

(c) The Board of Governors shall hold an annual meeting and such other meetings as may be provided for by the Board or called by the Executive Directors. Meetings of the Board shall be called by the Directors whenever requested by five members or by members having one quarter of the total voting-power.

(d) A quorum for any meeting of the Board of Governors shall be a majority of the Governors exercising not less than two-thirds of the total voting-power.

(e) Each Governor shall be entitled to cast the number of votes allotted under Section 5 of this Article to the member appointing him.

(f) The Board of Governors may by regulation establish a procedure whereby the Executive Directors, when they deem such action to be in the best interests of the Fund, may obtain a vote of the Governors on a specific question without calling a meeting of the Board.

(g) The Board of Governors, and the Executive Directors to the extent authorized, may adopt such rules and regulations as may be necessary or appropriate to conduct the business of the Fund.

(h) Governors and alternates shall serve as such without compensation from the Fund, but the Fund shall pay them reasonable expenses incurred in attending meetings.

(i) The Board of Governors shall determine the remuneration to be paid to the Executive Directors and the salary and terms of the contract of service of the Managing Director.

SECTION 3.—EXECUTIVE DIRECTORS

(a) The Executive Directors shall be responsible for the conduct of the general operations of the Fund, and for this purpose shall exercise all the powers delegated to them by the Board of Governors.

(b) There shall be not less than twelve directors who need not be Governors, and of whom—

- (i) Five shall be appointed by the five members having the largest quotas;
- (ii) Not more than two shall be appointed when the provisions of (c) below apply;
- (iii) Five shall be elected by the members not entitled to appoint directors, other than the American Republics; and
- (iv) Two shall be elected by the American Republics not entitled to appoint directors.

For the purposes of this paragraph, "members" means Governments of countries whose names are set forth in Schedule A, whether they become members in accordance with Article XX or in accordance with Article II, Section 2. When Governments of other countries become members, the Board of Governors may, by a four-fifths majority of the total voting-power, increase the number of directors to be elected.

(c) If, at the second regular election of Directors and thereafter, the members entitled to appoint Directors under (b) (i) above do not include the two members, the holdings of whose currencies by the Fund have been, on the average over the preceding two years, reduced below their quotas by the largest absolute amounts in terms of gold as a common denominator, either one or both of such members, as the case may be, shall be entitled to appoint a director.

(d) Subject to Article XX, Section 3 (b), elections of elective directors shall be conducted at intervals of two years in accordance with the provisions of Schedule C, supplemented by such regulations as the Fund deems appropriate. Whenever the Board of Governors increases the number of Directors to be elected under (b) above it shall issue regulations making appropriate changes in the proportion of votes required to elect Directors under the provisions of Schedule C.

(e) Each Director shall appoint an alternate with full power to act for him when he is not present. When the Directors appointing them are present, alternates may participate in meetings, but may not vote.

(f) Directors shall continue in office until their successors are appointed or elected. If the office of an elected Director becomes vacant more than ninety days before the end of his term, another Director shall be elected for the remainder of the term by the members who elected the former Director. A majority of the votes cast shall be required for election. While the office remains vacant, the alternate of the former Director shall exercise his powers, except that of appointing an alternate.

(g) The Executive Directors shall function in continuous session at the principal office of the Fund and shall meet as often as the business of the Fund may require.

(h) A quorum for any meeting of the Executive Directors shall be a majority of the Directors representing not less than one-half of the voting-power.

(i) Each appointed Director shall be entitled to cast the number of votes allotted under Section 5 of this Article to the member appointing him. Each elected Director shall be entitled to cast the number of votes which counted towards his election. When the provisions of Section 5 (b) of this Article are applicable, the votes which a Director would otherwise be entitled to cast shall be increased or decreased correspondingly. All the votes which a Director is entitled to cast shall be cast as a unit.

(j) The Board of Governors shall adopt regulations under which a member not entitled to appoint a Director under (b) above may send a representative to attend any meeting of the Executive Directors when a request made by, or a matter particularly affecting, that member is under consideration.

(k) The Executive Directors may appoint such committees as they deem advisable. Membership of committees need not be limited to Governors or Directors or their alternates.