security shall be set aside and shall not be used

during the period of the security arrangement except in accordance with instructions authorized by the terms of the arrangement or in order to discharge an obligation of the transferee under the Articles of Agreement.

4. The amount of SDRs transferred as security shall be retransferred in accordance with instructions authorized by the terms of the security arrangement, or retained in the absence of such instructions. The amount of SDRs retained shall discharge an equal amount, in terms of the SDR, of the secured obligation at the time of the retention. Calculations for this purpose shall be made at the exchange rate of the third business day preceding the date of retention or the second business day preceding the date of retention if agreed between the parties.
5. The Fund shall give adequate notice to the parties to an operation under this prescription before the amount of SDRs held by the transferee as security are to be
 - (a) retransferred in accordance with the terms of the arrangement; or
 - (b) reduced in order to discharge an obligation of the transferee under the Articles of Agreement.
6. The notice under 5(b) above may include advice on the ways in which the obligation could be discharged without the use of the SDRs held as security, or in which these holdings could be restored.
7. The Fund shall record operations under this prescription in accordance with Rule
8. The Fund shall review this decision prior to June 30 of each year.

Decision No. 6054-(79/34) S

February 26, 1979,

As amended by

Decision No. 6438-(80/37) S

March 5, 1980

USE OF SDRs IN SWAP OPERATIONS

In accordance with Article XIX, Section 2(c), the Fund prescribes that:

1. A participant, by agreement with another participant, may engage in an operation by which
 - (a) one of the parties transfers to the other party SDRs in exchange for an equivalent amount of currency or another monetary asset, other than gold, in respect of which arrangements have been completed for determination by the Fund of equal value in terms of the SDR on the

- basis of Article XIX, Section 7(a) and Rule O-2, and (b) the parties undertake to reverse the exchange within a period and at an exchange rate agreed by them.
2. Calculations for the purpose of 1(a) above shall be made at the exchange rate of the third business day preceding the date of the transfer of the second business day preceding the date of the transfer if agreed if agreed by the parties.
 3. The parties may agree on the terms of the operation, and may modify those terms,, provided that the terms and any modification of them would be consistent with this prescription.
 4. The parties may agree on the payment of the compensation in the event that, for any reason, the reversal of the transfer in accordance with 1(b) above is not carried out.
 5. Participants intending to use or receive SDRs pursuant to this prescription shall inform the Fund of
 - (a) the amount of SDRs and the period of the operation;
 - (b) the monetary asset, the exchange rate and the value date for the exchange under 1(a) above;
 - (c) the monetary asset, the exchange rate and the value date for the reversal of the exchange;
 - (d) any agreement for the payment of interest, or compensation in accordance with 4 above; and
 - (e) any modification of these terms.
 6. As required by Rule P-7 the parties to an operation pursuant to this prescription shall declare that the intended use of SDRs will be in accordance with this prescription.
 7. Transfers of SDRs pursuant to this prescription shall be made only upon receipt by the Fund of instructions from the transferor and the transferee.
 8. If the Fund decides to change any of the terms and conditions of this prescription, any outstanding operation that is inconsistent with the new terms and conditions shall be completed within 12 months from the date of the Fund's decision.
 9. The Fund shall record operations pursuant to this prescription in accordance with Rule P-9

Decision No.6336-(79/178) S

November 28, 1979

USE OF SDRS IN FORWARD OPERATIONS

In accordance with Article XIX, Section 2(c), the Fund prescribes that :

1. A participant, in agreement with another participant, may engage in an operation by which the participant undertakes to transfer to the other participant SDRs at a specified future date more than three business days after the date of the agreement, in exchange for an agreed amount of currency or another monetary asset, other than gold.
2. The parties may agree on the terms of the operation, and may modify those terms, provided that the terms and any modification of them would be consistent with this prescription.
3. Participants intending to use or receive SDRs pursuant to this prescription shall inform the Fund of
 - (a) the amount of SDRs and the period of the operation;
 - (b) the monetary asset, the exchange rate and the value date for the exchange; and
 - (c) any modification of these terms.
4. As required by Rule P-7 the parties to an operation pursuant to this prescription shall declare that the intended use of SDRs will be in accordance with this prescription.
5. Transfers of SDRs pursuant to this prescription shall be made only upon the receipt by the Fund of instructions from the transferor and the transferee.
6. If the Fund decides to change any of the terms and conditions of this prescription, any outstanding operation that is inconsistent with the new terms and conditions shall be completed within 12 months from the date of the Fund's decision.
7. The Fund shall record operations pursuant to this prescription in accordance with Rule P-9

Decision No 6337-(79/178) S

November 28, 1979

USE OF SDRS IN DONATIONS

In accordance with Article XIX, Section 2(c) , the Fund prescribes that:

1. A participant, by agreement with another participant, may donate SDRs to the other participant.

2. Participants intending to donate or receive SDRs pursuant to this prescription shall inform the Fund of the amount of SDRs and the value date for the transfer.
3. As required by Rule P-7 the parties to an operation pursuant to this prescription shall declare that the intended use of SDRs will be in accordance with this prescription.
4. Transfers of SDRs pursuant to this prescription shall be made only upon the receipt by the Fund of instructions from the transferor and the transferee.
5. The Fund shall record operations pursuant to this prescription in accordance with Rule P-9

Decision No. 6437-(80/37) S

March 5, 1980

SPECIAL DRAWING RIGHTS: OTHER HOLDERS

The terms and conditions on which other holders prescribed by the fund may accept, hold or use SDRs are as follows:

1. Acceptance, Holding, and Use by Prescribed Holders

- (a) Acceptance and use

A prescribed holder may accept or use special drawing rights (I) in exchange for an equivalent amount of a monetary asset other than gold in a transaction entered into by agreement with a participant, or another prescribed holder, or (ii) in an operation entered into by agreement with a participant or another prescribed holder in accordance with and on the same terms and conditions established at that time for participants by decisions of the Fund under Article XIX, Section 2(c)

- (b) Holding

A prescribed holder may hold special drawing rights, subject to the provisions of this decision, accepted in accordance with (a) above or received as interest paid on its holdings of special drawing rights in accordance with Article XX, Section 1.

2. Acceptance and Use by Participants in Transactions and Operations with Prescribed Holders

Participants may enter into transactions and operations by agreement with a prescribed holder in accordance with the prescriptions in paragraph 1(a) of this decision.

3. Application of General Provisions

The holding of special drawing rights and the acceptance and use of them in transactions and operations by a prescribed holder shall be governed by the provisions of the Articles, By-Laws, Rules and Regulations, and decisions of the Fund that apply from time to time to all holders of special drawing rights.

4. Exchange Rates

The Rules and Regulations and decisions of the Fund that determine the exchange rates applicable at the time of each use of acceptance of special drawing rights by a participant shall apply to each use or acceptance of them by a prescribed holder. A prescribed holder shall not levy any charge or commission in respect of a transaction involving special drawing rights.

5. Information and Recording

The Fund shall inform prescribed holders of matters relevant to the acceptance, holding, and use of special drawing rights by them. A prescribed holder shall inform the Fund promptly of the facts necessary to record any transactions or operations in which a prescribed holder accepts or uses special drawing rights.

6. Consultation and Review

(a) Consultation between the Fund and a prescribed holder shall be held at the request of the Fund or the prescribed holder with respect to the application of this decision or the decision prescribing the holder or with respect to transactions or operations entered into involving special drawing rights.

(b) The Executive Board shall review periodically this decision and decisions prescribing holders.

7. General Undertaking

Each prescribed holder shall collaborate with the Fund, participants, and other prescribed holders with respect to its acceptance, holding, and use of special drawing rights in order to facilitate the effective functioning of the Special Drawing Rights Department and the proper use of special drawing rights in accordance with the Articles and the terms and conditions prescribed by the Fund now or in the future for the acceptance, holding, and use of special drawing rights by prescribed holders.

8. Suspension

During any period in which a suspension is in effect under Article XXIII, Section 1 with respect to participants, the suspension shall apply to the same extent to prescribed holders.

9. Termination

- (a) The prescription of a holder of special drawing rights may be terminated by the Fund by a decision of the Executive Board or by a notice from the prescribed holder in writing to the Fund at its principal office. Termination shall become effective on the date specified in the decision of the Executive Board but not earlier than the date of the decision, or when notice from the prescribed holder is received by the Fund at its principal office.
- (b) A prescribed holder whose status as such has been terminated may continue to hold the special drawing rights it held on termination and to receive special drawing rights as interest on its holdings and may continue to use special drawing rights to dispose of them in transactions or operations in accordance with paragraph 1(a) above. A prescribed holder whose status has been terminated shall make arrangements, with the concurrence of the Fund, to dispose of its holdings of special drawing rights as expeditiously as possible, and shall exchange special drawing rights for a freely usable currency selected by the prescribed holder when requested by the Fund.

Decision No. 6467-(80/771) S

April 14, 1980

REVIEW OF RULES FOR DESIGNATION AND METHOD OF CALCULATING DESIGNATION AMOUNTS

The Executive Directors approve the summary and conclusions set out [below] on the understanding that if during the first year after a participant receives an allocation for the first time, designation would bring the participant close to the acceptance limit, the staff will take steps to moderate the rate at which the limit is approached.

Decision No. 6209-(79/124) S

July 24, 19779

SUMMARY AND CONCLUSIONS

1. The designation system has a key role in guaranteeing the usability of the SDR. However, provided that the SDR is regarded as an attractive reserve asset, participants may make less use of their SDR holdings in transactions with designation and may rely more on transactions and operations by agreement between participants, as well as payments to the Fund. The volume of transactions with designation would then depend mainly on the extent to which the Fund transfers SDRs to purchasing members that use the SDRs to obtain foreign exchange in transactions with designation.
2. The general structure of the more important provisions relating to designation is as follows:
 - (a) The major principles of designation are contained in Article XIX, Section 5. A participant whose balance of payments and gross reserve position is sufficiently strong shall be subject to designation; and the Fund shall designate these participants "in such manner as will promote over time a balanced distribution of holdings of special drawing rights among them." These principles can be supplemented by other principles that the Fund may adopt at any time.
 - (b) To promote a balanced distribution of SDR holdings, the Fund implements the rules for designation in Schedule F. These rules embody the so-called "excess holdings" principle, which aims to promote over time equality in participants "excess holding ratios," i.e., their holdings of SDRs in excess of their net cumulative allocations as a proportion of their gold and foreign exchange holdings. The rules for designation can be reviewed at any time and changed, if necessary, by a decision of the Executive Board taken by a majority of votes cast.
3. The following conclusions are suggested as regards the principles on which the calculation of the designation amounts is based.
 - (a) The choice of "excess holdings" rather than total holdings of SDRs tends to concentrate designation on net users of SDRs to restore their holdings to the level of their allocations. The alternative "holdings" principle would tend to shift the

incidence of designation away from participants that have used SDRs to those that have relatively large holdings of gold and foreign exchange. The latter approach may become more suitable as the attractiveness of the SDR increases, but it is not recommended at this time

- (b) Participants gold and foreign exchange holdings are used as a basis for harmonizing excess holdings of SDRs, consistent with the approach that the staff has suggested for preparing the operational budgets. An alternative technique would be to distribute amounts of designation on the basis of participants unused acceptance obligations in relation to their allocations. It would seem preferable, however, not to divorce the designation amounts from participants reserve holdings as these are considered to be the best available measure of the ability of participants to provide currency when designated by the fund.
 - (c) The speed at which the harmonization of ratios proceeds depends importantly on the particular method adopted for calculating designation amounts for individual participants. The present method has promoted harmonization at a moderate pace, striking a balance between the objective of restoring the holdings of net users of SDRs and the desire to maintain a fairly broad list of participants for designation. The method has the advantage of flexibility and has been adjusted successfully from time to time to meet changing circumstances.
4. Under the Articles of Agreement, the amount of SDRs a participant can be required to accept in designation is restricted to the point where its excess holdings are twice its allocation, i.e., the acceptance limit. For certain participants, this limit is reached rather more rapidly than for others because their reserves are very large in relation to their SDR allocations. While it would be possible to conceive of arrangements that would slow down the approach to the acceptance limit, the staff's view is that such action is neither necessary nor desirable.
 5. The method of executing designation plans is established for each quarterly period at the time the plan is adopted by the Executive Board. It is proposed that this procedure be continued. The approach generally followed in the execution of designation plans has been to designate participants in broad proportion to the maximum amounts for which they are included in the plan, while avoiding undue fragmentation of individual transactions. From time to time

exceptions may be proposed, such as have been agreed by the Executive Board in the past when circumstances warranted. If during the quarterly period covered by a designation plan a proposal is pending with the Executive Board for the exclusion of a participant from designation, further designation of the participant concerned would be avoided to the extent practicable.

6. Over more than nine years of actual experience, the designation mechanism has functioned satisfactorily. Actual designation have borne out the general emphasis that was expected to result from the "excess holdings" principle. About four fifths of total designation has been directed to participants whose holdings of SDRs were below their allocations as a result of prior uses. At the same time, a wide range of both developed less developed countries has been called upon to provide currency in the designation process.
7. The major volume of transactions with designation over the last two and a half years has resulted from transfers of SDRs to participants making purchases from the General Resources Account; these participants have generally used the SDRs in transactions with designation, although a not insignificant proportion has been retained by the recipients, mainly to meet the reconstitution obligation or to make payments to the Fund.
8. In the future, the attractiveness of the SDR, and the increasing scope for transaction and operations by agreement, may reduce the use of SDRs from participants own holdings in transactions with designation. However, with the Fund receiving approximately SDR 5 billion as a result of quota increases under the Seventh Review, there is likely to be a continuing volume of transactions with designation as a result of transfers of SDRs by the fund to members making purchases, as a way of channeling SDRs back into participants reserves.
9. In the light of the generally satisfactory experience with the designation system, the staff does not feel it necessary to propose any changes in the present principles and procedures for designation.

USE OF CURRENCIES AND SDRS IN THE GENERAL RESOURCES
ACCOUNTAND PRINCIPLES AND PROCEDURES FOR DESIGNATION

(a) Assessment of Strength of Members' balance of Payments and Gross Reserve Position for the Purposes of Designation Plans, Operational Budgets and Repurchases Under Article V, Section 7

(b)

This decision sets forth guidelines for the assessment of the strength of the balance of payments and gross reserve position of a participant under Article XIS, Section 5(a) (I) (designation plans), and of the balance of payments and reserve position of a member under Article V, Section 3(d) (operational budgets) and, in accordance with executive Board Decisions No. 5704-(78/39) and No. 6172-(79/101), under Article V, Section 7(b) (early repurchases).

1. Assessments of strength for the purposes of Article V, Sections 3(d) and 7(b) will be based on a member's balance of payments and gross reserve position, and shall take into account developments in the exchange markets.

2. A member's "balance of payments and gross reserve position" is a combined concept, under which strength in one element may compensate for moderate weakness in the other.

3. In the Fund's assessment of whether a member's balance of payments and gross reserve position is sufficiently strong for the purposes of the designation plans, operational budgets, and early repurchases, all relevant factors and data on the member's position shall be considered, including the following: recent and prospective movements in gross reserves, balance of payments developments, the relationship of gross reserves to member's imports and Fund quota, and developments in exchange markets. To the extent that recent data on changes in a member's net reserves are available, these shall be taken into account as an indicator of the member's balance of payments position.

4. If a member has outstanding purchases in the General Resources Account, the assessment of its balance of payments and gross reserve position will include judgments on whether the member's position shows an improvement in comparison with the position at the time it made its last purchase from the Fund, on the extent of the improvement, and on whether it

is likely to be sustained in the foreseeable future. Special attention will be given to the recent and prospective evolution in the various components of the member's balance of payments, including developments in the member's net reserves to the extent that data are available.

Decision No. 6273-(79/158) G/S

September 14, 1979

(c) Transfers of SDRs under Article V, Section 3(f)

Pursuant to Article V, Section 3(f), the Fund shall provide SDRs instead of the currencies of the members to a participant making a purchase in accordance with decisions on the operational budgets taken under Rule 0-10. For this purpose, the Executive Board shall keep under review the amount of the Fund's holdings of SDRs in the General Resources Account in the light of all relevant considerations, including the relationship of SDR holdings to its other assets, and will determine from time to time the approximate range within which the Fund will aim to maintain these holdings.

Decision No. 6275-(79/158) G/S

September 14, 1979

METHOD OF VALUATION OF THE SPECIAL DRAWING RIGHT

1. Effective January 1, 1981, the value of one special drawing right shall be the sum of the values of specified amounts of the currencies listed in 2 below, the amounts of these currencies to be determined on December 31, 1980 in a manner that will ensure that, at the average exchange rates for the three-month period ending on that date, the shares of the currencies in the value of the special drawing right correspond to the rights specified for each currency in 2 below

2. On the basis of changes in members exports of goods and services and in official balances of members currencies held by other members since the previous review of the method of valuation of the SDR conducted in March 1978, the currencies and weights referred to in 1 above shall be as follows :

Currency	Weight (In percent)
U.S. dollar	42
Deutsche mark	19
French franc	13
Japanese yen	13
Pound sterling	13

3. The list of the currencies that determine the value of the special drawing right, and the amounts of these currencies, shall be revised with effect on January 1, 1986 and on the first day of each subsequent period of five years in accordance with the following principles, unless the Fund decides otherwise in connection with a revision:

- (a) The currencies determining the value of the special drawing right shall be the currencies of the five members whose exports of goods and services during the five-year period ending 12 months before the effective date of the revision had the largest value, provided that a currency shall not replace another currency included in the list at the time of the determination unless the value of the exports of goods and services of the issuer of the former currency during the relevant period exceeds that of the issuer of the latter currency by at least 1 percent.
- (b) The amounts of the five currencies referred to in (a) above shall be determined on the last working day preceding the effective date of the relevant revision in a manner that will ensure that, at the average exchange rates for the three-month period ending on that date, the shares of these currencies in the value of the special drawing right correspond to percentage weights for these currencies, which shall be established for each currency in accordance with (c) below.

- (c) The percentage weights shall reflect the value of the balances of that currency held at the end of each year by the monetary authorities of other members and the value of the exports of goods and services of the issuer of the currency over the relevant five-year period referred to in a. above, in a manner that would maintain broadly the relative significance of the factors that underlie the percentage weights in paragraph 2 above. The percentage weights shall be rounded to the nearest 1 percent or as may be convenient.

4. The determination of the amounts of the currencies in accordance with 1 and 3 above shall be made in a manner that will ensure that the value of the special drawing right in terms of currencies on the last working day preceding the five-year period for which the determination is made will be the same under the valuation in effect before and after revision.

Decision No. 6631-(80/145) G/S

September 17, 1980

SDR VALUATION BASKET

The Executive Board, having reviewed the list of the currencies, and the weights of these currencies, that determine the value of the special drawing right, in accordance with Decision No. 6631-(80/145) G/S, adopted September 17, 1980m decides that, with effect from January 1, 1991, the list of the currencies in the SDR valuation basket shall remain the same, and the weight of each of these currencies to be used to calculate the amount of each of these currencies in the basket will be as follows:

Currency	Weight (In percent)
U.S. dollar	40
Deutsche mark	21
French franc	11
Japanese yen	17
Pound sterling	11

Decision No. 9549-(90/146) G/S

October 5, 1990

SALES OF SDRS BY THE FUND

1. Pursuant to Article V, Section 6(b) and (c), the Fund shall provide a member at its request with SDRs from the General Resources Account in exchange for an equivalent amount of the currencies of other members to enable the member to pay SDRs in order to increase its quota under Board of Governors Resolution No. 34-2 on the Seventh General Review of Quotas or in accordance with the provisions of that Resolution.

2. The amount of SDRs a member may receive under this decision shall not exceed the difference between the amount of the member's SDR holdings and the amount of its quota payment due in SDRs at the time of payment.

Decision No. 6663-(80/160) S

October 31, 1980

METHOD OF COLLECTING EXCHANGE RATES FOR THE CALCULATION OF THE VALUE OF THE SDR FOR THE PURPOSES OF RULE O-2(a)

1. For the purpose of determining the value of the United States dollar in terms of the special drawing right pursuant to Rule O-2(a), the equivalents in United States dollars of the amounts of currencies specified in Rule O-1 shall be based on spot exchange rates against the United States dollar. For each currency the exchange rate shall be the middle rate between the buying and selling rates at noon in the London exchange market as determined by the Bank of England.

2. If the exchange rate for any currency cannot be obtained from the London exchange market, the rate shall be the middle rate at noon in the New York exchange market determined by the Fund on the basis of the buying and selling rates communicated by the Federal Reserve Bank of New York or, if not available there, the middle rate determined by the Fund on the basis of the buying and selling rates at the fixing in the Frankfurt exchange market

communicated by the Deutsche Bundesbank. If the rate for any currency against the United States dollar cannot be obtained directly in any of these markets, the rate shall be calculated indirectly by use of a cross rate against another currency specified in Rule O-1.

3. If on any day the exchange rate for a currency cannot be obtained in accordance with 1 or 2 above, the rate for that day shall be the latest rate determined in accordance with 1 or 2 above, provided that after the second business day the Fund shall determine the rate.

Decision No. 6709-(80/189) S

December 19, 1980

SDR VALUATION BASKET-GUIDELINES FOR THE CALCULATION OF CURRENCY AMOUNTS

1. Under all circumstances, the currency units will be determined in a manner which would ensure that the value of the SDR calculated on December 31 on the basis of the new basket will be the same as that actually prevailing on that day.

2. The currency amounts calculated for the new basket will be expressed in two significant digits provided that the deviation of the percentage share of each currency in the value of the SDR, resulting from the application of the average exchange rates for October-December, from the percentage weight as determined under paragraph 3(c) of Executive Board Decision No. 6631-(80/145) adopted September 17, 1980 is the minimum on average and will not exceed one half percentage point for any currency.

3. If a solution cannot be obtained by the application of the principles set forth in (2) above, the calculation shall be made applying the same principles but expressing the amount of each currency in three significant digits, and if no solution is found with three significant digits then the calculation shall be made applying the same principles but expressing the amount of each currency in four significant digits.

4. If more than one solution is found in the calculation at the level of two, three, or four significant digits, the solution that has the smallest average deviation will be employed.

Decision No. 8160-(85/186) G/S

December 23, 1985

**USE OF SDRS IN OPERATIONS UNDER STRUCTURAL ADJUSTMENT
FACILITY**

In accordance with Article XVII, Section 3, the Fund prescribes that:

1. A prescribed holder, by agreement with a participant and at the instruction of the Fund, may transfer SDRs to the participant in disbursement of a loan payable from the Structural Adjustment Facility within the Special Disbursement Account ("the Facility")
2. A participant, by agreement with a prescribed holder and at the instruction of the Fund, may transfer SDRs to the prescribed holder in repayment of loans, and / or payment of interest on loans, under the Facility.
3. The Fund shall record operations pursuant to these prescriptions in accordance with Rule P-9

Decision No. 8236-(89/56) SAF

March 26, 1986

**USE OF SDRS IN FINANCIAL OPERATIONS UNDER THE
ENHANCED STRUCTURAL ADJUSTMENT FACILITY TRUST OR
UNDER AN ADMINISTERED ACCOUNT**

In accordance with Article XVII, Section 3, the Fund prescribes that :

1. A participant or prescribed holder, by agreement with a prescribed holder and at the instruction of the Fund, may transfer SDRs to that prescribed holder in effecting a payment due to the Fund in connection with financial operations under the Enhanced Structural Adjustment Facility Trust or under an administered account established for the benefit of the Enhanced Structural Adjustment Facility Trust.

2. A prescribed holder, by agreement with a participant or another prescribed holder and at the instruction of the Fund, may transfer SDRs to that participant or other prescribed holder in effecting a payment due from the Fund in connection with financial operations under the Enhanced Structural Adjustment Facility Trust or under an administered account established for the benefit of the Enhanced Structural Adjustment Facility Trust.

3. The Fund shall record operations pursuant to these prescriptions in accordance with Rule P-9.

Decision No. 8937-(88/118) ESAF/S

July 28, 1988

D. Summary of Procedures for Exchange of Freely Usable Currencies

On March 31, 1978, the Fund determined that, until further notice, the deutsche mark, the French franc, the Japanese yen, the pound sterling, and the U.S. dollar would be freely usable currencies. The procedures to be followed for exchange of the above currencies, as communicated to the Fund, are briefly summarized below:

1. The French, German, Japanese, and United States authorities will make their best efforts to exchange their currencies, or make the necessary arrangements for such exchanges, at the most favorable exchange rate available at the time they are informed of a request for an exchange.

2. The French and German authorities express a preference for a member wishing to make an exchange of currency to do so through their central banks.

3. The United Kingdom, pursuant to Article V, Sections 3(e) (iv) and 7 (j) (iv), requests that members wishing to make exchanges of currency involving the pound sterling do so through the Bank of England. As a result of this request, members wishing to make such

exchanges are required to do so with the Bank of England, and the Bank is required to make the exchanges at the "equal value" exchange rate.

4. The procedures established by the United States authorities make provision for the exchange of relevant balances of U.S. dollars for other freely usable currencies. The French, German, Japanese, and United Kingdom authorities will exchange their Currencies for U.S. dollars: in addition, by mutual agreement, the French authorities will exchange relevant balance of French francs for other freely usable currencies.

5. The French, German, Japanese, and United Kingdom authorities will provide their respective currencies to members needing them to make payments to the Fund against U.S. dollars: in addition, by mutual agreement, the French authorities will provide French francs to a member for another freely usable currency. The United States authorities will arrange for the provision of U.S. dollars against other freely usable currencies.

6. The United Kingdom and French authorities also express their willingness to provide balances of their currencies to members that need them to acquire other currencies for payment to the Fund.

ประวัติผู้เขียน

ชื่อ	นายสถาพร จิตหัตถะ
วัน เดือน ปี เกิด	7 พฤษภาคม 2513
ประวัติการศึกษา	สำเร็จการศึกษามัธยมศึกษาตอนปลาย โรงเรียนยุพราชวิทยาลัย เชียงใหม่ ปีการศึกษา 2531 สำเร็จการศึกษาปริญญาตรีวิศวกรรมศาสตร์ สถาบันเทคโนโลยี พระจอมเกล้าเจ้าคุณทหารลาดกระบัง ปีการศึกษา 2536
ประสบการณ์การทำงาน	2536-2539 วิศวกรประจำฝ่ายการผลิต บริษัท ลำพูน ซิงเต็นแกน จำกัด 2539- ปัจจุบัน วิศวกรประจำฝ่ายการผลิต บริษัท ฮานา ไมโครอิเล็กทรอนิกส์ จำกัด (มหาชน)