

“4. Having considered the first, second, and third reports of the Supervisory Commission to the 1938 Assembly—

- “(a) Takes note of its recommendations in regard to the responsibility of the League of Nations in connection with organizations placed under its auspices, the Estate and Renovation Accounts;
- “(b) Decides that the shares of Paraguay, Guatemala, Honduras, Nicaragua, Italy, and Salvador in the Working Capital Fund shall be refunded to them at the moment when their notice of withdrawal takes effect, provided that they have at that time fully discharged their obligations as to League contributions;
- “(c) Resolves that the following wording be substituted for the last two lines of paragraph 1 of Article 23 of the Financial Regulations—
 “. . . and be deducted as appropriations-in-aid from the estimates put forward in the Budget, save as otherwise provided in the present regulations or decided by the Assembly.”
- “(d) Approves the scheme proposed by the Commission for assistance to members of the auxiliary staff retiring from the service of the League either upon attainment of the age-limit or through invalidity;
- “(e) Whereas the Secretary-General and the Supervisory Commission do not as yet possess all the factual and legal data necessary to enable them to express any opinion as to the advisability of accepting the bequest made to the League of Nations by the late Patrice de Rencourt;
 “And whereas the acceptance of the bequest in question is likely to involve financial liability for the members of the League and may therefore, in accordance with paragraph 1 of Article 23 (a) of the Financial Regulations, only be accepted after authorization by the Assembly:
 “Gives full powers to the Secretary-General in agreement with the Supervisory Commission, to accept or refuse this bequest or to come to some arrangement in the matter;
 “Empowers him to take steps—such as resort to the Courts of law—as the subsequent development of the situation may render necessary;
 “Authorizes him to charge to the 1938 and 1939 Budgets, in such form as he may deem most appropriate, the expenses (legal charges, &c.) entailed by the eventual acceptance of the said bequest;
- “(f) Considering that it is essential, with a view to maintaining to the fullest possible extent the activities of the League of Nations, to provide necessary economies in the Budget:
 “Is of opinion that this purpose can best be served by a thorough examination of the standing charges in the Budgets of the Secretariat and the International Labour Organization by a special Committee of independent persons;
 “Requests the Council to appoint a Committee of five persons, including the 1938 and 1939 Chairmen of the Supervisory Commission and a representative of the Governing Body of the International Labour Office, to examine thoroughly the standing charges in the Budgets of the Secretariat and the International Labour Organization, and recommend what economies can be carried out either immediately or in the near future;
 “Requests the Secretary-General and the Director of the International Labour Office to prepare their draft Budgets for 1940 in the light of the recommendations of the Committee;
- “(g) Confirming the decision reached by the Council on 28th January, 1938:
 “Decides that the League of Nations shall participate in the New York World's Fair, and votes for that purpose an appropriation of 1,200,000 francs, of which 900,000 francs will be included in the Budget for the financial year 1939;
 “And authorizes the Secretary-General, without exceeding the total appropriation of 1,200,000 francs, to incur in 1938 expenditure in excess of the sum of 300,000 francs included in the Budget for that year, and to procure the funds required for that purpose by drawing upon the Working Capital Fund, which would be repaid at the beginning of 1939 by a charge upon the credits voted in the Budget for the financial year 1939.
- “5. Adopts the report of the Special Committee on Contributions in the form amended;
 “Approves the terms of the arrangements proposed in the report for the settlement of the debt of Albania, Ecuador, and Guatemala;
 “Approves the recommendations made in the report in the case of China and Cuba;