

International Monetary Fund (Ratification of Second Amendment to the Articles of Agreement) Act 1977  
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LAWS OF MALAYSIA

REPRINT

Act 184

INTERNATIONAL MONETARY

FUND (RATIFICATION OF

SECOND AMENDMENT TO THE

ARTICLES OF AGREEMENT)

ACT 1977

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INTERNATIONAL MONETARY FUND

(RATIFICATION OF SECOND AMENDMENT

TO THE ARTICLES OF AGREEMENT) ACT 1977

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INTERNATIONAL MONETARY FUND

(RATIFICATION OF SECOND AMENDMENT

TO THE ARTICLES OF AGREEMENT) ACT 1977

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Act 184

INTERNATIONAL MONETARY FUND

(RATIFICATION OF SECOND AMENDMENT

TO THE ARTICLES OF AGREEMENT) ACT 1977

An Act to provide for the ratification of the amendments to the Articles of Agreement of the International Monetary Fund pursuant to Resolution No. 31? 4 adopted by the Board of Governors of the International Monetary Fund on 30 April 1976, and other matters connected therewith.

[10 June 1977]

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

Short title

1. This Act may be cited as the International Monetary Fund (Ratification of Second Amendment to the Articles of Agreement) Act 1977.

Interpretation

2. In this Act-- "Articles of Agreement" means the Articles of Agreement of the said Fund as amended pursuant to Resolution No. 31?4 adopted by the Board of Governors of the Fund on 30 April 1976; "General Department" means the Account through which the Fund will conduct all other operations and transactions authorized by the Articles of Agreement;

"General Resources Account" means the Account of the General Department through which the Fund will conduct all its operations and transactions using the general resources of the Fund; 6 Laws of Malaysia ACT 184

"International Monetary Fund" (hereinafter referred to as the "Fund") means the International Monetary Fund of which Malaysia is a member by virtue of section 3 of the Bretton Woods Agreements Act 1957 [Act 472];

"Investment Account" means the Account of the General Department established under subparagraph 6(f) (i) of Article XII of the Articles of Agreement, in which the Fund's resources used for and resulting from investment will be held.

"Special Disbursement Account" means the Account of the General Department in which profits from the sale of the Fund's gold shall be held for use in accordance with the provisions governing that Account in section 12 of Article

V and Schedule B to the Articles of Agreement;

"Special Drawing Rights Department" means the Account through which the Fund will conduct all operations and transactions involving Special Drawing Rights allocated under Article XV of the Articles of Agreement, except operations and transactions pursuant to section 2 of Article XVII of the Articles of Agreement.

Authorization to ratify amendments of Articles of Agreement of the Fund

3. The Yang di-Pertuan Agong may by instrument under his hand empower such person as he may name in such instrument-- (a) to accept on behalf of Malaysia the Second Amendment to the Articles of Agreement of the Fund annexed to the March 1976 Report by the Executive Directors to the Board of Governors of the Fund; and

(b) to deposit on behalf of Malaysia with the Fund an instrument setting forth that the Government, in accordance with the laws of Malaysia, undertakes all the obligations of a member of the Fund under the Second Amendment of the Articles of Agreement of the Fund and that the Government has taken all steps necessary to enable it to carry out all of these obligations.

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Extension of P.U. (A) 505/1969

4. The Bretton Woods Agreements Order 1969 [P.U. (A) 505/ 1969] shall be deemed to refer to all rights and obligations with respect to the General Resources Account, the Special Disbursement Account and the Investment Account of the General Department of the Fund under the Articles of Agreement of the Fund. Consequential amendments to Act 12

5. Subsection 5(2) of the International Monetary Fund (Ratification of Amendments to the Articles of Agreement) Act 1969 [Act 12] is amended by--

(a) substituting for the words "Article XXIV" appearing in subparagraph (b) (i) the words "Article XV";

(b) substituting for the words "Article XXVI, Article XXX and Article XXXI" appearing in subparagraphs (b) (iii) and (iv) the words "Article XX, Article XXIV and Article XXV".

Consequential amendments to Act 519

6. The Central Bank of Malaysia Act 1958 [Act 519] is amended by--

(a) substituting for subsection 19(1) the following new subsection--

"(1) The parity of the ringgit shall be determined by the Minister on the recommendation of the Bank in terms either of the currency or currencies of other members of the International Monetary Fund, the Special Drawing Right, the common denominator prescribed

by the International Monetary Fund under paragraph 1 of Schedule C to the Articles of Agreement of the International Monetary Fund, or any other denominator consistent with the obligations of Malaysia under Article IV and Schedule C to the Articles of Agreement of the International Monetary Fund:

Provided that if and when the Bank notifies the

International Monetary Fund of the parity of the ringgit upon the International Monetary Fund deciding under 8 Laws of Malaysia ACT 184

the Articles of Agreement to introduce a widespread system of exchange arrangements based on stable but adjustable par values, such parity shall be published in the Gazette and shall take effect accordingly. ";

(b) substituting for the words "Notwithstanding subsection (1), the" appearing in subsection 19(2) the word "The"; (c) substituting for the words "mentioned in" appearing in subsection 19(3) the words "gazetted under";

(d) adding immediately after subsection 19(3) the following new subsection--

"(4) Notwithstanding subsection (1), the Minister may decide on the recommendation of the Bank that it is necessary and expedient for Malaysia not to determine a parity for the ringgit, but instead to apply any exchange arrangement for the ringgit that is not inconsistent with the Articles of Agreement of the International Monetary Fund, including, but not limited to, the severing of the parity of the ringgit to any currency or currencies or any denominator. ";

(e) substituting for the proviso appearing in section 21 the following new proviso--

"Provided that the rate of exchange quoted for any such transaction shall be consistent with the Articles of Agreement of the International Monetary

Fund."; (f) substituting for the words "section 5" appearing in subparagraph 30(1)(oo)(iii) the words "section 4"; (g) adding immediately after subparagraph 30(1)(oo)(v) the following new paragraph--

"(vi) exchange, if requested by other members of

the International Monetary Fund at the time of purchase, balances of Malaysian currency purchased by other members from the International Monetary Fund, or

obtained by other members in exchange for currency purchased from the International Monetary Fund, for a freely usable currency (defined in Article XXX(f) of the Articles of Agreement of the International Monetary Fund (Ratification of Second Amendment to the Articles of Agreement)

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Fund) selected by the Bank at an exchange rate between the ringgit and that currency as may be consistent with paragraph 7(a) of Article XIX of the Articles of

Agreement of the International Monetary Fund;".

Act in relation to Act 472 and Act 12

7. The provisions of the Bretton Woods Agreements Act 1957, and the International Monetary Fund (Ratification of Amendments to the Articles of Agreement) Act 1969, shall be read subject to the provisions of this Act.

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LIST OF AMENDMENTS

Amending law Short title In force from

? NIL ?

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DICETAK OLEH

PERCETAKAN NASIONAL MALAYSIA BERHAD,

KUALA LUMPUR

BAGI PIHAK DAN DENGAN PERINTAH KERAJAAN MALAYSIA

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INTERNATIONAL MONETARY FUND

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LIST OF SECTIONS AMENDED

Section Amending authority In force from

? NIL ?