

## ARTICLE 40

*The Buffer Stock and changes in exchange rates*

1. In the event that the exchange rate between the Malaysian ringgit/Singapore dollar and the currencies of the major natural rubber exporting and importing members changes to the extent that the operations of the Buffer Stock are significantly affected, the Executive Director shall, in accordance with article 37, or members may, in accordance with article 14, call for a special session of the Council. The Council shall meet within 10 days to confirm or cancel measures already taken by the Executive Director pursuant to article 37, and may, by special vote, decide to take appropriate measures, including the possibility of revising the price range, pursuant to the principles of the first sentences of paragraphs 1 and 6 of article 32.

2. The Council shall, by special vote, establish a procedure to determine a significant change in the parities of these currencies for the sole purpose of ensuring the timely convening of the Council.

3. In the event that there is a divergency between the Malaysian ringgit and the Singapore dollar to the extent that buffer stock operations are significantly affected, the Council shall meet to review the situation and may consider the adoption of a single currency.

## ARTICLE 41

*Liquidation procedures for the Buffer Stock Account*

1. On termination of this Agreement, the Buffer Stock Manager shall estimate the total expense of liquidating or transferring to a new international natural rubber agreement the assets of the Buffer Stock Account in accordance with the provisions of this article, and shall reserve that amount in a separate account. If these balances are inadequate, the Buffer Stock Manager shall sell a sufficient quantity of natural rubber in the Buffer Stock to provide the additional sum required.

2. Each member's share in the Buffer Stock Account shall be calculated as follows:

- (a) the value of the Buffer Stock shall be the value of the total quantity of natural rubber of each type/grade therein, calculated at the lowest of the current prices of the respective types/grades on markets referred to in article 33 during the 30 market days preceding the date of termination of this Agreement;
- (b) the value of the Buffer Stock Account shall be the value of the Buffer Stock plus the cash assets of the Buffer Stock Account on the date of the termination of this Agreement less any amount reserved under paragraph 1 of this article;
- (c) each member's contribution shall be the sum of its contributions throughout the duration of this Agreement less all refunds made under article 39;