

SECTION 7.—METHOD OF PAYMENT OF SUBSCRIPTIONS FOR SHARES

Payment of subscriptions for shares shall be made in gold or United States dollars and in the currencies of the members as follows:—

- (i) Under Section 5 (i) of this Article, 2 per cent. of the price shall be payable in gold or United States dollars, and, when calls are made, the remaining 18 per cent. shall be paid in the currency of the member:
- (ii) When a call is made under Section 5 (ii) of this Article, payment may be made at the option of the member either in gold, in United States dollars, or in the currency required to discharge the obligations of the Bank for the purpose for which the call is made:
- (iii) When a member makes payments in any currency under (i) and (ii) above, such payments shall be made in amounts equal in value to the member's liability under the call. This liability shall be a proportionate part of the subscribed capital stock of the Bank as authorized and defined in Section 2 of this Article.

SECTION 8.—TIME OF PAYMENT OF SUBSCRIPTIONS

(a) The 2 per cent. payable on each share in gold or United States dollars under Section 7 (i) of this Article shall be paid within sixty days of the date on which the Bank begins operations, provided that—

- (i) Any original member of the Bank whose metropolitan territory has suffered from enemy occupation or hostilities during the present war shall be granted the right to postpone payment of $\frac{1}{2}$ per cent. until five years after that date:
- (ii) An original member who cannot make such a payment because it has not recovered possession of its gold reserves which are still seized or immobilized as a result of the war may postpone all payment until such date as the Bank shall decide.

(b) The remainder of the price of each share payable under Section 7 (i) of this Article shall be paid as and when called by the Bank, provided that—

- (i) The Bank shall, within one year of its beginning operations, call not less than 8 per cent. of the price of the share in addition to the payment of 2 per cent. referred to in (a) above:
- (ii) Not more than 5 per cent. of the price of the share shall be called in any period of three months.

SECTION 9.—MAINTENANCE OF VALUE OF CERTAIN CURRENCY HOLDINGS OF THE BANK

(a) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent within that member's territories, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of initial subscription, of the amount of the currency of such member, which is held by the Bank and derived from currency originally paid in to the Bank by the member under Article II, Section 7 (i), from currency referred to in Article IV, Section 2 (b), or from any additional currency furnished under the provisions of the present paragraph, and which has not been repurchased by the member for gold or for the currency of any member which is acceptable to the Bank.

(b) Whenever the par value of a member's currency is increased, the Bank shall return to such member within a reasonable time an amount of that member's currency equal to the increase in the value of the amount of such currency described in (a) above.

(c) The provisions of the preceding paragraphs may be waived by the Bank when a uniform proportionate change in the par values of the currencies of all its members is made by the International Monetary Fund.

SECTION 10.—RESTRICTION ON DISPOSAL OF SHARES

Shares shall not be pledged or encumbered in any manner whatever, and they shall be transferable only to the Bank.

ARTICLE III.—GENERAL PROVISIONS RELATING TO LOANS AND GUARANTEES

SECTION 1.—USE OF RESOURCES

(a) The resources and the facilities of the Bank shall be used exclusively for the benefit of members with equitable consideration to projects for development and projects for reconstruction alike.

(b) For the purpose of facilitating the restoration and reconstruction of the economy of members whose metropolitan territories have suffered great devastation from enemy occupation or hostilities, the Bank, in determining the conditions and terms of loans made to such members, shall pay special regard to lightening the financial burden and expediting the completion of such restoration and reconstruction.