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**Folder Title:** Deutsche Bundesbank - Bonds - Borrowing - 500 Million Deutsche Marks - 4 1/2 Percent Notes - 1960 / 120 million dollars - Bond of 1960 - Correspondence

**Folder ID:** 1052237

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**Fonds:** Records of the Office of the Treasurer

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THE WORLD BANK

Washington, D.C.

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The World Bank Group  
**Archives** **1052237**  
A1995-233 Other #: 30 Box # 167840B  
Deutsche Bundesbank - Bonds - Borrowing - 500 Million Deutsche Marks -  
1/2 Percent Notes - 1960 / 120 million dollars - Bond of 1960 -

BONDS Deutsche Bundesbank (Aug)  
BORROWING DM500 mil. - \$120 mil. - 4 1/2% Bond of 1960

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WBG Archives

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1104  
Bonds (Re Box #)

Bonds Borrowing  
Deutsche Bundesbank  
4½% Bond of 1960

Mr Deely

June 4, 69

9/18/69

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

**FOR  
EXECUTIVE  
DIRECTORS'  
MEETING**

CONFIDENTIAL

**DECLASSIFIED**

R 61-26

**AUG 20 2014**

(For consideration on  
April 11, 1961)

**WBG ARCHIVES**

FROM: The Secretary

April 6, 1961

BORROWING AGREEMENT WITH DEUTSCHE  
BUNDESBANK OF AUGUST 1, 1960

On July 12, 1960 the Executive Directors approved the borrowing by the Bank from the Deutsche Bundesbank of DM 500 million and US\$120 million (R60-84). The terms and conditions of the borrowing are set forth in an agreement dated August 1, 1960 between the Bundesbank and the Bank, a copy of which is attached hereto (No. 1). The amounts of the borrowing are to be withdrawn in instalments on or before November 1, 1961. Upon the withdrawal of each instalment, the Bank delivers to the Bundesbank a Temporary Certificate representing the amount withdrawn. These certificates will be returned to the Bank upon repayment or upon delivery of the registered bonds hereafter referred to.

During the negotiations of the above agreement, the Bundesbank stated that, while it had no intention to dispose of any part of the borrowing, it felt that it should be able to obtain registered bonds from the Bank to facilitate a sale in the future, if desired. Accordingly, Article VI of the agreement provides that the Bank will, within 30 days of a request to that effect by the Bundesbank, deliver to it definitive registered bonds in an aggregate principal amount equal to the amount of the borrowing withdrawn and not therefore repaid by the Bank. The bonds will be in denominations of not less than DM 100,000 for the Deutsche Mark tranche and of not less than US\$25,000 for the United States dollar tranche.

The attached resolutions (Nos. 2 and 3) providing for the creation and issue of such bonds are therefore submitted for the approval of the Executive Directors.

For the information of the Executive Directors, an English translation of the German text of the bonds of the Deutsche Mark tranche is attached (No. 4).

Distribution:

Executive Directors and Alternates  
President  
Vice Presidents  
Department Heads



A G R E E M E N T

The Deutsche Bundesbank, Frankfurt am Main, and the International Bank for Reconstruction and Development, Washington, D.C., have agreed as follows:

ARTICLE I

The Deutsche Bundesbank will lend to the International Bank for Reconstruction and Development (hereinafter referred to as the Bank) and the Bank will borrow from the Deutsche Bundesbank

- a) the sum of Five Hundred Million Deutsche Marks (DM 500,000,000), which will be freely convertible and be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961, in instalments of Fifty Million Deutsche Marks (DM 50,000,000), and
- b) the sum of One Hundred and Twenty Million United States Dollars (\$120,000,000), which will be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961, in instalments of Twelve Million United States Dollars (\$12,000,000).

ARTICLE II

The Deutsche Marks and the United States Dollars borrowed shall be repaid by the Bank at the Deutsche Bundesbank, Frankfurt am Main, and the Federal Reserve Bank of New York, New York, respectively, in ten equal instalments beginning February 1, 1968 and on each August 1 and February 1 thereafter, to and including August 1, 1972.

ARTICLE III

The Bank will pay a commitment fee of  $\frac{3}{4}$  of 1% per annum from August 1, 1960 on amounts not withdrawn, payable

- a) as to the Deutsche Mark Tranche in Deutsche Marks at the Deutsche Bundesbank and
- b) as to the United States Dollar Tranche in United States Dollars at the Federal Reserve Bank of New York, New York,

semi-annually on February 1 and August 1, in each year and for the first time on February 1, 1961. The fee shall be calculated on the basis of 360 days for the year and of 30 days for the month.

ARTICLE IV

The Bank agrees to pay interest at the rate of four and one half per centum (4 1/2%) per annum on the principal amount of the borrowing outstanding, payable semi-annually on February 1 and August 1 in each year. The interest shall accrue for each instalment from the respective date on which the principal of the instalment shall be withdrawn by the Bank. Interest shall be calculated on the basis of 360 days for the year and of 30 days for the month.

The interest on the Deutsche Mark Tranche shall be paid at the Deutsche Bundesbank, Frankfurt am Main. The interest on the United States Dollar Tranche shall be paid at the Federal Reserve Bank of New York, New York.

ARTICLE V

On August 1, 1960 the Bank will deliver to the Deutsche Bundesbank as Agent of the Bank, 10 Temporary Certificates each in the amount of DM 50,000,000 and 10 Temporary Certificates each in the amount of \$12,000,000. The Deutsche Bundesbank as Agent of the Bank shall deliver one such Temporary Certificate to itself for its own account each time the Bank withdraws an instalment of the borrowing.

The text of the Temporary Certificates will be in the form attached hereto as Annexes 1 and 2. The Temporary Certificates will be returned to the Bank against delivery of definitive Bonds to or for account of the Deutsche Bundesbank, or against repayment of the borrowing by the Bank.

ARTICLE VI

If the Deutsche Bundesbank shall so request, the Bank will within 30 days thereafter deliver to the Deutsche Bundesbank, against the return of any Temporary Certificate to the Bank, definitive Registered Bonds in an aggregate principal amount equal to the amount of the borrowing withdrawn and not theretofore repaid by the Bank, as represented by such Temporary Certificate delivered to the Bank. The definitive Bonds to be delivered against drawings of Deutsche Mark will be in the German language. Each Bond when delivered shall bear the earliest maturity of the Deutsche Mark or the United States Dollar Tranche of the borrowing then outstanding, as the case may be, against which a Bond or Bonds equal to the full amount of such maturity have not theretofore been delivered. The Bank will deliver Bonds in such denominations as specified by the Deutsche Bundesbank, subject to the limitations set by the amount of each maturity, but no such Bond shall be of a denomination less than DM 100,000 for the Deutsche Mark Tranche and less than US\$25,000 for the United States Dollar Tranche.

ARTICLE VII

The Deutsche Bundesbank agrees that, before disposing of any United States Dollar Bond, it will consult with the Bank, and upon disposing of any Bond, it will notify the Bank of the name and address of the transferee thereof and will make a notation thereon of the date to which interest thereon has been paid.

It is understood that the Deutsche Bundesbank, while reserving the full right of disposition of the Bonds, is not acquiring them with a view to their distribution in the United States.

ARTICLE VIII

The Bank undertakes to pay all expenses incurred in printing, registering and delivering of the Bonds to or for account of the Deutsche Bundesbank, and in exchanging the Bonds into Bonds of other denominations and in like aggregate principal amounts.

ARTICLE IX

This agreement, both as to form and content and the rights and duties of the parties arising therefrom, will be exclusively governed by, and construed in accordance with the law of the Federal Republic of Germany. In this respect the Bank submits to the jurisdiction of the German Courts and elects domicile at the office of the Deutsche Bundesbank, Taunusanlage 4-6, Frankfurt am Main, Germany. Both parties choose Frankfurt am Main as forum.

The place of performance of this agreement is Frankfurt am Main.

The foregoing provisions of this Article do not apply to rights and duties under United States Dollar Bonds which shall be governed by the law of the State of New York.

ARTICLE X

This agreement shall enter into force on August 1, 1960.

ARTICLE XI

This agreement is drawn up in two counterparts, one each for the Bank and for the Deutsche Bundesbank.

Done at Frankfurt am Main, on August 1, 1960

DEUTSCHE BUNDESBANK

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

By: [s.] \_\_\_\_\_

By [s.] Robert W. Cavanaugh \_\_\_\_\_  
Treasurer

By: [s.] \_\_\_\_\_



International Bank for Reconstruction and Development

Washington, D.C.

Temporary Certificate

(non transferable)

executed pursuant to the borrowing agreement of the International Bank for Reconstruction and Development with the Deutsche Bundesbank, Frankfurt am Main, of August 1, 1960 for a principal amount of Deutsche Mark Fifty Million (DM 50,000,000) as part of Five Hundred Million Deutsche Mark (DM 500,000,000) of Registered Bonds of the  $\frac{1}{2}$  1/2% Deutsche Mark borrowing of 1960 of the International Bank for Reconstruction and Development in favor of and for account of the Deutsche Bundesbank, Frankfurt am Main.

This Temporary Certificate will be returned to the International Bank for Reconstruction and Development against delivery of an equal principal amount of the definitive Registered Bonds, free of charge, to or for account of the Deutsche Bundesbank, Frankfurt am Main, or against repayment of a maturity of the borrowing.

This Temporary Certificate is not an obligation of any government.

Frankfurt am Main, August 1, 1960

International Bank for Reconstruction  
and Development

By \_\_\_\_\_

Treasurer

International Bank for Reconstruction and Development

Washington, D.C.

Temporary Certificate

(non transferable)

executed pursuant to the borrowing agreement of the International Bank for Reconstruction and Development with the Deutsche Bundesbank, Frankfurt am Main, of August 1, 1960 for a principal amount of United States Dollars Twelve Million (\$12,000,000) as part of Hundred and Twenty Million Dollars of United States currency (\$120,000,000) of Registered Bonds of the 4 1/2% United States Dollar borrowing of 1960 of the International Bank for Reconstruction and Development in favor of and for account of the Deutsche Bundesbank, Frankfurt am Main. This Temporary Certificate will be returned to the International Bank for Reconstruction and Development against delivery of an equal principal amount of the definitive Registered Bonds, free of charge, to the Federal Reserve Bank of New York, New York, for account of the Deutsche Bundesbank, Frankfurt am Main, or to the Deutsche Bundesbank, Frankfurt am Main, itself or against repayment of a maturity of the borrowing. This Temporary Certificate is not an obligation of any government.

Frankfurt am Main, August 1, 1960

International Bank for Reconstruction  
and Development

By \_\_\_\_\_

Treasurer



DRAFT

FORM OF REGISTERED BOND WITHOUT COUPONS

\$ \_\_\_\_\_ No. \_\_\_\_\_

International Bank for Reconstruction and Development

4-1/2% Bonds of 1960, Due \_\_\_\_\_ 1, 19\_\_

\$ \_\_\_\_\_

International Bank for Reconstruction and Development, an international institution established by Articles of Agreement among the respective Governments signatory thereto (hereinafter called the Bank), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, on the first day of \_\_\_\_\_, 19\_\_, at the office or agency of the Bank in the Borough of Manhattan, in the City of New York, the sum of

\_\_\_\_\_ Dollars

in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, and to pay interest thereon from the date hereof at said office or agency in like coin or currency at the rate of four and one-half per centum (4-1/2%) per annum, payable semi-annually on each February 1 and August 1 thereafter until payment of said principal sum has been made or duly provided for.

This Bond is one of an authorized issue of bonds of the aggregate principal amount of \$120,000,000, maturing serially in equal semi-annual instalments of \$12,000,000 from February 1, 1968 to August 1, 1972, both inclusive, known as the 4-1/2% Serial Bonds of 1960, due 1968-1972, of the Bank (hereinafter called the Bonds), issued or to be issued in fully registered form without coupons.

The Bank covenants that, so long as any of the Bonds shall be outstanding and unpaid, the Bank will not cause or permit to be created on any of its property or assets any mortgage, pledge or other lien or charge as security for any bonds or other evidences of indebtedness heretofore or hereafter issued, assumed or guaranteed by the Bank for money borrowed (other than purchase money mortgages, pledges or liens on property purchased by the Bank as security for all or part of the purchase price thereof), unless the Bonds shall be secured by such mortgage, pledge or other lien or charge equally and ratably with such other bonds or evidences of indebtedness.

If the Bank shall default in the payment of the principal of, or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds (including the Bonds) or similar obligations which shall have been issued, assumed or guaranteed by the Bank and such default shall continue for a period of 90 days, then at any time thereafter and during the continuance of such default the holder of any of the Bonds may deliver or cause to be delivered to the Bank at its principal office in the City of Washington, District of Columbia, United States of America, written notice that such holder elects to declare the principal of all Bonds held by him (the serial numbers and denominations of which shall be set forth in such notice) to be due and payable, and on the thirtieth day after such notice shall be so delivered to the Bank the principal of such Bonds shall become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured.

Upon payment, if the Bank shall so require, of a charge calculated to reimburse the Bank for the cost of the exchange or transfer, including any tax or other governmental charge connected therewith: (i) within 60 days after presentation and surrender of any Bond of a denomination in excess of \$25,000 at the office of the Bank in the City of Washington, D.C., the Bank, if so requested, will exchange such Bond for new Bonds of other denominations of \$25,000 or multiples thereof, of the same maturity and in the same aggregate principal amount; and (ii) any Bond may be transferred by the registered holder thereof, or by his attorney duly authorized in writing, at the office of the Bank in the City of Washington, D.C., upon presentation and surrender of such Bond for cancellation, and upon any such transfer a new Bond or Bonds, of denominations of \$25,000 or multiples thereof, of the same maturity and in the same aggregate principal amount, will be issued to the transferee within 60 days of such transfer.

The Bank may deem and treat the person in whose name any Bond shall be registered on the books of the Bank as the absolute owner thereof for all purposes whatsoever notwithstanding any notice to the contrary; and all payments to or on the order of such registered owner shall be valid and effectual to discharge the liability of the Bank upon such Bond to the extent of the sum or sums so paid.

This Bond is not subject to redemption by the Bank prior to its maturity without the consent of the holder.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond or any part thereof, or for any claim based hereon or otherwise in respect hereof or of the indebtedness represented hereby, against any governor or executive director, or alternate of either, or

against any officer or employee, as such, past, present or future, of the Bank or of any successor to the Bank, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, any right to such recourse being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived and released.

THIS BOND IS NOT AN OBLIGATION OF ANY GOVERNMENT.

IN WITNESS WHEREOF the Bank has caused this Bond to be signed in its name with the facsimile signature of its President and countersigned with the signature of its Treasurer or one of its Assistant Treasurers, and a facsimile of its official seal to be printed or engraved hereon and to be attested with the facsimile signature of its Secretary.

Dated \_\_\_\_\_

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

By \_\_\_\_\_  
President

Countersigned: \_\_\_\_\_  
Treasurer

Attest:

\_\_\_\_\_  
Secretary





MUSTER EINER NAMENS-SCHULDVERSCHREIBUNG

(Vorderseite)

DM \_\_\_\_\_ Serie \_\_\_\_\_ Nr. \_\_\_\_\_

International Bank for Reconstruction and Development

4 1/2 %

Registrierte Namens-Teilschuldverschreibung

ueber

\_\_\_\_\_ Deutsche Mark

DM \_\_\_\_\_

der 4 1/2 % Deutsche Mark-Anleihe von 1960 im Gesamtbetrag von Fuenfhundert Millionen Deutsche Mark in der gesetzlichen Waehrung der Bundesrepublik Deutschland (DM 500 000 000,--), ausgegeben auf Grund des Beschlusses Nr. \_\_\_\_\_ vom \_\_\_\_\_ 1960 und des weiteren Beschlusses Nr. \_\_\_\_\_ vom \_\_\_\_\_ 1961 des Direktoriums.

Wir verpflichten uns

der Deutschen Bundesbank

den Betrag von \_\_\_\_\_ Deutsche Mark mit 4 1/2 % jaehrlich zu verzinsen und die in dieser Namensschuldverschreibung verbriefte Schuld am

\_\_\_\_\_ 19 \_\_\_\_\_

zum Nennwert zurueckzuzahlen. Die Zinsen werden in halbjaehrlichen Teilbe-  
traegen nachtraeglich am 1. Februar und 1. August jeden Jahres gezahlt. Auf  
die nachstehend abgedruckten Anleihebedingungen wird verwiesen. Diese  
Namensschuldverschreibung stellt keine Verpflichtung irgendeiner Regierung  
dar.

Washington, D.C., den \_\_\_\_\_

INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT

\_\_\_\_\_  
President

\_\_\_\_\_  
Assistant Treasurer

(Rueckseite)

Raum fuer Abtretungen  
und Registrierungsvermerke

Abgetreten an

\_\_\_\_\_, den \_\_\_\_\_

Im Register umgeschrieben am \_\_\_\_\_

DEUTSCHE BUNDESBANK

International Bank for Reconstruction and Development

4 1/2 % Deutsche Mark Anleihe von 1960

Anleihebedingungen

1. (i) Die Anleihe im Gesamtnennbetrag von fuenfhundert Millionen Deutsche Mark (DM 500 000 000,-) ist eingeteilt in untereinander gleichberechtigte Registrierte Namens-Schuldverschreibungen (nachstehend "Schuldverschreibungen" genannt) im Nennwert von DM 100 000,- oder einem Vielfachen davon.  
(ii) Die Schuldverschreibungen tragen die faksimilierte Unterschrift des Praesidenten und die eigenhaendige Unterschrift des Treasurers oder eines Assistant Treasurers der International Bank for Reconstruction and Development (nachstehend "Weltbank" genannt). Sie sind ausserdem mit einem den Namen der Weltbank tragenden Praegestempel versehen.  
(iii) Die Inhaber der Schuldverschreibungen werden in einem bei der Deutschen Bundesbank, Frankfurt am Main, gefuehrten Register eingetragen.
2. Jede Schuldverschreibung ist vom Datum ihrer Ausstellung an mit 4 1/2 % jaehrlich zu verzinsen.
3. Die Weltbank verpflichtet sich, diese Anleihe vom 1. Februar 1968 an in zehn Halbjahresraten von je DM 50 000 000,-, jeweils zahlbar am 1. Februar und 1. August der Jahre 1968 bis einschliesslich 1972, zum Nennwert zurueckzuzahlen, so dass die gesamte Anleihe spaetestens am 1. August 1972 getilgt sein wird. Zu diesem Zwecke sind die Schuldverschreibungen in zehn Serien von je DM 50 000 000,- wie folgt zusammengefasst:

<u>Serie</u>	<u>Faelligkeitstag</u>
A	1. Februar 1968
B	1. August 1968
C	1. Februar 1969
D	1. August 1969

<u>Serie</u>	<u>Faelligkeitstag</u>
E	1. Februar 1970
F	1. August 1970
G	1. Februar 1971
H	1. August 1971
I	1. Februar 1972
K	1. August 1972

4. (i) Die Weltbank verpflichtet sich, Zinsen und Kapital bei Faelligkeit an die eingetragenen Inhaber der Schuldverschreibungen zu zahlen. Die Zahlung erfolgt kostenfrei bei der Deutschen Bundesbank, Frankfurt am Main. Mit der Zahlung an die Deutsche Bundesbank ist die Weltbank von ihrer Verpflichtung gegenueber den Inhabern der Schuldverschreibungen befreit.
- (ii) Weder die Weltbank noch die Deutsche Bundesbank ist verpflichtet, die Berechtigung des eingetragenen Inhabers zur Empfangnahme von Zinsen und Kapital zu pruefen.
5. Die Weltbank verpflichtet sich, waehrend der gesamten Laufzeit der Anleihe und bis zu ihrer voelligen Rueckzahlung fuer anderweitige Darlehensverbindlichkeiten keine besonderen Sicherheiten einzuraeumen oder einraeumen zu lassen, ohne die Inhaber der Schuldverschreibungen dieser Anleihe gleichzeitig und in gleichem Rang an diesen Sicherheiten teilnehmen zu lassen; dies gilt nicht fuer Hypotheken oder andere Sicherheiten, die die Weltbank zur Sicherung des vollen oder teilweisen Kaufpreises fuer von ihr erworbene Vermoegenswerte an diesen einraeumt.
6. Die Schuldverschreibungen sind uebertragbar. Die Uebertragung erfolgt durch schriftliche Abtretungserklaerung auf der Rueckseite der Schuldverschreibung oder einem mit ihr verbundenen Blatt und Eintragung des neuen Inhabers im Schuldregister. Die Umschreibung im Schuldregister ist unter Vorlegung der Schuldverschreibungen bei der Deutschen Bundesbank, Frankfurt am Main,

zu beantragen. Die Umschreibung wird auf der Rueckseite der Schuldverschreibung oder dem mit ihr verbundenen Blatt durch die Deutsche Bundesbank vermerkt.

7. (i) Der eingetragene Inhaber einer Schuldverschreibung, die auf ein Vielfaches von DM 100 000,- lautet, hat das Recht, seine Schuldverschreibung umzutauschen gegen mehrere am gleichen Datum zurueckzahlbare Schuldverschreibungen im Nennwert von DM 100 000,- oder einem Vielfachen davon. Die Lieferung der neuen Schuldverschreibungen ist bei der Deutschen Bundesbank, Frankfurt am Main, zu beantragen und erfolgt innerhalb von 60 Tagen nach Eingang des Antrags bei der Weltbank.

(ii) Die Weltbank behaelt sich das Recht vor, von dem Antragsteller die infolge der Neuausstellung in der Bundesrepublik Deutschland etwa anfallenden Steuern und oeffentlichen Gebuehren zu verlangen.

8. Die Inhaber der Schuldverschreibungen koennen eine vorzeitige Rueckzahlung nur nach Massgabe der nachstehenden Bestimmungen verlangen:

Sollte die Weltbank mit der Bezahlung des Kapitals oder der Zinsen von Schuldverschreibungen dieser oder anderer Anleihen oder aehnlicher von ihr eingegangener, uebernommener oder garantierter gegenwaertiger oder zukuenftiger Verbindlichkeiten oder mit der Erfuellung von Verpflichtungen zur Bildung von Rueckkaufs- oder Tilgungsfonds in Bezug auf solche Anleihen oder andere Verbindlichkeiten oder mit der Erfuellung der in No. 5 enthaltenen Verpflichtungen aus der Negativklausel in Verzug geraten und sollte dieser Verzug 90 Tage fortdauern, so ist jeder Inhaber der Schuldverschreibungen waehrend eines danach fortdauernden Verzuges berechtigt, die ihm zustehenden Schuldverschreibungen einschliesslich aufgelaufener Zinsen faellig und zahlbar zu stellen. Dies hat in der Weise zu geschehen, dass der Hauptniederlassung der Weltbank in Washington, D.C., eine schriftliche Kuendigung des Berechtigten

uebergeben oder durch eingeschriebenen Brief uebermittelt wird. Die entsprechenden Schuldverschreibungen werden am dreissigsten Tage nach Eingang solcher Kuendigung faellig und bei der Deutschen Bundesbank, Frankfurt am Main, zahlbar, es sei denn, dass vorher jeder Verzug beseitigt worden ist.

9. (i) Alle Rechte und Pflichten der Inhaber der Schuldverschreibungen, der Weltbank und der Deutschen Bundesbank, die sich aus dieser Anleihe oder im Zusammenhang mit ihr ergeben, bestimmen sich ausschliesslich nach dem Recht der Bundesrepublik Deutschland und sollen auch danach ausgelegt werden. Die Weltbank unterwirft sich insoweit der deutschen Gerichtsbarkeit und waehlt als ladungsfaeihige Anschrift die Deutsche Bundesbank, Frankfurt am Main.
- (ii) Erfuellungsort und ausschliesslicher Gerichtsstand ist fuer alle Parteien Frankfurt am Main.



FORM OF NAMENS-SCHULDVERSCHREIBUNG [FULLY REGISTERED BOND]

(Front Page)

DM \_\_\_\_\_ Series \_\_\_\_\_ No. \_\_\_\_\_

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

4 1/2%

Registrierte Namens-Teilschuldverschreibung [Registered Bond]

in the amount of

\_\_\_\_\_ Deutsche Mark

DM \_\_\_\_\_

of the 4 1/2% Deutsche Mark-Anleihe von 1960 [4 1/2% Deutsche Mark Bonds of 1960] in the aggregate principal amount of Deutsche Mark 500 million in legal tender of the Federal Republic of Germany (DM 500,000,000), issued by authority of Resolution No. \_\_\_\_\_, dated \_\_\_\_\_, 1960, and supplementary Resolution No. \_\_\_\_\_, dated \_\_\_\_\_, 1961 of the Executive Directors.

We promise to pay to

the Deutsche Bundesbank

interest on the amount of \_\_\_\_\_ Deutsche Mark at the rate of 4 1/2% per annum and to repay the debt evidenced by this Namens-Schuldverschreibung at par

on \_\_\_\_\_, 19 \_\_\_\_.

Interest will be paid in semi-annual instalments on February 1 and August 1 in each year. Reference is made to the Conditions of Issue printed below. This Namens-Schuldverschreibung is not an obligation of any Government.

Washington, D.C., \_\_\_\_\_

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

\_\_\_\_\_  
President

\_\_\_\_\_  
Assistant Treasurer



(Back Page)

Space for Assignments and  
Notations of Registration

Assigned to

\_\_\_\_\_, on \_\_\_\_\_

Transfer recorded in the Register on \_\_\_\_\_

DEUTSCHE BUNDESBANK

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

4 1/2% DEUTSCHE MARK BONDS OF 1960

Conditions of Issue

1. (i) The Bonds in the aggregate principal amount of Deutsche Mark 500 million (DM 500,000,000) are divided into equally ranking Registrierte Namens-Schuldverschreibungen [fully registered bonds] hereinafter called "Schuldverschreibungen" [Bonds] in the principal amount of DM 100,000 or a multiple thereof.  
(ii) The Bonds bear the facsimile signature of the President and the manual signature of the Treasurer or an Assistant Treasurer of the International Bank for Reconstruction and Development (hereinafter called "World Bank"). They bear an embossed seal of the World Bank.  
(iii) The holders of the Bonds will be entered into a Register kept by the Deutsche Bundesbank, Frankfurt am Main.
2. Each Bond will bear interest at the rate of 4 1/2% per annum from the date of its issuance.
3. The World Bank covenants to repay the Bonds at par, beginning on February 1, 1968, in ten semi-annual instalments of DM 50,000,000 each, payable on February 1 and August 1 of the years 1968 through 1972, so that all Bonds will have been redeemed no later than August 1, 1972. For this purpose the Bonds are issued in ten series of DM 50,000,000 each, as follows:

<u>Series</u>	<u>Date of Maturity</u>
A	February 1, 1968
B	August 1, 1968
C	February 1, 1969
D	August 1, 1969
E	February 1, 1970
F	August 1, 1970
G	February 1, 1971
H	August 1, 1971
I	February 1, 1972
K	August 1, 1972

4. (i) The World Bank covenants to pay when due the interest on, and the principal of, the Bonds to the registered holders thereof. Payment will be made free of charge at the Deutsche Bundesbank, Frankfurt am Main. Upon payment to the Deutsche Bundesbank, the World Bank will be discharged from its liability to the holders of the Bonds.  
  
(ii) Neither the World Bank nor the Deutsche Bundesbank is under the obligation to examine whether the registered holder is entitled to collect the interest on, and the principal of, the Bond.
5. The World Bank covenants that, so long as any of the Bonds shall be outstanding and unpaid, the Bank will not cause or permit to be created any specific security for any other evidences of indebtedness unless the holders of the Bonds shall be secured equally and ratably by such security. This does not apply to purchase money mortgages or other liens on property purchased by the World Bank as security for all or part of the purchase price thereof.
6. The Bonds are transferable. Transfer may be effected by assignment in writing on the back page of the Bond or another sheet attached thereto and entry of the new owner into the Bond Register. Transfer of ownership in the Bond Register is to be requested at the Deutsche Bundesbank, Frankfurt am Main, upon presentation of the Bond. The transfer will be recorded by the Deutsche Bundesbank on the back page of the Bond or on the sheet attached thereto.
7. (i) The registered holder of any Bond in the denomination of a multiple of DM 100,000 may exchange such Bond for several Bonds in the denomination of DM 100,000 or multiples thereof. The delivery of the new Bonds is to be requested at the Deutsche Bundesbank, Frankfurt am Main, and will be made within 60 days after the World Bank has received the request.

(ii) The World Bank reserves the right to collect from whoever requests the exchange of Bonds any tax or other governmental fees to which the issuance of new Bonds may be subject in the Federal Republic of Germany.

8. The owners of the Bonds may request repayment prior to maturity only under the following conditions:

If the World Bank shall default in the payment of the principal of, or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds (including the Bonds) or similar present or future obligations which shall have been issued, assumed or guaranteed by the Bank, or in the performance of its obligations under the negative pledge clause as set forth in No. 5 above, and such default shall continue for a period of 90 days, then thereafter and during the continuance of such default any owner of Bonds may declare the principal of all Bonds held by him and any interest due thereon to be due and payable by delivering or causing to be delivered by registered mail to the World Bank at its principal office in the City of Washington, District of Columbia, written notice to that effect. The said Bonds shall become due on the 30th day after such notice shall be so delivered and shall become payable at the Deutsche Bundesbank, Frankfurt am Main, unless prior to that time all such defaults theretofore existing shall have been cured.

9. (i) All rights and obligations of the holders of the Bonds, of the World Bank and of the Deutsche Bundesbank resulting from, or in connection with, these Bonds are governed exclusively by the laws of the Federal Republic of Germany and shall be construed accordingly. The World Bank insofar submits itself to the German jurisdiction and selects as its address for service of process the Deutsche Bundesbank, Frankfurt am Main.

(ii) Place of performance and the exclusive forum for all parties shall be Frankfurt am Main.



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Apr 6, 1961	<b>Document Type</b> Board Record
-------------------------------------	--------------------------------------

**Correspondents / Participants**

**Subject / Title**  
Authorizing the Issuance of 4-1/2% Deutche Mark Bonds of 1960 (Draft)

**Exception No(s).**

1  
  2  
  3  
  4  
  5  
  6  
  7  
  8  
  9  
  10 A-C  
  10 D  
  Prerogative to Restrict

**Reason for Removal**  
Board Record

**Additional Comments**  
Declassification review of this record can be initiated upon request

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn by Chandra Kumar	Date Jul 23, 2014
-------------------------------	----------------------



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960		<b>Barcode No.</b>  1052237
<b>Document Date</b> Apr 6, 1961	<b>Document Type</b> Board Record	
<b>Correspondents / Participants</b>		
<b>Subject / Title</b> Authorizing the Issuance of 4-1/2% Bonds of 1960		
<b>Exception No(s).</b> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D <input type="checkbox"/> Prerogative to Restrict		
<b>Reason for Removal</b> Board Record		
<b>Additional Comments</b> Declassification review of this record can be initiated upon request		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.
Withdrawn by Chandra Kumar		Date Jul 23, 2014

Germany

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF WIRE: **DEC 14 1961**

LOG NO.:

TO:

FROM:

ROUTING
ACTION COPY:
INFORMATION COPY:
DECODED BY:

TE



RECEIVED  
GENERAL FILES  
CORRESPONDENCE

RC5 YWC1296 DP1098  
FRANKFURTMAIN 36/35 14 1254 VIA RCA

DEC 14 8 20 AM 1961

INTBAFRAD WASHINGTONDC

✓

546 YOURS NOVEMBER TWENTYFIRST STOP ORDERED FEDRESERVE  
 NEWYORK TO CREDIT YOUR ACCOUNT DOLLARS 60000000 STOP  
 TRANSFERRED FROM YOUR SAFE CUSTODY ACCOUNT TO OUR OWNERSHIP  
 TEMPORARY CERTIFICATES SAME AMOUNT STOP BOTH VALUE FIFTEENTH  
 NOTENBANK



DUPLICATE

*Germany Borrowing*

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF WIRE: NOV 23 1961

LOG NO.:

TO:

FROM:

ROUTING
ACTION COPY:
INFORMATION COPY:
DECODED BY:

TE

RC1 YWC1453 DP1360

FRANKFURTMAIN 21 23 1956 VIA RCA

RECEIVED

GENERAL FILES  
CORRESPONDENCE

*Handwritten signature*  
NOV 24 8 33 AM 1961

INTBAFRAD WASHINGTONDC

*Handwritten notes:*  
✓  
Mr. [unclear]  
Mr. [unclear]

578 REFERENCE YOUR CABLE OF NOVEMBER 21 WE AGREE TO  
WITHDRAWAL US DOLLAR 60 MILLION ON DECEMBER 15

NOTENBANK



TO: NOTENBANK  
FRANKFURTMAIN

DATE: NOVEMBER 21, 1961

CLASS OF SERVICE: NLT

COUNTRY: (GERMANY)

*RCA*

TEXT:  
Cable No.:

REFERENCE BORROWING AGREEMENT AUGUST 1, 1960 STOP ON DECEMBER 15  
WE WISH WITHDRAW US\$60,000,000; PLEASE DEPOSIT FUNDS OUR CREDIT AT  
FEDERAL RESERVE BANK OF NEW YORK AND TRANSFER FROM OUR SAFE CUSTODY  
ACCOUNT TO YOUR OWNERSHIP FIVE TEMPORARY CERTIFICATES DATED AUGUST 1,  
1960 HAVING TOTAL FACE VALUE US\$60,000,000 STOP PLEASE CABLE YOUR  
AGREEMENT TO THIS WITHDRAWAL TEST 817

INTBAFRAD

*Robert W. Cavanaugh*

*ack. Nov 23*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME ROBERT W. CAVANAUGH

DEPT. TREASURER

SIGNATURE \_\_\_\_\_  
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

*RWCavanaugh:emk*

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Ramm  
Mr. Rutland  
Mr. Prins

For Use by Archives Division

Checked for Dispatch: *A*

NOVEMBER 21, 1961

DATE:

M.T.

CLASS OF SERVICE:

FRANKFURT AM MAIN  
NOTENBANK

TO:

(GERMANY)

COUNTRY:

TEXT:

Cable No.:

*100*

REFERENCE BORROWING AGREEMENT AUGUST 1, 1960 STOP ON DECEMBER 15  
WE WISH WITHDRAW US\$6,000,000; PLEASE DEPOSIT FUNDS OUR CREDIT AT  
FEDERAL RESERVE BANK OF NEW YORK AND TRANSFER FROM OUR SAFE CUSTODY  
ACCOUNT TO YOUR OWNERSHIP FIVE TEMPORARY CERTIFICATES DATED AUGUST 1,  
1960 HAVING TOTAL FACE VALUE US\$6,000,000 STOP PLEASE CABLE YOUR  
AGREEMENT TO THIS WITHDRAWAL TEST 817

INTERRAD

NOV 21 4 47 PM 1961

DISPATCHED  
GENERAL FILES  
CORRESPONDENCE

*Robert W. Conaway*

NOT TO BE TRANSMITTED

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Ramm  
Mr. Rutland  
Mr. Irwin

For Use by Archives Division

Checked for Dispatch: *W*

MESSAGE AUTHORIZED BY:

ROBERT W. CONWAY

NAME

TREASURER

DEPT.

SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

W. Conaway: end

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

# DEUTSCHE BUNDESBANK

*Mr. V. Ellenberg*  
*Bill m*

International Bank for Reconstruction  
and Development

Washington 25, D. C.  
-----  
USA

Confirmation of our teletype  
-----

Bitte in der Antwort angeben

- IV -

Betreff

Ihr Zeichen und Ihre Nachricht vom

FRANKFURT (MAIN), Taunusanlage 4-6

8. November 1961

Reference your cable of November 7<sup>th?</sup> th. We agree to withdrawal US-\$ 60 million  
on November 15.

DEUTSCHE BUNDESBANK

Hartlieb Dr. Emminger



Beglaubigt:

*Baumgartner*  
-----  
Bankoberinspektor

Postanschrift

(16) Frankfurt (Main) 1

Telegramme

NOTENBANK  
FRANKFURTMAIN

Fernsprecher

33 06 82 oder 33 06 81 und . . . .  
durchwählen

Telex

Inland 4-1 227 Ausland 4-1 232  
Notenbank Ffm

Dienststunden

Montag bis Freitag 8.15-17 Uhr  
Sonnabend 8.15-13 Uhr

DEUTSCHE BUNDESBANK

*Handwritten signature and notes in the top left corner.*

International Bank for Reconstruction and Development

Washington 25, D. C.

USA

Confirmation of our teletype

Briefe für Antwort eingeben

- IV -

Betreff

Die Zahlen sind für Hochdruck

FRANKFURT (MAIN) Telefonanlage 4-5

8. November 1961

Reference your cable of November 7. We agree to withdraw US \$ 80 million on November 18.

DEUTSCHE BUNDESBANK  
Hartlieb Dr. Bauminger

beglaubigt

Bankdirektor



1961 NOV 13

RECEIVED  
BANK MAIL ROOM

Postfach (Main) 1  
FRANKFURT (MAIN)  
NUTZENBANK  
Telefon  
3083 oder  
Telegraph  
Sonderpost 2-12 Uhr  
Montag bis Freitag 8-12-17 Uhr  
Ausland 4-1 20

TO: NOTENBANK  
FRANKFURTMAIN

DATE: NOVEMBER 6, 1961

CLASS OF SERVICE: NLT

COUNTRY: (GERMANY)

RCA

TEXT:  
Cable No.:

REFERENCE BORROWING AGREEMENT AUGUST 1, 1960 STOP ON NOVEMBER 15 WE  
WISH WITHDRAW US\$60,000,000; PLEASE DEPOSIT FUNDS OUR CREDIT AT  
FEDERAL RESERVE BANK OF NEW YORK AND TRANSFER FROM OUR SAFE CUSTODY  
ACCOUNT TO YOUR OWNERSHIP FIVE TEMPORARY CERTIFICATES DATED AUGUST 1,  
1960 HAVING TOTAL FACE VALUE US\$60,000,000 STOP PLEASE CABLE YOUR  
AGREEMENT TO THIS WITHDRAWAL TEST 707

INTBAFRAD

NOV 6 3 00 PM 1961

*Robert W. Cavanaugh*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME ROBERT W. CAVANAUGH

DEPT. TREASURER'S

SIGNATURE \_\_\_\_\_

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

RWCavanaugh:emk

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Ramm  
Mr. Rutland  
Mr. Prins

For Use by Archives Division

Checked for Dispatch: *[Signature]*

OUTGOING WIRE

TO: NOTENBANK  
FRANKFURTMAIN

DATE: NOVEMBER 6, 1961

CLASS OF SERVICE: NIT

COUNTRY: (GERMANY)  
TEXT:  
Cable No.:

RCA

AGREEMENT TO THE WITHDRAWAL. THIS YOU  
1960 HAVING TOTAL FACE VALUE US\$60,000,000 STOP PLEASE CABLE YOUR  
ACCOUNT TO YOUR MEMBERSHIP FIVE TEMPORARY CERTIFICATES DATED AUGUST 1,  
FEDERAL RESERVE BANK OF NEW YORK AND TRANSFER FROM OUR SAFE CUSTODY  
WISH WITHDRAW US\$60,000,000; PLEASE DEPOSIT FUNDS OUR CREDIT AT  
REFERENCE BORROWING AGREEMENT AUGUST 1, 1960 STOP ON NOVEMBER 15 WE

INTERFARD

NOV 6 3 00 PM 1961

DISPATCHED  
GENERAL FILES  
CORRESPONDENCE

*Robert W. Cavanaugh*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME: ROBERT W. CAVANAUGH

DEPT.: TREASURER'S

SIGNATURE

(SIGNATURE OR INITIALS AUTHORIZED TO APPROVE)

RWCavanaugh:emk

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Lamm  
Mr. Rubland  
Mr. Irvine

For Use by Archives Division

Checked for Dissem:

*[Signature]*

(not for public use)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

DECLASSIFIED

CONFIDENTIAL

AUG 20 2014

SecM61-224

WBG ARCHIVES

FROM: The Acting Secretary

October 6, 1961

BORROWING FROM THE DEUTSCHE BUNDESBANK  
OF AUGUST 1, 1960

By agreement dated August 1, 1960, between the Bank and the Deutsche Bundesbank a borrowing by the Bank of DM500,000,000 and US\$120,000,000 was arranged (R 60-84 and SM 60-15). The DM500,000,000 has been drawn down and disbursed on loans. None of the dollars has as yet been drawn down. The Agreement provides that the dollars will be drawn on or before November 1, 1961. In view of the present liquid position of the Bank, the Bank has requested the Deutsche Bundesbank for its agreement to an extension of the final draw-down date from November 1, 1961 to December 31, 1961.

Distribution:

Executive Directors and Alternates  
President  
Vice Presidents  
Department Heads

DR. OTMAR EMMINGER

MITGLIED DES DIREKTORIUMS DER DEUTSCHEN BUNDESBANK

FRANKFURT (MAIN) Taunusanlage 4-6, Telefon 330682

October 6, 1961

*File - 4 1/2% Bonds of 1960.*

Mr.  
Robert W. Cavanaugh  
Treasurer

International Bank for  
Reconstruction and Development  
1818 H Street, N.W.  
Washington 25 D.C.

Dear Mr. Cavanaugh,

attached please find the signed copy of the  
letter extending the draw-down period of the  
US \$ 120 million from November 1, 1961 to december 31,  
1961.

I certainly enjoyed very much meeting in  
Vienna you and so many other friends from the world  
bank.

With kind regards,

yours sincerely

*rus*  
*O. Emminger*

1961 OCT - 8 10:10 AM  
BANK FOR RECONSTRUCTION  
AND DEVELOPMENT  
RECEIVED



DR. OTMAR EMMINGER

MITGLIED DES DIREKTORIUMS DER DEUTSCHEN BUNDESBANK

FRANKFURT (MAIN) Taunusanlage 4-6, Telefon 330683

October 6, 1961

*Date - 4 1/2 Bonds of 1960*

Mr. Robert W. Gavnaugh  
Treasurer

International Bank for  
Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D.C.

Dear Mr. Gavnaugh,

attached please find the signed copy of the  
letter extending the draw-down period of the  
US \$ 120 million from November 1, 1961 to December 31,  
1961.

I certainly enjoyed very much meeting in  
Vienna you and so many other friends from the world  
bank.

With kind regards,

Yours sincerely



RECEIVED  
BANK MAIL ROOM  
1961 OCT -9 AM 10:42

*Handwritten notes at top left:*  
Frankfurt for bank  
Legal  
Frankfurt  
1961

COPY

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
WASHINGTON 25, D. C.

October 3, 1961

Deutsche Bundesbank  
Taunusanlage 4 - 6  
Frankfurt am Main  
Germany

Gentlemen:

Reference is made to the Agreement between us dated August 1, 1960, providing for the borrowing by the International Bank for Reconstruction and Development from the Deutsche Bundesbank of DM500,000,000 and US\$120,000,000. Article I(b) provides that the US\$120,000,000 will be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961. We hereby request that the date of November 1, 1961 be amended to read December 31, 1961.

If you agree with this amendment to the Agreement, will you please sign the copy of this letter and return it to us.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

By Robert W. Cavanaugh  
Robert W. Cavanaugh  
Treasurer

DEUTSCHE BUNDESBANK

*Walter*

October 3, 1961

Dr. Otmar Emminger  
Deutsche Bundesbank  
Taunusanlage 4 - 6  
Frankfurt am Main  
Germany

Dear Dr. Emminger:

It was certainly a pleasure to see you in Vienna and I hope you enjoyed the week there as much as I.

As we discussed in Vienna, the Bank is in a very liquid position at the present time and would appreciate if it would be possible for the Bundesbank to agree to an extension of the draw-down period of the US\$120,000,000 under the Agreement of August 1, 1960. The Agreement now provides that such amounts shall be drawn on or before November 1, 1961. It would be most helpful to the Bank if this date could be extended to December 31, 1961. There is attached a formal letter requesting the extension of the draw-down period to December 31, 1961. If the Bundesbank can agree with this, would you please sign it and return a copy to me.

Please let me express our sincere appreciation at your willingness to consider this matter and to again thank you for your cooperation with us.

Best personal regards.

Sincerely yours,



Robert W. Cavanaugh  
Treasurer

Attachment

cc: Mr. Martin

Cleared with and copy to Mr. Fontein

RWCavanaugh:emk

October 3, 1961

Deutsche Bundesbank  
Taunusanlage 4 - 6  
Frankfurt am Main  
Germany

Gentlemen:

Reference is made to the Agreement between us dated August 1, 1960, providing for the borrowing by the International Bank for Reconstruction and Development from the Deutsche Bundesbank of DM500,000,000 and US\$120,000,000. Article I(b) provides that the US\$120,000,000 will be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961. We hereby request that the date of November 1, 1961 be amended to read December 31, 1961.

If you agree with this amendment to the Agreement, will you please sign the copy of this letter and return it to us.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

By \_\_\_\_\_

Robert W. Cavanaugh  
Treasurer

DEUTSCHE BUNDESBANK

cc: Mr. Martin

Cleared with and copy to Mr. Fontein

RWCavanaugh:emk

*Germany - Borrowing*

FORM No. 27  
(7-61)  
INTERNATIONAL DEVELOPMENT  
ASSOCIATION

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE  
CORPORATION

OUTGOING WIRE

TO: NOTENBANK  
FRANKFURTMAIN

DATE: AUGUST 15, 1961

CLASS OF  
SERVICE: LT

*RCA*

COUNTRY: GERMANY

TEXT:  
Cable No.:

REOURS YESTERDAY REOUR DM500,000,000 BORROWING TEST SHOULD READ 1237

STOP THIS TEST *1126*

WIRE 12 2  
CONFIDENTIAL  
DIRECTOR

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME PETER G. RAMM

DEPT. TREASURER'S

SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

BLPrins:eah

CLEARANCES AND COPY DISTRIBUTION:

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ORIGINAL (File Copy)

(IMPORTANT: See guide for preparing form)

Checked for Dispatch: \_\_\_\_\_

(IMPORTANT: See back for blocking form)

ORIGINAL (1st copy)

Signature

(Signature of individual authorized to approve)

SIGNATURE

DEPT: DEPARTMENT

NAME: JAMES C. BANN

MESSAGE AUTHORIZED BY:

Checked for dispatch:

For use by Archives Division

COPIES AND COPY DISTRIBUTION:

NOT TO BE TRANSMITTED

UNRECORDED

DISPATCHED  
GENERAL FILES  
CORRESPONDENCE

AUG 15 5 45 PM 1961

STOP THIS LETTER

RECORDS DELETED FROM 100,000,000 BORROWING LETTER SHOULD BEAD 1234

Copy No.:

TEXT:

COMM: DEPT

PERSONNEL

TO: PERSONNEL

SERVICE: DL

CLASS OF

DATE: AUGUST 12, 1961

ORIGINAL FILE

ASSOCIATION

INTERNATIONAL DEVELOPMENT

(1-8-1)

REGISTRATION AND DEVELOPMENT

FOR NAME IDENTIFICATION

ASSOCIATION

INTERNATIONAL FINANCE

FORM NO. 12

TO: NOTENBANK  
FRANKFURTMAIN

DATE: AUGUST 14, 1961

CLASS OF  
SERVICE: NL

COUNTRY: GERMANY

*RCA*

TEXT:  
Cable No.:

REFERENCE AGREEMENT AUGUST 1, 1960 REGARDING OUR BORROWING  
DM 500,000,000 STOP ON SEPTEMBER 1 WE WISH WITHDRAW/DM 50,000,000 STOP  
PLEASE DEPOSIT FUNDS OUR ACCOUNT B AND TRANSFER FROM OUR SAFE CUSTODY  
ACCOUNT TO YOUR OWNERSHIP TEMPORARY CERTIFICATE NUMBER TEN DATED  
AUGUST 1, 1960 BEING FACE VALUE DM 50,000,000 MATURING AUGUST 1, 1972  
STOP CABLE ACTION COMPLETED  
TEST 1230

INTBAFRAD


*b*  
*r*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME PETER G. RAMM

DEPT. TREASURER'S

SIGNATURE   
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Cavanaugh  
Mr. Prins  
Mr. Rutland  
Mrs. Pan  
PPan/jg

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

Checked for Dispatch: \_\_\_\_\_

OUTGOING WIRE

INTERNATIONAL FINANCE  
CORPORATION

TO: NOTEMBANK

DATE: AUGUST 14, 1961

FRANKFURT MAIN

CLASS OF  
SERVICE: NI

COUNTRY: GERMANY

TEXT:  
Cable No.:

504

REFERENCE AGREEMENT AUGUST 1, 1960 REGARDING OUR BORROWING  
ON 500,000,000 STOP ON SEPTEMBER 1 WE WISH WITHDRAW 50,000,000 STOP  
PLEASE DEPOSIT FUNDS OUR ACCOUNT B AND TRANSFER FROM OUR BANK CUSTODY  
ACCOUNT TO YOUR MEMBERSHIP TEMPORARY CERTIFICATE NUMBER 100 DATED  
AUGUST 1, 1960 BEING FACE VALUE 50,000,000 MATURING AUGUST 1, 1975  
STOP CABLE ACTION COMPLETED

AUG 14 5 52 PM 1961

DISPATCHED  
GENERAL FINANCE  
GENERAL REFERENCE

TEST 1230

INTEBRAD

NOT TO BE TRANSMITTED

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Casanovich  
Mr. Fines  
Mr. Kunkland  
Mrs. Pan  
Ppan/jb

MESSAGE AUTHORIZED BY:

NAME: PETER C. RAIN

DEPT. TREASURY'S

SIGNATURE

(SIGNATURE OR INITIALS AUTHORIZED TO APPROVE)

For Use by Reserve Division

ORIGINAL (File Copy)

Check for Disposal:

(IMPORTANT: See back of yellow copy for guide in preparing form)





# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Aug 11, 1961	<b>Document Type</b> Incoming wire
--------------------------------------	---------------------------------------

**Correspondents / Participants**  
To : Frankfurtmain  
From : INTBAFRAD

**Subject / Title**  
Log No. 693 - Transfer of Funds from one account to another

**Exception No(s).**

1    2    3    4    5    6    7    8    9    10 A-C    10 D    Prerogative to Restrict

**Reason for Removal**  
Financial information

**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn by Chandra Kumar	Date Jul 23, 2014
-------------------------------	----------------------



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Aug 1, 1961	<b>Document Type</b> Incoming wire
-------------------------------------	---------------------------------------

**Correspondents / Participants**  
 To : Frankfurtmain  
 From : INTBAFRAD

**Subject / Title**  
 Log No. 693 - Transfer of Funds from one account to another

**Exception No(s).**

1  
  2  
  3  
  4  
  5  
  6  
  7  
  8  
  9  
  10 A-C  
 10 D  
 Prerogative to Restrict

**Reason for Removal**  
 Financial information

**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn by Chandra Kumar	Date Jul 23, 2014
-------------------------------	----------------------

TO: NOTENBANK  
FRANKFURTMAIN

DATE: JULY 31, 1961

CLASS OF  
SERVICE: ~~WIKK~~ TELEX

COUNTRY: GERMANY

TEXT:  
Cable No.:

*RCA*

✓  
REOUR CABLE JULY 26, ~~1961~~ 1961 REQUESTING FURTHER DRAW DOWN OF DM50 MILLIONS  
UNDER BORROWING AGREEMENT BETWEEN US DATED AUGUST 1, 1960 COULD YOU EFFECT  
TRANSACTION AUGUST 1, 1961 RATHER THAN AUGUST 4, 1961 PLEASE CABLE 793

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:  
NAME ROBERT W. CAVANAUGH  
DEPT. TREASURER'S  
SIGNATURE \_\_\_\_\_

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

BLPrins:eah

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

CLEARANCES AND COPY DISTRIBUTION:

For Use by Archives Division

Checked for Dispatch: *LV*

DATE: JULY 27, 1961

TO: ROTTERDAM

CLASS OF SERVICE: WIRE TELEX

FRANKFURT/MAIN

COUNTRY: GERMANY

TEXT:  
Cable No.:

*Handwritten initials*

REUR CABLE JULY 2, 1961 REQUESTING FURTHER DRAW DOWN OF DMSO MILLIONS UNDER BORROWING AGREEMENT BETWEEN US DATED AUGUST 2, 1950 WOULD YOU EFFECT TRANSACTION AUGUST 1, 1961 LATER THAN AUGUST 4, 1961 PLEASE CABLE 893

*Sent R. 100*

INTERRAD

NOT TO BE TRANSMITTED

CLEARANCES AND COPY DISTRIBUTION:

MESSAGE AUTHORIZED BY:

NAME: ROBERT W. CAYMANSON

DEPT.: TREASURER'S

SIGNATURE:

LOCATION OF ORIGINAL (CHECKER TO APPROVE)

Reference:

ORIGINAL (File Copy)

For use by Archive Division

Checked for Disposal:

(REPORTS: See back of yellow copy for guide in entering form)

OUTGOING WIRE

*Borrowing -*

TO: NOTENBANK  
FRANKFURT MAIN

DATE: JULY 31, 1961

CLASS OF  
SERVICE: NL

*LCA*

COUNTRY: GERMANY

TEXT:  
Cable No.: REFERENCE AGREEMENT AUGUST 1, 1960 REGARDING OUR BORROWING  
DM 500,000,000 STOP ON AUGUST 11 WE WISH WITHDRAW DM 50,000,000 STOP  
PLEASE DEPOSIT FUNDS OUR ACCOUNT B AND TRANSFER FROM OUR SAFE CUSTODY  
ACCOUNT TO YOUR OWNERSHIP TEMPORARY CERTIFICATE NUMBER NINE DATED  
AUGUST 1, 1960 BEING FACE VALUE DM 50,000,000 MATURING FEBRUARY 1,  
1972 STOP CABLE ACTION COMPLETED

TEST 1325

INTBAFRAD

*PK*

NOT TO BE TRANSMITTED

*ack. Aug 1*

MESSAGE AUTHORIZED BY: *[Signature]*  
NAME Y. L. CHANG  
DEPT. TREASURER'S  
SIGNATURE \_\_\_\_\_  
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:  
cc: Mr. Prins  
Mr. Rutland  
Mrs. Pan

VChang/hgw

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See back of yellow copy for guide in preparing form)

Checked for Dispatch: *[Signature]*

DATE: JULY 31, 1961

TO: HONGKONG

CLASS OF SERVICE: RT

BRANCH: HONGKONG

COUNTRY: GERMANY

TEXT: (1/2)

REFERENCE ACCOUNT AUGUST 1, 1960...  
IN 200,000,000 STG ON ACCOUNT 11...  
TRANSFER FROM OUR ACCOUNT...  
ACCOUNT TO YOUR OVERSIGHT...  
AUGUST 1, 1960...  
1971 STG...  
TEST 1/2

URGENT

DISPATCHED

GENERAL FILES  
CORRESPONDENCE

JUL 31 6 08 PM 1961



NOT TO BE TRANSMITTED

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Pritz  
Mr. Hufsch  
Mr. Fox

MESSAGE AUTHORIZED BY:

NAME Y. L. SHANG

DEPT. THE ASSISTANT'S

SIGNATURE

Y. L. SHANG

OR ORIGINAL (with copy)

(IMPORTANT: See back of yellow copy for guide to processing form)

For Use by Receiver Division

Checked for Dispatch



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Jul 26, 1961	<b>Document Type</b> Outgoing wire
--------------------------------------	---------------------------------------

**Correspondents / Participants**  
 To : Notebank Frankfurtmain  
 From : Robert W. Cavanaugh, Treasurer's

**Subject / Title**  
 Requesting for Funds to be deposited

**Exception No(s).**

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  10 A-C  
 10 D  
 Prerogative to Restrict

**Reason for Removal**  
 Financial information

**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Jun 23, 1961	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
 To : Notebank Frankfurtmain  
 From : Y. L. Chang, Treasurer's

**Subject / Title**  
 Requesting for Funds to be deposited

**Exception No(s).**

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 10 D  
 Prerogative to Restrict

**Reason for Removal**  
 Financial information

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> May 18, 1961	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
 To : Notebank Frankfurtmain  
 From : Peter G. Ramm, Treasurer's

**Subject / Title**  
 Requesting for Funds to be deposited

**Exception No(s).**  
 1    2    3    4    5    6    7    8    9    10 A-C    10 D    Prerogative to Restrict

**Reason for Removal**  
 Financial information

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Apr 17, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Mr. George L. Martin, International Bank for Reconstruction and Development, New York, N.Y.  
 From : Michael H. Wiehen

**Subject / Title**  
 Sending FYI

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Apr 17, 1961	<b>Document Type</b> Letter
--------------------------------------	--------------------------------

**Correspondents / Participants**  
 To : Mr. John D. Miller, International Bank for Reconstruction and Development, Paris, France  
 From : Michael H. Wiehen

**Subject / Title**  
 Sending FYI

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Apr 14, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Deutsche Bundesbank  
 From : A. Broches, General Counsel

**Subject / Title**  
 Re : 4 1/2% United States Dollar Bonds and Deutsche Mark Bonds of 1960

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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CROSS REFERENCE SHEET

COMMUNICATION: Certificate of Secretary

DATED: April 14, 1961

TO:

FROM:

FILED UNDER: OFFICIAL DOCUMENTS - Issue

SUMMARY:

Contains Resolution No. 61-12 and Form of Registered Bond etc.



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Apr 12, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
To : Heinz Weitzel, Esq.  
From : A. Broches, General Counsel

**Subject / Title**  
Fees for Reistered Deutsche Mark Bonds

**Exception No(s).**

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**Reason for Removal**  
Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Mar 14, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Deutsche Bundesbank  
 From : A. Broches, General Counsel

**Subject / Title**  
 Drafts of a set of papers concerning the issuance of Bonds

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Mar 2, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Heinz Weitzel, Esq.  
 From : A. Broches, General Counsel

**Subject / Title**  
 Drafts of a set of papers to be submitted to Executive Directors

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> February 1 Mar 2, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
To : Mr. A. Brochas  
From : M. H. Wiehen

**Subject / Title**  
Points to be discussed in Frankfurt

**Exception No(s).**

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**Reason for Removal**  
Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Jan 26, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Mr. A. Brochas  
 From : M. H. Wiehen

**Subject / Title**  
 Certain Questions in regard to the Bonds to be Delivered by the Bank to the Deutsche Bundesbank

**Exception No(s).**

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**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Jan 25, 1961	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Messrs. Muller, Weitzel & Weissner  
 From : A. Brochas, General Counsel

**Subject / Title**  
Correspondence on Alternative Proposal

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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Mr. A. Broches

January 18, 1961

Michael H. Wiehen

BONDS - (Excerpts from RECHT DER WERTPAPIERE  
by Dr. Alfred Hueck)

Einige Papiere sind ohne weiteres Orderpapiere, wenn diese Eigenschaft nicht besonders ausgeschlossen wird (durch negative Orderklausel: "nicht an Order"). Man spricht von geborenen Orderpapieren. Hierher gehoeren der Wechsel, der auf den Namen lautende Scheck (anders der Inhaberscheck) und die Namensaktie. Bei ihnen ist also die Uebertragung durch Indossament moeglich, auch wenn das im Papier nicht besonders gesagt ist. . . . Der Zusatz "an Order" ist zulaessig, aber ueberfluessig. Andere Papiere koennen Orderpapier sein, wenn ihnen diese Eigenschaft durch positive Orderklausel besonders verliehen ist (gekorene Orderpapiere). Es sind das sieben handelsrechtliche Papiere, die in § 363 HGB aufgezaehlt sind sowie Schuldverschreibungen, frueher des Reichs und noch heute der Laender, soweit das in den Schuldenordnungen vorgesehen ist.



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Jan 17, 1961	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
 To : INTERJURA, Frankfurtmain  
 From : A. Brochas, General Counsel

**Subject / Title**  
 Itinerary of Mr. Brochas visit to Germany

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF WIRE: 17 JANUARY 1961 0935  
LOG NO.: WU 5  
TO: IBRD  
FROM: FRANKFURTMAIN

## ROUTING

ACTION COPY: MR. BROCHES  
INFORMATION COPY:  
DECODED BY:

TEXT:

BROCHES WEITZEL AVAILABLE FEBRUARY 6TH LATE MORNING AND AFTERNOON MUELLER  
ONLY FEBRUARY 7 REGARDS.

INTERJURA

DUPLICATE

REGISTRATION AND MEMBERSHIP

INFORMING BIRTH

REGISTRATION AND MEMBERSHIP

ROUTING

DATE OF

FILE

FILE NO.

TO

FROM

BY

RECORDED BY:  
CHECKED BY:  
INDEXED BY:  
FILED BY:

TYPED

GENERAL CLERK'S  
CORRESPONDENCE

JAN 17 10 29 AM 1961



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Jan 17, 1961	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
To : NOTENBANK  
From : A. Brochas, General Counsel

**Subject / Title**  
Making an Appointment

**Exception No(s).**

1    2    3    4    5    6    7    8    9    10 A-C    10 D    Prerogative to Restrict

**Reason for Removal**  
Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Jan 17, 1961	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
To : NOTENBANK, Frankfurtmain  
From : INTBAFRAD

**Subject / Title**  
Account Deposit and Transfer

**Exception No(s).**

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 Prerogative to Restrict

**Reason for Removal**  
Financial Information

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# OUTGOING WIRE

*Bonds - Borrowing - Germany*

CLASS OF SERVICE: NIGHTLETTER

DATE: JANUARY 16, 1961

TO: INTERJURA  
FRANKFURTMAIN

*JCA*

COUNTRY (W. GERMANY)

TEXT:

Cable No.

PLANNING ARRIVE FRANKFURT SUNDAYNIGHT FEBRUARY 5 IN CONNECTION  
WITH BUNDESBANK LOAN ABOUT WHICH WE CONSULTED YOU STOP PLEASE  
CABLE WHETHER YOU WOULD BE AVAILABLE FEBRUARY 6. REGARDS

BROCHES  
WORLD BANK

AUTHORIZED BY:

NAME: A. Broches

DEPT: Legal

SIGNATURE: *A. Broches*  
(Signature of individual authorized to approve cable).

For Use by Archives Division
Checked for Dispatch

ORIGINAL (File Copy)

(IMPORTANT: See over for guide in preparing Outgoing Wire)

# GUIDE FOR PREPARING OUTGOING WIRES

## 1. Class of Service

Type in class of service desired. Each class is described as follows:

Letter Telegram Letter telegrams are normally delivered the morning after day of despatch. The cost is half the cost of full rate messages with a minimum charge for 22 words including address and text.

Full Rate Full rate messages are normally transmitted and delivered immediately. There is a minimum charge for 5 words, including address and text.

IBF Govt. This is a preferential rate extended by some member countries. Messages are sent at full rate speed and at about half the cost. This rate normally should be used whenever available. It is at present available for the following countries:

Bolivia	Cuba	Honduras	*Syria
Brazil	Dominican Republic	Jordan	Uruguay
Burma	Ecuador	*Lebanon	Venezuela
Chile	El Salvador	Nicaragua	Yugoslavia
*China	*France	Pakistan	
Colombia	Greece	Panama	
Costa Rica	Guatemala	*Peru	

\*In these countries the letter telegram rate is lower than IBF government rate and should be used for messages when immediate transmission is not required.

Code Code messages are transmitted at full rate (or IBF Govt.) speed and cost. This rate should be used only for confidential messages to staff members having a code with them.

Day Letter Day letters are delivered during the day of transmission and should be used only for messages in the United States and to Mexico and Canada. There is a minimum charge for 50 words in text.

Teletype To be used only for messages to the New York Office, United Nations, and certain commercial firms. For information, call Cable Post (Ext. 3008).

## 2. Address

Use only last name of addressee and cable address whenever possible. The Bank cable address "INTBAFRAD" is registered in Paris, Bogota, Canal Zone, Karachi, Lima, London, New Delhi, New York, Quito, Tegucigalpa and Tehran. The International Finance Corporation cable address "CORINTFIN" is registered in New York, Paris and London. The name of the country of destination must always be added. (No charge is made for the name of a country.)

## 3. Text

Messages to Missions and to Resident Representatives should be numbered. These numbers may be obtained by calling Ext. 3008.

Type text in capital letters and double space between lines. The text should be edited to eliminate unnecessary words and unnecessary punctuation. If punctuation is needed, spell out the words "Comma," "Stop," etc.

Use common abbreviations whenever possible, i.e. reourlet, reurfive, etc. Write as one word hyphenated words, hyphenated names, and certain two-word groups, e.g. Airmail, Newyork, enduse.

## 4. Signature

Type in last name of sender. Use INTBAFRAD or CORINTFIN as part of the signature only when addressee does not know the address of sender.

## 5. Authorization

Type in name of department of staff member authorizing message and have authorizing staff member sign the original (pink copy). A list of authorized signatures is kept in the cable office.

Forward messages in triplicate in a cable envelope to Room 211 for despatch. The cable service is open from 9:00 a.m. to 5:45 p.m. on working days. Special arrangements should be made for the despatch of cables outside of these hours.

ANY QUESTIONS REGARDING INCOMING AND OUTGOING WIRES SHOULD BE REFERRED TO THE CABLE POST, EXT. 3008.

*leads - Germany*  
*84r of 1960*

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF  
WIRE: 13 JANUARY 1961

LOG NO.: ACR 5

TO: IBRD - MR. BROCHES

FROM: FRANKFURTMAIN

ROUTING

ACTION COPY: MR. BROCHES

INFORMATION  
COPY:

DECODED BY:

TEXT:

YOUR VISIT TO CLARIFY OUTSTANDING QUESTIONS ON DM BONDS AGREEABLE TO US  
BETWEEN FEBRUARY 6 AND 8.

DR. EMMINGER BUNDESBANK





# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Jan 11, 1961	<b>Document Type</b> Memorandum
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**Correspondents / Participants**  
 To : Mr. A. Brochas  
 From : Michael H. Wiehen

**Subject / Title**  
 German Borrowing - Bonds

**Exception No(s).**

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 Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960		<b>Barcode No.</b>  1052237		
<b>Document Date</b> Dec 14, 1960	<b>Document Type</b> Letter			
<b>Correspondents / Participants</b> To : Deutsche Bundesbank From : A. Brochas, General Counsel				
<b>Subject / Title</b> Draft of Bond for the Deutsche Mark Tranche				
<b>Exception No(s).</b> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D <input type="checkbox"/> Prerogative to Restrict				
<b>Reason for Removal</b> Attorney - Client Privilege				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"> <tr> <td><b>Withdrawn by</b> Chandra Kumar</td> <td><b>Date</b> Jul 23, 2014</td> </tr> </table>	<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014			



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Dec 22, 1960	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Messrs. Muller, Weitzel & Weisner  
 From : A. Brochas, General Counsel

**Subject / Title**  
 Comments on issuance of Bonds

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Dec 23, 1960	<b>Document Type</b> Letter
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**Correspondents / Participants**  
To : Deutsche Bundesbank  
From : A. Brochas, General Counsel

**Subject / Title**  
Subject of the drafts of bonds under Loan Agreement of August 1, 1960 between the two institutions

**Exception No(s).**

1    2    3    4    5    6    7    8    9    10 A-C    10 D    Prerogative to Restrict

**Reason for Removal**  
Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960		<b>Barcode No.</b>  1052237		
<b>Document Date</b> Dec 5, 1960	<b>Document Type</b> Letter			
<b>Correspondents / Participants</b> To : Messrs. Muller, Weitzel & Weisner From : A. Brochas, General Counsel				
<b>Subject / Title</b> Changes in the Draft of Bond for the Deutsche Mark Tranche				
<b>Exception No(s).</b> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D <input type="checkbox"/> Prerogative to Restrict				
<b>Reason for Removal</b> Attorney - Client Privilege				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"> <tr> <td>Withdrawn by Chandra Kumar</td> <td>Date Jul 23, 2014</td> </tr> </table>	Withdrawn by Chandra Kumar	Date Jul 23, 2014
Withdrawn by Chandra Kumar	Date Jul 23, 2014			



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Dec 5, 1960	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Deutsche Bundesbank  
 From : A. Brochas, General Counsel

**Subject / Title**  
 Draft of Bond for the Deutsche Mark Tranche

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> November 22 <del>Dec 5</del> , 1960	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Dr. jur. Rudolf Muller  
 From : A. Brochas, General Counsel

**Subject / Title**  
 About Loan Agreement with Deutsche Bundesbank

**Exception No(s).**

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  Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> November 22, 1960 <del>Dec 5, 1960</del>	<b>Document Type</b> Letter
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**Correspondents / Participants**  
 To : Deutsche Bundesbank  
 From : A. Brochas, General Counsel

**Subject / Title**  
 Reference : R 10/12637/60

**Exception No(s).**

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 Prerogative to Restrict

**Reason for Removal**  
 Attorney - Client Privilege

**Additional Comments**

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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Nov 21, 1960	<b>Document Type</b> Outgoing wire
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**Correspondents / Participants**  
 To : NOTEBANK  
 From : INTBAFRAD

**Subject / Title**  
 Withdrawal of Duetsche Mark

**Exception No(s).**

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 Prerogative to Restrict

**Reason for Removal**  
 Financial Information

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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*Fils P. 100*

*Bonds - Germany - 8yr 1960*

# DEUTSCHE BUNDESBANK

By Airmail

International Bank for  
Reconstruction and  
Development

1818 H Street, N.W.

Washington 25, D.C.

U.S.A.

Bitte in der Antwort angeben

R 10/12637/60

Ihr Zeichen und Ihre Nachricht vom

FRANKFURT (MAIN), Taunusanlage 4-6

3 October 1960

Betreff Loan of 1 August 1960

Gentlemen:

In reply to your letter of 16 September 1960, addressed to Dr. Emminger, we wish to inform you that we agree to the draft of a registered bond for U.S. Dollars which you sent us. We presume, however, that the provision concerning charges at the bottom of page 2 and the top of page 3 of your draft applies only in cases where a third holder of the bond makes a transfer and that it does not apply if we do so; for in Article VIII of the Loan Agreement of 1 August 1960 you agreed to bear all expenses of the issue and also of bond transfers.

Registered bonds - "Namens-Schuldverschreibungen", or "Nominativ-Schuldverschreibungen" as you call them - occur very seldom in Germany, the bearer bond being predominant here. We have found two copies of registered communal bonds and are sending you herewith a photostatic copy of each of them. Trusting that the enclosures will be of assistance to you, we are looking forward to receiving the draft of a registered bond for Deutsche Mark.

Very truly yours,  
DEUTSCHE BUNDESBANK

*[Handwritten Signature]*

Enclosures



Folge 9

GAGFAH  
GEMEINNÜTZIGE AKTIEN-GESELLSCHAFT FÜR ANGESTELLTEN-HEIMSTÄTTEN

SCHULDVERSCHREIBUNG  
U B E R  
HUNDERT REICHSMARK

Nr. [redacted]

Gesamtauflage Folge 9 zu 5%: Fünfhunderttausend Reichsmark eingeteilt in: 100 Stücke zu 500.- RM, 4000 Stücke zu 100.- RM, 800 Stücke zu 50.- RM, 500 Stücke zu 20.- RM

Wir bekunden hierdurch, von

*Frau Sophie Rauch, Hölz, Lobowitzstr. 9*

den Betrag für diese Schuldverschreibung mit hundert Reichsmark deutscher Reichswährung erhalten zu haben und verpflichten uns, diese Summe mit 5.- Reichsmark für das Jahr, fällig am 31. Dezember jeden Jahres, zu verzinsen. — Diese Zinsen werden an den eingetragenen Besitzer dieser Schuldverschreibung durch Überweisung an die von ihm aufgegebene Zahlungsstelle entrichtet. Deshalb sind Änderungen in der Anschrift des Besitzers uns unter Angabe der obigen Schuldverschreibungsnummer mitzuteilen. Die Zahlung gilt als geleistet, wenn sie ordnungsmäßig an die letzte uns bekanntgegebene Anschrift gerichtet worden ist. Unbestellbar gebliebene Zinszahlungen verjähren, wenn sie nicht binnen vier Jahren nach Ablauf des Jahres ihres Fälligwerdens bei uns erhoben werden. Die Gesamtauflage der Folge 9 wird durch Rückerwerbung ausgegebener Stücke vom 1. Januar 1933 ab jährlich mit 1/4 vom Hundert unter Zuwachs der ersparten Zinsen getilgt, soweit sich der hiernach jährlich zur Tilgung zur Verfügung stehende Betrag durch 100 teilen läßt. Die GagfaH Gemeinnützige Aktien-Gesellschaft für Angestellten-Heimstätten behält sich vor, die zurückzuerwerbenden Schuldverschreibungen entweder nach Auslosung mit einer Frist von drei Monaten zur Rückzahlung zu kündigen oder aber durch Rückkauf zu übernehmen. Sie behält sich eine Verstärkung der Tilgung durch Auskündigung von Teilbeträgen mit sechsmonatiger Frist vor. Mit dem Ablauf der Kündigungsfrist hört die Verzinsung auf. Soweit Kündigungen nicht bei dem Inhaber dieser Schuldverschreibung anbringbar sind, gilt sie mit der Absendung des Kündigungsschreibens an die letzte uns bekanntgegebene Anschrift als erfolgt. Dem Gläubiger steht ein Kündigungsrecht nicht zu, doch kann diese Schuldverschreibung jederzeit auf eine andere Person übertragen werden. Die Umschreibung muß durch die GagfaH Gemeinnützige Aktien-Gesellschaft für Angestellten-Heimstätten, Berlin, erfolgen und ist unter Vorlegung der Schuldverschreibung, einer Abtretungserklärung des Inhabers, sowie unter Befügung des Postgeldes für die eingeschriebene Rücksendung zu beantragen. Für Kapital und Zinsen haftet die GagfaH Gemeinnützige Aktien-Gesellschaft für Angestellten-Heimstätten mit ihrem ganzen Vermögen.

BERLIN, den 1. Dezember 1930

Ausgefertigt am *4. März 1931*

Stammrolle Seite *194*

Zurückgekauft am *10. Dez. 1957*

GAGFAH

Gemeinnützige Aktien-Gesellschaft für Angestellten-Heimstätten

*Armut Prostant*

*M. Rauch*



RAUM FÜR UMSCHREIBUNGEN

3. 8. 39. Herrn Heinrich Below, Köln, Werheimer Loositzstr. 9. [Wirt 2114. 31] Bagjah Gemeinnützige Aktien-Gesellschaft für Angestellten-Heimstätten

Zurückgeholt am 10. Dez. 1957



FRANKFURTER HYPOTHEKENBANK

6 %

NKO Nr. 61

Mündelsichere  
6 v.H. Kommunalschuldverschreibung  
der  
FRANKFURTER HYPOTHEKENBANK  
über  
1.000.000.-- Deutsche Mark.

Die Frankfurter Hypothekenbank, Frankfurt am Main,  
schuldet der

unter der durch Gesetz und Satzung bestimmten Sicher-  
stellung Eine Million Deutsche Mark

nebst 6 vom Hundert jährlicher Zinsen vom 1. Oktober  
1960 an. Die Zinsen sind halbjährlich nachträglich  
am 1. April und 1. Oktober eines jeden Jahres zu zahlen.  
Die Kommunalschuldverschreibung ist in fünf gleichen  
Jahresraten im Betrage von je DM 200.000.-- jeweils  
am 1. Oktober eines jeden Jahres zurückzuzahlen, erst-  
mals am 1. Oktober 1963. Sie kann mit Zustimmung der  
Bankaufsichtsbehörde der Ausstellerin an eine andere  
Kapitalsammelstelle abgetreten werden.

Ein Kündigungsrecht der Gläubigerin besteht nicht.  
Frankfurt am Main, am 12. September 1960.

FRANKFURTER HYPOTHEKENBANK

*Munster*  
*Mange*

eingetragen im  
Register Seite 52  
Der Kontroll-  
beante:

*Wann*

Für diese Kommunalschuldverschrei-  
bung ist die vorschriftsmässige  
Deckung vorhanden und in das Kom-  
munaldarlehensregister eingetragen.  
Der staatlich bestellte Treuhänder

*S. Zylke*





# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960		<b>Barcode No.</b>  1052237		
<b>Document Date</b> Sep 16, 1960	<b>Document Type</b> Letter			
<b>Correspondents / Participants</b> To : Dr. O. Emminger, Member, Board of Directors From : A. Brochas, General Counsel				
<b>Subject / Title</b> Referring to the agreement between the two institutions				
<b>Exception No(s).</b> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D <input type="checkbox"/> Prerogative to Restrict				
<b>Reason for Removal</b> Attorney - Client Privilege				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.		
		<table border="1"> <tr> <td><b>Withdrawn by</b> Chandra Kumar</td> <td><b>Date</b> Jul 23, 2014</td> </tr> </table>	<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014			



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Aug 5, 1960	<b>Document Type</b> Letter
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**Correspondents / Participants**  
To : International Bank for Reconstruction and Development  
From : Deutsche Bundesbank

**Subject / Title**  
Loan Agreement between Deutsche Bundesbank and International Bank for Reconstruction and Development, dated 1 August 1960  
(2 copies - German and English)

**Exception No(s).**

1    2    3    4    5    6    7    8    9    10 A-C    10 D    Prerogative to Restrict

**Reason for Removal**  
Financial Information

**Additional Comments**

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<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
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RECEIPT

The Deutsche Bundesbank, as agent of the International Bank for Reconstruction and Development, hereby acknowledges receipt of ten Temporary Certificates each in the amount of fifty million Deutsche Marks (DM 50.000.000) and ten Certificates each in the amount of twelve million United States Dollars (US-\$ 12.000.000) issued by the International Bank for Reconstruction and Development pursuant to Article V of the Agreement dated August 1, 1960 between the International Bank for Reconstruction and Development and the Deutsche Bundesbank.

Frankfurt (Main), August 1, 1960

DEUTSCHE BUNDESBANK

By *.....* By *.....*

AGREEMENT

Aug. 1, 1960

Agreement

The Deutsche Bundesbank, Frankfurt am Main, and the International Bank for Reconstruction and Development, Washington D. C. , have agreed as follows:

Article I

The Deutsche Bundesbank will lend to the International Bank for Reconstruction and Development (hereinafter referred to as the Bank) and the Bank will borrow from the Deutsche Bundesbank

- a) the sum of Five Hundred Million Deutsche Marks (DM 500,000,000), which will be freely convertible and be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961, in instalments of Fifty Million Deutsche Marks (DM 50,000,000), and
- b) the sum of One Hundred and Twenty Million United States Dollars (\$ 120,000,000), which will be withdrawn from time to time on and after August 1, 1960 and on and before November 1, 1961, in instalments of Twelve Million United States Dollars (\$ 12,000,000).

Article II

The Deutsche Marks and the United States Dollars borrowed shall be repaid by the Bank at the Deutsche Bundesbank, Frankfurt am Main, and the Federal Reserve Bank of New York, New York, respectively, in ten equal instalments beginning February 1, 1968 and on each August 1 and February 1 thereafter, to and including August 1, 1972.

Article III

The Bank will pay a commitment fee of  $3/4$  of 1 % per annum from August 1, 1960 on amounts not withdrawn, payable

(a) as to the Deutsche Mark Tranche in Deutsche Marks at the Deutsche Bundesbank and

(b) as to the United States Dollar Tranche in United States Dollars at the Federal Reserve Bank of New York, New York,

semi-annually on February 1 and August 1, in each year and for the first time on February 1, 1961. The fee shall be calculated on the basis of 360 days for the year and of 30 days for the month.

Article IV

The Bank agrees to pay interest at the rate of four and one half per centum ( $4\ 1/2$  %) per annum on the principal amount of the borrowing outstanding, payable semi-annually on February 1 and August 1 in each year. The interest shall accrue for each instalment from the respective date on which the principal of the instalment shall be withdrawn by the Bank. Interest shall be calculated on the basis of 360 days for the year and of 30 days for the month.

The interest on the Deutsche Mark Tranche shall be paid at the Deutsche Bundesbank, Frankfurt am Main. The interest on the United States Dollar Tranche shall be paid at the Federal Reserve Bank of New York, New York.



Article V

On August 1, 1960 the Bank will deliver to the Deutsche Bundesbank as Agent of the Bank, 10 Temporary Certificates each in the amount of DM 50,000,000 and 10 Temporary Certificates each in the amount of \$ 12,000,000. The Deutsche Bundesbank as Agent of the Bank shall deliver one such Temporary Certificate to itself for its own account each time the Bank withdraws an instalment of the borrowing.

The text of the Temporary Certificate will be in the form attached hereto as Annexes 1 and 2. The Temporary Certificates will be returned to the Bank against delivery of definitive Bonds to or for account of the Deutsche Bundesbank, or against repayment of the borrowing by the Bank.

Article VI

If the Deutsche Bundesbank shall so request, the Bank will within 30 days thereafter deliver to the Deutsche Bundesbank, against the return of any Temporary Certificate to the Bank, definitive Registered Bonds in an aggregate principal amount equal to the amount of the borrowing withdrawn and not theretofore repaid by the Bank, as represented by such Temporary Certificate delivered to the Bank. The definitive Bonds to be delivered against drawings of Deutsche Mark will be in the German language. Each Bond when delivered shall bear the earliest maturity of the Deutsche Mark or the United States Dollar Tranche of the borrowing then outstanding, as the case may be, against which a Bond or Bonds equal to the full amount of

such maturity have not theretofore been delivered. The Bank will deliver Bonds in such denominations as specified by the Deutsche Bundesbank, subject to the limitations set by the amount of each maturity, but no such Bond shall be of a denomination less than DM 100,000 for the Deutsche Mark Tranche and less than US \$ 25,000 for the United States Dollar Tranche.

#### Article VII

The Deutsche Bundesbank agrees that, before disposing of any United States Dollar Bond, it will consult with the Bank, and upon disposing of any Bond, it will notify the Bank of the name and address of the transferee thereof and will make a notation thereon of the date to which interest thereon has been paid.

It is understood that the Deutsche Bundesbank, while reserving the full right of disposition of the Bonds, is not acquiring them with a view to their distribution in the United States.

#### Article VIII

The Bank undertakes to pay all expenses incurred in printing, registering and delivering of the Bonds to or for account of the Deutsche Bundesbank, and in exchanging the Bonds into Bonds of other denominations and in like aggregate principal amounts.

#### Article IX

This agreement, both as to form and content and the rights and duties of the parties arising therefrom, will be exclusively governed by, and construed in accordance with the law of the Federal Republic of Germany. In this respect the Bank

submits to the jurisdiction of the German Courts and elects domicile at the office of the Deutsche Bundesbank, Taunusanlage 4 - 6, Frankfurt am Main, Germany. Both parties choose Frankfurt am Main as forum.

The place of performance of this agreement is Frankfurt am Main.

The foregoing provisions of this Article do not apply to rights and duties under United States Dollar Bonds which shall be governed by the law of the State of New York.

Article X

This agreement shall enter into force on August 1, 1960.

Article XI

This agreement is drawn up in two counterparts, one each for the Bank and for the Deutsche Bundesbank.

Done at Frankfurt am Main, on August 1, 1960

DEUTSCHE BUNDESBANK

By: *J. Aoege* . . . . .

By: *Summayer*

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By: *Robert W. Cavanaugh*  
Treasurer

International Bank for Reconstruction and Development

Washington D. C.

Temporary Certificate

(non transferable)

executed pursuant to the borrowing agreement of the International Bank for Reconstruction and Development with the Deutsche Bundesbank, Frankfurt am Main, of August 1, 1960 for a principal amount of Deutsche Mark Fifty Million (DM 50,000,000) as part of Five Hundred Million Deutsche Mark (DM 500,000,000) of Registered Bonds of the 4 1/2 % Deutsche Mark borrowing of 1960 of the International Bank for Reconstruction and Development in favor of and for account of the Deutsche Bundesbank, Frankfurt am Main.

This Temporary Certificate will be returned to the International Bank for Reconstruction and Development against delivery of an equal principal amount of the definitive Registered Bonds, free of charge, to or for account of the Deutsche Bundesbank, Frankfurt am Main, or against repayment of a maturity of the borrowing.

This temporary Certificate is not an obligation of any government.

Frankfurt am Main, August 1, 1960

International Bank for Reconstruction  
and Development

By .....

Treasurer

International Bank for Reconstruction and Development

Washington D. C.

Temporary Certificate

(non transferable)

executed pursuant to the borrowing agreement of the International Bank for Reconstruction and Development with the Deutsche Bundesbank, Frankfurt am Main, of August 1, 1960 for a principal amount of United States Dollars Twelve Million (\$ 12,000,000) as part of Hundred and Twenty Million Dollars of United States currency (\$ 120,000,000) of Registered Bonds of the 4 1/2 % United States Dollar borrowing of 1960 of the International Bank for Reconstruction and Development in favor of and for account of the Deutsche Bundesbank, Frankfurt am Main.

This Temporary Certificate will be returned to the International Bank for Reconstruction and Development against delivery of an equal principal amount of the definitive Registered Bonds, free of charge, to the Federal Reserve Bank of New York, New York, for account of the Deutsche Bundesbank, Frankfurt am Main, or to the Deutsche Bundesbank, Frankfurt am Main, itself or against repayment of a maturity of the borrowing.

This Temporary Certificate is not an obligation of any government.

Frankfurt am Main, August 1, 1960

International Bank for Reconstruction  
and Development

By .....

Treasurer

DEUTSCHE BUNDESBANK

FRANKFURT AM MAIN, August 1, 1960

Mr.  
Eugene Black  
President  
International Bank for  
Reconstruction and  
Development

1818 Ho Street N. W.  
Washington 25, D. C.  
-----

Dear Mr. Black:

With reference to the Loan agreement between your Bank and ourselves which has been signed today, we should like to clarify some points of a more technical nature:

1. As concerns the DM bonds which we may, according to our agreement, request to be issued to us, you will understand that as a Central Bank we must on principle always have the possibility of mobilising our assets. We want to make it clear, however, that we do not envisage any sale of them in the German market except in connection with considerations of general credit policy (viz. as a measure of influencing the liquidity of the banking system), and we would, in that case, make a reasonable effort to prevent circulation of the bonds outside the original circle of buyers.

2. As concerns the withdrawals of the US dollar instalments, we should be much obliged to you if you could arrange to give us enough advance notice (5-6 days) of the withdrawals envisaged, so that we on our side are able to put up the required US dollar funds on time.

3. Whenever, under Article VI of the agreement, we request the issuance of definitive Registered Bonds in large quantities, we will sympathetically consider any request by the Bank to extend the time of delivery from 30 days to 60 days.

Yours sincerely,

DEUTSCHE BUNDESBANK



RECEIPT

The Deutsche Bundesbank, as agent of the International Bank for Reconstruction and Development, hereby acknowledges receipt of ten Temporary Certificates each in the amount of fifty million Deutsche Marks (DM 50.000.000) and ten Certificates each in the amount of twelve million United States Dollars (US-\$ 12.000.000) issued by the International Bank for Reconstruction and Development pursuant to Article V of the Agreement dated August 1, 1960 between the International Bank for Reconstruction and Development and the Deutsche Bundesbank.

Frankfurt (Main), August 1, 1960

DEUTSCHE BUNDESBANK

By *.....*

By *.....*

*Draft*

Form of Registered Bond without Coupons

No. . . . .

International Bank for Reconstruction and Development

4 1/2 % United States Dollar Bond of 1960, Due February 1, 1968

International Bank for Reconstruction and Development, an international institution established by Articles of Agreement among the respective Governments signatory thereto (hereinafter called the Bank), for value received, hereby promises to pay to . . . . ., or registered assigns, at the office of the Federal Reserve Bank of New York, New York, the sum of . . . . . Dollars on the first day of February 1968 in Federal Reserve Bank of New York Funds, and to pay interest thereon from the date hereof at said office payable semi-annually on February 1, 1961 and on each August 1 and February 1 thereafter until payment of said principal sum has been made or duly provided for.

This Bond is one of an authorized issue of bonds of the aggregate principal amount of \$ 120,000,000, issued or to be issued for the borrowing by the Bank from the Deutsche Bundesbank, Frankfurt am Main, under agreement of August 1, 1960.

The Bank covenants that, so long as any of the Bonds shall be outstanding and unpaid, the Bank will not cause or permit to be created on any of its property or assets any mortgage, pledge or other lien or charge as security for any bonds or other evidences of indebtedness heretofore or hereafter issued, assumed or guaranteed by the Bank for money borrowed (other than purchase money mortgages, pledges or liens on property purchased by the Bank as security for all or part of the purchase price thereof), unless the Bonds shall be



secured by such mortgage, pledge or other lien or charge equally and ratably with such other bonds or evidences of indebtedness.

If the Bank shall default in the payment of the principal, or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds (including the Bonds) or similar obligations which shall have been issued, assumed or guaranteed by the Bank and such default shall continue for a period of 90 days, then at any time thereafter and during the continuance of such default the holder of any of the Bonds may deliver or cause to be delivered to the Bank at its principal office in the City of Washington, District of Columbia, United States of America, written notice that such holder elects to declare the principal of all Bonds held by him (the serial numbers and denominations of which shall be set forth in such notice) to be due and payable, and on the thirtieth day after such notice shall be so delivered to the Bank the principal of such Bonds shall become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured.

~~Registered Bonds may be exchanged~~ within 60 days after presentation and surrender of this bond at the office of the Bank in Washington D.C., the Bank, if so requested, will exchange it for new registered bonds of other denominations of US-\$ 25,000 or larger and in the same aggregate principal amount; and any registered Bond may be transferred by the registered holder thereof, or by his attorney duly authorized in writing, at the office of the Bank in Washington D.C. upon presentation and surrender of such Bond for cancellation, and upon any such transfer a new registered Bond or Bonds, of other denominations of US-\$ 25,000 or larger and in the same aggregate principal amount, will be issued to the transferee.

The Bank shall not be required to make transfers or exchanges of any Bonds during a period of twenty days next preceding any interest payment date or repayment date.

~~The Bond, both as to form and content, and all rights and duties of the bondholders, and the Bank arising out of or in connection with this Bond, will in all respects be exclusively governed by, and construed in accordance with, the law of the Federal Republic of Germany. In this respect, the Bank submits to the jurisdiction of the German courts and elects domicile at the head office of the Deutsche Bundesbank, Taunusanlage 4-6, Frankfurt am Main, Germany. All parties concerned choose Frankfurt am Main as forum. The German courts will, in particular, have jurisdiction over the annulment of lost and destroyed bonds.~~

~~The place of performance is Frankfurt am Main for all parties concerned.~~

No recourse shall be made for the payment of the principal of, or the interest on, this Bond or any part thereof, or for any claim based hereon or otherwise in respect thereof or of the indebtedness represented hereby, against any governor or executive director, or alternate of either, or against any officer or employee, as such, past, present or future, of the Bank or of any successor to the Bank, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, any right to such recourse being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived and released.

This Bond is not an obligation of any Government.

In Witness whereof the Bank has caused this Bond to be signed in its name with the facsimile signature of its President and countersigned with the facsimile signature of its Treasurer, and a facsimile of its official seal to be printed or engraved hereon and to be attested with the facsimile signature of its Secretary.

Dated . . . . .

International Bank for Reconstruction  
and Development

by . . . . .

President

Countersigned : . . . . .

Treasurer

Attest :

. . . . .

Secretary

Draft

Form of Registered Bond without Coupons

DM

No. ....

International Bank for Reconstruction and Development  
4 1/2 % Deutsche Mark Bond of 1960, Due February 1, 1968

International Bank for Reconstruction and Development, an international institution established by Articles of Agreement among the respective Governments signatory thereto (hereinafter called the Bank), for value received, hereby promises to pay to . . . . . or registered assigns, at the office of the Deutsche Bundesbank, Frankfurt am Main, Germany, the sum of Deutsche Mark . . . . . on the first day of February 1968 in Deutsche Marks of the currency of the Federal Republic of Germany as at the time of payment in legal tender for public and private debts, and to pay interest thereon from the date hereof at said office in like currency at the rate of four and one - half per centum (4 1/2 %) per annum, payable semi-annually on February 1, 1961 and on each August 1 and February 1 thereafter until payment of said principal has been made or duly provided for.

This Bond is one of an authorized issue of bonds of the aggregate principal amount of Deutsche Mark 500,000,000 issued or to be issued for the borrowing by the Bank from the Deutsche Bundesbank, Frankfurt am Main, under agreement of August 1, 1960.

The Bank covenants that, so long as any of the Bonds shall be outstanding and unpaid, the Bank will not cause or permit to be created on any of its property or assets any mortgage, pledge or other lien or charge as security for any bonds or other evidences of indebtedness heretofore or hereafter issued, assumed or guaranteed by the Bank for money borrowed (other than purchase money mortgages, pledges or liens on property purchased by the Bank as security for

all or part of the purchase price thereof), unless the Bonds shall be secured by such mortgage, pledge or other lien or charge equally and ratably with such other bonds or evidences of indebtedness.

If the Bank shall default in the payment of the principal, or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds (including the Bonds) or similar obligations which shall have been issued, assumed or guaranteed by the Bank and such default shall continue for a period of 90 days, then at any time thereafter and during the continuance of such default the holder of any of the Bonds may deliver or cause to be delivered to the Bank at its principal office in the City of Washington, District of Columbia, United States of America, written notice that such holder elects to declare the principal of all Bonds held by him (the serial numbers and denominations of which shall be set forth in such notice) to be due and payable, and on the thirtieth day after such notice shall be so delivered to the Bank the principal of such Bonds shall become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured.

~~Registered Bonds may be exchanged~~ Within 60 days after presentation and surrender of this bond at the office of the Bank in Washington D.C., the Bank, if so requested, will exchange it for new registered bonds of other denominations of DM 100,000 or larger and in the same aggregate principal amount; and any registered Bond may be transferred by the registered holder thereof, or by his attorney duly authorized in writing, at the office of the Bank in Washington D.C. upon presentation and surrender of such Bond for cancellation, and upon any such transfer a new registered Bond or Bonds, of other denominations of DM 100,000 or larger and in the same aggregate principal amount, will be issued to the transferee.

The Bank shall not be required to make transfers or exchanges of any Bonds during a period of twenty days next preceding any interest payment date or repayment date.

The Bond, both as to form and content, and all rights and duties of the bondholders, and the Bank arising out of or in connection with this Bond, will in all respects be exclusively governed by, and construed in accordance with, the law of the Federal Republic of Germany. In this respect, the Bank submits to the jurisdiction of the German courts and elects domicile at the head office of the Deutsche Bundesbank, Taunusanlage 4-6, Frankfurt am Main, Germany. All parties concerned choose Frankfurt am Main as forum. The German courts will, in particular, have jurisdiction over the annulment of lost and destroyed bonds.

The place of performance is Frankfurt am Main for all parties concerned.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond or any part thereof, or for any claim based hereon or otherwise in respect hereof or of the indebtedness represented hereby, against any governor or executive director, or alternate of either, or against any officer or employee, as such, past, present or future, of the Bank or of any successor to the Bank, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, any right to such recourse being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived and released.

This Bond is not an obligation of any Government.

In Witness whereof the Bank has caused this Bond to be signed in its name with the facsimile signature of its President and countersigned with the facsimile signature of its Treasurer, and a facsimile of its official seal to be printed or engraved hereon and to be attested with the facsimile signature of its Secretary.

Dated . . . . .

International Bank for Reconstruction  
and Development

by . . . . .

(President)

Countersigned: . . . . .

(Treasurer)

Attest:

. . . . .

Secretary

Borrowing - Germany - 240 Million  
1960

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF  
WIRE:

LOG NO.:

RC 24

AUGUST 1

TO:

INTBAFRAD

FROM:

FRANKFURT

ROUTING	
ACTION COPY:	
INFORMATION COPY:	MR. CLARK
DECODED BY:	MR. RAMM
	MR. PONTEIN

TEXT:

✓  
 CLARK RAMM APPRECIATED YOUR CABLE STOP ALL POINTS  
 ACCEPTED STOP SIGNED DOCUMENTS AND DRAFT BONDS AIRMAILS  
 YOU STOP WILL DISCUSS ON MY RETURN  
 CAVANAUGH



INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATION

DATE OF  
WIRE:

LOG NO.:

TO:

FROM:

TEXT:

ROUTING
ACTION COPY:
INFORMATION
COPY:
DECODED BY:

PLEASE REFER TO THE ATTACHED TRANSMISSION FOR ALL DETAILS

REPLY TO THE ABOVE NUMBER AND DATE WHEN AVAILABLE

YOUR COPY WILL BE RETURNED BY RETURN

ATTENTION

AUG 1 1 31 PM 1980

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CORRESPONDENCE

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NEW YORK



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
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<b>Document Date</b> Jul 30, 1960	<b>Document Type</b> Agreement
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**Correspondents / Participants**  
 To : NOTENBANK - Attention : Ellsworth Clark  
 From : Robert V. Cavanaugh

**Subject / Title**  
 Agreement Quote

**Exception No(s).**

1  
  2  
  3  
  4  
  5  
  6  
  7  
  8  
  9  
  10 A-C  
  10 D  
  Prerogative to Restrict

**Reason for Removal**  
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Withdrawn by Chandra Kumar	Date Jul 23, 2014
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# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960		<b>Barcode No.</b>  1052237		
<b>Document Date</b> Jul 29, 1960	<b>Document Type</b> Outgoing wire			
<b>Correspondents / Participants</b> To : Robert W. Cavanaugh From : Ellsworth Clark				
<b>Subject / Title</b> Consultation before sale of Bundesbank of Dollar Bonds				
<b>Exception No(s).</b> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D <input type="checkbox"/> Prerogative to Restrict				
<b>Reason for Removal</b> Attorney - Client Privilege				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.		
		<table border="1"> <tr> <td>Withdrawn by Chandra Kumar</td> <td>Date Jul 23, 2014</td> </tr> </table>	Withdrawn by Chandra Kumar	Date Jul 23, 2014
Withdrawn by Chandra Kumar	Date Jul 23, 2014			

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. Rosen  
Thanks  
Bob  
File

OFFICE MEMORANDUM

TO: Mr. M.M. Rosen

DATE: July 26, 1960

FROM: H.E. Bachem

SUBJECT: Germany - \$240 Million Bundesbank Loan

✓  
The attached commentary of the Berliner Handels-Gesellschaft (a letter widely read by German bankers) discusses the low rate of interest of our recent credit from the Bundesbank. It sees in this transaction a new policy of the Bundesbank to force capital exports and at the same time to bring down German interest rates for long-term capital. It states that a first class address would have to pay 7% for 12 year money. *now in Germany.*

The paper regrets that due to German monetary policies it is still not possible to export capital after that capital has been saved by private or the Government and that in this case liquidity of the commercial banks was exported as long-term investment capital for underdeveloped countries without a prior savings act.

*Mr. Knapp*  
*Mr. Caranough*

# Berliner Handels-Gesellschaft

Frankfurt (Main), den 23. Juli 1960

Wirtschaftsdienst Nr. 267

Neuer Stil der Notenbankpolitik

Nachdem der erste Beifall im In- und Ausland für die imposante Milliarden-Transaktion der Deutschen Bundesbank an die Weltbank verrauscht ist, hat man Muße, den Einzelheiten dieser Kreditgewährung etwas mehr Aufmerksamkeit zu schenken. In erster Linie erscheint neben der Konstruktion dieses Kredits der Zinssatz von 4 1/2 Prozent recht interessant.

Bei einer Laufzeit von zwölf Jahren gehört der Kredit an die Weltbank ja ohne Zweifel in die Kategorie der langfristigen Ausleihungen. In der Bundesrepublik hat sich bekanntlich der Zinssatz für langfristiges Kapital noch nicht so recht eingespielt wegen der Unsicherheit über weitere diskontpolitische Entscheidungen des Zentralbankrates; immerhin läßt sich feststellen, daß er unter dem Druck der Restriktionen der Bundesbank seit dem Herbst vorigen Jahres im Steigen begriffen ist. Trotz aller Bemühungen, möglichst am 6-prozentigen Typ festzuhalten, hat sich der Markt - um nicht zu sagen der Attentismus mancher Anleger - allmählich als stärker erwiesen, und neuerdings werden wieder festverzinsliche Werte zu 7 und 7 1/4 Prozent emittiert.

Die deutsche Wirtschaft hat auf diese Zinsverteuerung bisher nicht so reagiert, wie es von der Bundesbank erwartet worden war; andererseits hat auch die Bundesbank wiederholt ihr Bedauern darüber zum Ausdruck gebracht, daß durch die Diskonterhöhungen der Geld- und Kapitalexport zunächst zum Stillstand gekommen sei. In der Tat haben die Banken ihre im Ausland angelegten Mittel weitgehend zurückgerufen, nicht nur um den Liquiditätsbeschneidungen seitens der Notenbank zu begegnen, sondern auch und gerade deshalb, weil die Anlage in ausländischen Titeln infolge der Umkehr des Zinsgefälles nicht mehr lohnte.

Mancherlei mehr oder minder elegante oder praktikable Vorschläge sind dieserhalb von interessierter Seite publiziert worden, die alle das Ziel hatten, einen Teil des sich bei der Notenbank bildenden Milliarden-schatzes aus stillgelegten Mindestreserven für den Kapitalexport und für die Entwicklungsländer zu mobilisieren. Diese Vorschläge schienen bisher wenig Gnade vor den Augen der verantwortlichen Instanzen gefunden zu haben. Mehrere Gegenargumente wurden vorgebracht. Neben dem rein rechtlichen Einwand, daß nun einmal - wie das Gesetz es befiehlt - die Mindestreserven zinslos auf Girokonten des Zentralbanksystems zu führen seien und sich auch ihrer Natur nach nicht für andere Zwecke eigneten, gab es vor allem Bedenken hinsichtlich einer Verwendung kurzfristiger Mittel für langfristige Ausleihungen. Außerdem wurde angeführt, daß infolge des - stark umstrittenen - Bumerang-Effekts 90 Prozent der aktivierten und ins Ausland transferierten Mindestreservemittel wieder ins Geberland zurückfließen (Per Jacobsson sprach in diesem Zusammenhang lediglich von 20 Prozent) und als zusätzliche Nachfrage die Konjunktur noch mehr überhitzen, bzw. die Devisenschwemme erneut bereichern würden. Selbst der Ausweg, anstelle von DM-Krediten die Form von Fremdwährungskrediten zu wählen, schien zunächst an unüberwindlichen Barrieren zu enden.

Sieht man sich nun die jüngste Kreditaktion mit der Weltbank unter diesen Aspekten an, dann möchte man meinen, daß ein großer Teil dieser Bedenken inzwischen offenbar gegenstandslos geworden ist. Der Transaktion fehlt jedenfalls der bislang offiziell als unabdingbar bezeichnete parallelebinnenwirtschaftliche Sparvorgang oder - anders ausgedrückt - der entsprechende Gegenposten im Haushalt. Setzt man allerdings als Gegenposten zumindest für die Dollartranche des Bundesbankkredits einen entsprechenden Teil der bei der Notenbank stillgelegten Mindestreserverguthaben ein, dann dürfte dieser Schönheitsfehler auch in den Augen strenger Haushaltsrechtler behoben sein.

Bei dieser Lesart findet sich natürlich auch leicht eine Erklärung für das schon eingangs erwähnte Zinsphänomen. Mit Hilfe von unverzinslichen Einlagen läßt sich unschwer ein dem internationalen Niveau angemessener und sogar für Entwicklungsländer attraktiver Satz von 4 1/2 Prozent konstruieren.

Wenn man bedenkt, daß ein erstklassiger Emittent bei uns zur Zeit mindestens 7 Prozent für eine Anleihe mit einer Laufzeit von zwölf Jahren bezahlen muß, dann erscheint allerdings ein Satz von 4 1/2 Prozent für den Kredit an die Weltbank als außerordentlich niedrig, auch wenn es sich um die erste internationale Adresse handelt.

Der Zinssatz von 4 1/2 Prozent für langfristiges Kapital würde einem Diskontsatz entsprechen, der jedenfalls erheblich unter unserer derzeitigen Bankrate von 5 Prozent liegen müßte. Ohne hier die Diskussion um eine "drastische Senkung des Diskonts" neu entfachen zu wollen, kann man aus der Wahl des Zinssatzes für den Weltbankkredit doch wohl ohne viel Phantasie schließen, wie sich unsere Notenbank auf längere Sicht die Entwicklung des Kapitalzinses in der Bundesrepublik vorstellt. An sich ist das ja gar nicht neu, denn man braucht nur an Äußerungen der Notenbankleitung zu denken, die nicht viel älter als ein Jahr sind, um sich zu vergewissern, wie die Überschüsse unserer Zahlungsbilanz - die einen permanenten Kapitalexport geradezu erzwingen - kompensiert werden sollen. Diese Kompensation setzt einen möglichst niedrigen Kapitalzinsfuß im Inland voraus, wenn der Kapitalexport nicht ausschließlich dem Staat überlassen bleiben soll.

In der gegenwärtigen konjunkturellen Lage und nach den bisherigen geldpolitischen Maßnahmen wäre es geradezu revolutionär, wenn der Zentralbankrat plötzlich das Steuer um 180 Grad herumwerfen würde. Zentralbanken eignen sich schon wegen ihrer Struktur nicht für revolutionäre Akte. Immerhin läßt sich auf Grund der jüngsten Kreditaktion und der angestrebten Vereinbarungen mit den Kreditinstituten hinsichtlich eines Ersatzes für neue Mindestreserveerhöhungen ein Stilwandel der Notenbankpolitik erkennen.

Niemand wird erwarten, daß unter den Kreditinstituten ein heißer Kampf um möglichst hohe Quoten einer "Abschöpfungsemission" entbrennt. Es steht aber außer Frage, daß die mehr oder minder freiwillige Übernahme eines verzinslichen Titels für die Institute einen wesentlich milderem Eingriff darstellt, als die zwangsweise Bindung unverzinslicher Mindestreserven im Zentralbanksystem. Der liquiditätspolitische Effekt dürfte in beiden Fällen gleich groß sein. Die verschiedentlich geäußerte Befürchtung, daß sich die Kreditinstitute im Umfang der Übernahme solcher Abschöpfungstitel von anderen festverzinslichen Wertpapieren trennen und damit die Deroute auf dem Rentenmarkt noch verschlimmern würden, hätte - wäre sie stichhaltig - auch gegen frühere Restriktionsmaßnahmen vorgebracht werden können. Tatsächlich könnten beim gegenwärtigen Kursstand Rentenwerte im allgemeinen nur mit erheblichen Einbußen veräußert werden.

Bei der Betrachtung des sich abzeichnenden neuen Stils der Bundesbankpolitik sollte man nicht allzu lange bei den Schönheitsfehlern verweilen. Letztlich ist es in unserer Lage gesamtwirtschaftlich ziemlich gleichgültig, ob der nun einmal notwendige Kapitalexport ins Ausland und die Hilfe an die Entwicklungsländer sofort mit echten Haushaltsmitteln subventioniert oder zunächst durch einen Kunstgriff in Gang gehalten und gefördert werden. Fühlbare Opfer sind ohnehin unausweichlich. Da man sie im nahenden Wahljahr der Gesamtheit offensichtlich nicht auferlegen will, sollte man den neuen Ideen der Bundesbank größtes Verständnis entgegenbringen, auch wenn jetzt die Kreditinstitute gewisse Vorleistungen erbringen müssen, indem sie ihre Manövriertfähigkeit weiter beengen lassen.

Börsenwoche vom 18. Juli bis 22. Juli 1960

Das Geschehen der vergangenen Woche stand im Schatten der Ereignisse auf Cuba und im Kongo. Angesichts der politischen Unruhe übte der Berufshandel an den Aktienmärkten größte Zurückhaltung, während speziell das Ausland am Anfang der Woche zu Teilrealisationen schritt, was zu beachtlichen Kursrückgängen führte. Neben den politischen Störungsfaktoren stand die Zentralbankratsitzung am vergangenen Donnerstag - die letzte vor den Sommerferien dieses Gremiums - im Mittelpunkt der Börsendiskussion. Da doch keine neuen restriktiven Maßnahmen beschlossen wurden, kam es zu einem allgemeinen Tendenzumschwung. Rückkäufe sowie Neuanlagen des Auslandes führten zu stetigen Kursbesserungen, die schließlich die vorher eingetretenen Verluste wieder ausglich; lediglich Daimler konnten ihren vorübergehenden Tiefstpunkt von 6120 nur um 90 Punkte verbessern. Die Börse schloß in zuversichtlicher Haltung.

In Erwartung eventueller neuer kreditpolitischer Beschlüsse in der Zentralbankratsitzung am 21. d.Mts. hielt sich anfangs das Geschäft am Rentenmarkt in der Berichtswoche in engem Rahmen. Bei vereinzelter Nachfrage aus dem Ausland, speziell für hochverzinsliche Anleihen, belebte sich das Geschäft am Wochenende. Kursveränderungen traten nicht ein.

Am Geldmarkt ergaben sich gegenüber der Vorwoche keine wesentlichen Veränderungen. Tagesgeld wurde zu Sätzen um die Diskontrate lebhaft gehandelt; Termingeld war nur wenig angeboten, da im Hinblick auf die voraussichtlich im August d.J. von den Banken zu übernehmenden DM 1 Milliarde Abschöpfungstitel Zurückhaltung bestand.

Schlußkurse der Frankfurter Börse vom 15. Juli und 22. Juli 1960

	<u>15.7.60</u>	<u>22.7.60</u>		<u>15.7.60</u>	<u>22.7.60</u>
Bayer.Hyp.u.Wechsel-Bk.	704	698	Hütten.Oberhausen	291	285
Bayer.Vereinsbank	635	637	Kaufhof	1380	1366
Berliner Handels-Ges.	698	700	Klößner-Werke	286 $\frac{1}{2}$	294
Commerzbank	627	626	Linde's Eis.	965	958
Deutsche Bank	725	715	MAN	1140	1100
Deutsche Hyp.Bk.(Bln)	454	458	Mannesmann	348 $\frac{1}{2}$	327 xxxx
Dresdner Bank	665	660	Metallgesellschaft	1495	1565
Frankfurter Hyp. Bk.	785	810	Philips	1175	1145
Allg.Lokalbahn	1250	1300	Rhein.Stahlwerke	457	437
Hapag	101 $\frac{1}{4}$	104	Rhein.Westf.Elekt.	696	685
Nordd.Lloyd	107 $\frac{1}{4}$	107	Royal Dutch	148	142
Allianz Lebensvers.	1105	1035	Salzdetfurth	388	385
Allianz Versicherung	3580	3550	Schering	438	440
AG.f.Verkehrswesen	965	989	Schultheiss	439	456
AEG	462 $\frac{1}{2}$	455 $\frac{1}{2}$	Siemens & Halske	678	671
Aschaffenb.Zellstoff	169 $\frac{1}{2}$	172	Aug.Thyssen-Hütte	379 $\frac{1}{2}$	364
BASF	717 $\frac{1}{2}$	710	Unilever	937	900
Buderus	486	475	Wintershall	508	493
Chemieverwaltung	1477 $\frac{1}{2}$	1400	7% Bundespost.Anl.v.58	99 $\frac{1}{2}$	99 $\frac{3}{4}$
Continental Gummi	1120	895 x	5 $\frac{1}{2}$ % Bundespost.Anl.v.58	89 $\frac{1}{4}$	89 $\frac{1}{2}$
Daimler	6500	6200	5% Lastenausgl.Anl.(stfr.)	107	107T
Degussa	1230	1228	4% Bundesablös.Anl.(stfr.)	100 $\frac{1}{4}$	100 $\frac{1}{4}$
Demag	782	760	5 $\frac{1}{2}$ % Dt.Hyp.Bk.Bln.Pfdbr.	113	113
Dt.Conti Gas	755	650 xx	5% " " " (stfr.)	112	112
Deutsche Erdöl	289	277	4% " " " (Altsp.)	100	100
Didier Werke	616	577 xxx	7% Dt.Schiff.Bk.Pfdbr.	99 $\frac{1}{2}$	99 $\frac{1}{2}$
Dortmund Hörder-Hütten	194	198 $\frac{3}{4}$	8% AEG-Anl.v.56	106	106
Eisenb.Verkehrsmittel	500	492	5% Mannesmann-Anl.v.59	88 $\frac{1}{4}$	88 $\frac{1}{4}$
IG-Farben-Liquis	6,60	6,55	7 $\frac{1}{2}$ % Ind.Kred.Bk.Anl.v.57	101 $\frac{1}{2}$	101 $\frac{1}{2}$ T
Farbenfabriken Bayer	762	758	7% Hoechst-Anl.v.58	103 $\frac{3}{8}$	104
Feldmühle Papier	1500	1450	6 $\frac{1}{2}$ % Berlin-Anl.v.58	95 $\frac{1}{2}$	94 $\frac{7}{8}$
Felten & Guillaume	417	427	6% Öst.Donaukraft.Anl.v.59	90	90 $\frac{1}{4}$
Gelsenkirchen Bergwk.	225	236 $\frac{1}{2}$	5 $\frac{1}{2}$ % RWE-Anl.v.59	92 $\frac{1}{4}$	92 $\frac{1}{2}$ T
Gutehoffnungshütte	1160	1135	ADIFONDS Investment	221,00	222,40
Harpener Bergbau	120 $\frac{3}{4}$	123 $\frac{3}{4}$	EURUNION "	151,40	152,10
Heidelberger Zement	1185	1120	FONDRA "	117,40	116,50
Hoechst Farbwerke	723	714	FONDAK "	173,90	172,00
Hoesch	265	263 $\frac{1}{2}$	FONDIS "	199,80	197,30

x ex Bez. 189 %  
xx ex Gratis.Akt. ex Div. 11 %

xxx ex Div.12 % u. 4 % Bonus  
xxxx ex Div. 12 %



OUTGOING WIRE

*Borrowing - Germany*

TO: DR. KARL BLESSING  
PRESIDENT  
NOTENBANK  
FRANKFURTMAIN

DATE: JULY 14, 1960

CLASS OF SERVICE: NLT

COUNTRY: (GERMANY)

*PCA*

TEXT:  
Cable No.:

✓  
YOUR WIRE JULY 13 WILL BE YOUR OFFICE TEN THIRTY A.M. JULY 27 REGARDS

CAVANAUGH  
INTBAFRAD

*Robert W Cavanaugh*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME ROBERT W. CAVANAUGH

DEPT. TREASURER

SIGNATURE \_\_\_\_\_

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

RWCavanaugh:emk

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OUTGOING WIRE

TO: DR. KAHN, BERLIN  
PRESIDENT  
NOTENBANK  
FRANKFURT/MAIN

COUNTRY: (GERMANY)

TEXT:  
Cable No.:

DATE: JULY 14, 1960

CLASS OF  
SERVICE: INT

*PCW*

YOUR WIRE JULY 13 WILL BE YOUR OFFICE TEN THIRTY A.M. JULY 27 REGARDS

CAVANAGH  
INTBRND

*Robert W. Cavanaugh*

NOT TO BE TRANSMITTED

CLEARANCES AND COPY DISTRIBUTION:

MESSAGE AUTHORIZED BY:

NAME: ROBERT W. CAVANAGH  
DEPT.: TREASURER

JUL 14 5 56 PM 1960

SIGNATURE: \_\_\_\_\_  
REMARKS OF INDIVIDUAL AUTHORIZED TO SIGN CORRESPONDENCE

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EW Cavanaugh:cmk

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*Borrowing Germany*

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	INCOMING WIRE	INTERNATIONAL FINANCE CORPORATION
----------------------------------------------------------	---------------	--------------------------------------

DATE OF WIRE: JULY 13, 1960

LOG NO.: TEX-2

TO: INTBAFRAD

FROM: NOTENBANK

ROUTING	
ACTION COPY:	Mr. Black
INFORMATION COPY:	Mr. Cavanaugh
DECODED BY:	

TEXT:

MR. EUGENE BLACK PRESIDENT INTBAFRAD WASHINGTON

MANY THANKS FOR YOUR CABLE REGARDING APPROVAL OF LOAN TRANSACTION

WE EXPECT CAVANAUGH HERE NEXT WEEK PREFERABLY FROM JULY 27 ONWARDS

BEST REGARDS BLESSING DR EMMINGER

NOTENBANK

*ack. July 14*



**HOLD FOR RELEASE**

WORLD BANK



INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

1818 H STREET, N.W., WASHINGTON 25, D. C. TELEPHONE: EXECUTIVE 3-6360

PRESS RELEASE No. 642  
For A. M. Newspapers  
Wednesday, July 13, 1960

SUBJECT: World Bank borrowing from  
German Central Bank

The International Bank for Reconstruction and Development has arranged to borrow the equivalent of approximately \$240,000,000 in U.S. dollars and deutsche marks from the Deutsche Bundesbank (the Central Bank of Germany). This is not only the largest borrowing ever undertaken by the World Bank outside the United States, but is its largest borrowing anywhere since its issue of \$250,000,000 of bonds in the United States in the summer of 1947. The new debt will carry interest at the rate of  $4\frac{1}{2}\%$  per annum and will have a final maturity of 12 years.

In announcing the transaction, Mr. Eugene R. Black, President of the World Bank, said, "The willingness of Germany to lend this large amount to the World Bank is striking testimony to the desire of Germany to assist in the economic advancement of the underdeveloped areas of the world. It also gives evidence of the energy and resourcefulness of the German people. The World Bank greatly appreciates the action taken by the officials in the Bundesbank and in the Government to make this transaction possible."

In the past three years, Germany has been the major source of funds borrowed by the World Bank, supplying more than half the approximately \$1,300,000,000 of net funds borrowed in that period. Giving full effect to the transaction announced today, it is estimated that about 60% of the funded debt of the World Bank is held outside the United States, by investors in more than 40 countries.



OFFICE OF INTERNATIONAL FINANCE

TREASURY DEPARTMENT  
WASHINGTON 25

JUL 12 1960

Dear Mr. Cavanaugh:

In your letter of July 11, 1960, you have requested the approval of the United States of America for a proposed borrowing operation designed to raise funds for the International Bank for Reconstruction and Development outside the United States.

The National Advisory Council has authorized me to inform you that:

- (1) the Government of the United States of America hereby approves, in accordance with Article IV, Section 1(b), of the Articles of Agreement of the Bank, the raising of funds for the Bank by private placement of negotiable securities with an institutional investor outside the United States in an aggregate principal amount not to exceed \$120,000,000, the securities to bear interest at the rate of  $4\frac{1}{2}$  percent per annum, and to be repaid in ten equal semiannual installments between the 8th and 12th year after the date of the borrowing; and
- (2) the Government of the United States of America hereby agrees, in accordance with Article IV, Section 1(b), of the Articles of Agreement of the Bank, that the proceeds of the borrowing approved by this letter may be exchanged for the currency of any other member of the Bank without restriction.

Very truly yours,

George H. Willis  
Secretary

National Advisory Council on  
International Monetary and Financial Problems

Mr. Robert W. Cavanaugh  
Treasurer, International Bank  
for Reconstruction and Development  
Washington 25, D. C.

OUTGOING WIRE

TO: DR. KARL BLESSING  
PRESIDENT  
NOTENBANK  
FRANKFURTMAIN

DATE: JULY 12, 1960

CLASS OF SERVICE: FULL RATE

COUNTRY: (GERMANY)

*PCA*

TEXT:  
Cable No.:

EXECUTIVE DIRECTORS AND UNITED STATES GOVERNMENT HAVE APPROVED  
TRANSACTION WILL PROCEED WITH PRESS ANNOUNCEMENT ACCORDING OUR  
✓ CABLE YESTERDAY STOP IF AGREEABLE CAVANAUGH WILL BE AT YOUR  
OFFICE TEN A.M. JULY 26 AND SPEND SUCH DAYS AS NECESSARY WITH  
YOU TO COMPLETE AND SIGN FORMAL AGREEMENT STOP PLEASE CABLE  
WHETHER THIS TIMING AGREEABLE REGARDS

~~BLACK~~ BLACK  
INTBAFRAD

*Robert W. Cavanaugh*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME ROBERT W. CAVANAUGH

DEPT. TREASURER

SIGNATURE \_\_\_\_\_  
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

RWCavanaugh:emk

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INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE  
CORPORATIONDATE OF  
WIRE: **ACR 6**

LOG NO.:

**JULY 12, 1960**

TO:

**MR. EUGENE BLACK PRESIDENT IBRD**

FROM:

**FRANKFURT**

TEXT:

## ROUTING

ACTION COPY:

INFORMATION

COPY:

DECODED BY:

*Mr. Black**Mr. Cavanaugh**Mr. Graves*

PARA 1: WE AGREE WITH TEXT OF PRESS RELEASE AS COMMUNICATED IN TELETYPE  
MESSAGE OF YESTERDAY WE SUGGEST HOWEVER TO REPLACE IN PAGE 8 THE WORD PRIVATE BY DIRECT  
SO AS TO READ QUOTE THIS IS THE TWELFTH DIRECT BORROWING TRANSACTION QUOTE PARA 2:  
WE EXPECT MR. CAVANAUGH IN FRANKFURT NEXT WEEK PARA 3: WE WILL GIVE GERMAN TRANSLATION  
OF YOUR PRESS COMMUNIQUE TO GERMAN PRESS FOR WEDNESDAY 13 JULY MORNING PLEASE CONFIRM  
APPROVAL EXECUTIVE DIRECTORS ON JULY 12.

**BUNDESBANK GEZ. BLESSING DR. ERMINGER**

DUPLICATE



Borrowing - Germany - D.B. - 240 Million  
JDM - July 1960  
copy - U.S. Approval for Borrowing

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N. W.  
WASHINGTON 25, D. C.

TELEPHONE EXECUTIVE 3-6360

CABLE ADDRESS-INTBAFRAD

July 11, 1960

Mr. George H. Willis, Secretary  
National Advisory Council on  
International Monetary and  
Financial Problems  
Room 3222, Main Treasury  
Washington 25, D. C.

Dear Mr. Willis:

The International Bank for Reconstruction and Development proposes to borrow an amount not to exceed \$120,000,000 in United States currency by private placement of negotiable securities in that aggregate principal amount with a single institutional investor outside the United States. The securities will bear interest at the rate of 4-1/2% per annum and will be repaid in ten equal semi-annual installments between the eighth and the twelfth year after the date of the borrowing.

The Government of the United States of America is hereby requested, in accordance with Section 1 (b) of Article IV of the Bank's Articles of Agreement, to approve the proposed borrowing and to agree that the proceeds of such borrowing may be exchanged for the currency of any member of the Bank without restriction.

Sincerely yours,

  
Robert W. Cavanaugh  
Treasurer

ack. July 12

TO: DR KARL BLESSING  
PRESIDENT  
NOTENBANK  
FRANKFURTMAIN

DATE: JULY 11, 1960

CLASS OF FULL RATE  
SERVICE:

*Rca*

COUNTRY: (GERMANY)

TEXT:  
Cable No.:

✓

X REUR WIRE JULY 9 WE AGREE SUBJECT CLEARANCE OUR EXECUTIVE DIRECTORS AND UNITED STATES GOVERNMENT AS TO DOLLAR TRANCHE STOP WE ASSUME DOLLAR TRANCHE WILL BE EXACTLY ONE HUNDRED AND TWENTY MILLION DOLLARS STOP IF AGREEABLE CAVANAUGH WILL BE IN FRANKFURT NEXT WEEK TO COMPLETE DETAILS AND SIGN AGREEMENT STOP THERE FOLLOWS A DRAFT PRESS RELEASE STOP IF POSSIBLE WOULD APPRECIATE YOUR APPROVAL OR CHANGES BY TEN A.M. WASHINGTON TIME TOMORROW JULY 12 STOP WE WOULD HOLD PRESS CONFERENCE TOMORROW AFTERNOON FOR PUBLICATION OF PRESS ANNOUNCEMENT WEDNESDAY JULY 13 QUOTE THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT HAS ARRANGED TO BORROW APPROXIMATELY THE EQUIVALENT OF TWO HUNDRED AND FORTY MILLION DOLLARS IN U.S. DOLLARS AND DEUTSCHE MARKS FROM THE DEUTSCHE BUNDESBANK (THE CENTRAL BANK OF GERMANY). THIS IS NOT ONLY THE LARGEST BORROWING EVER UNDERTAKEN BY THE WORLD BANK OUTSIDE THE UNITED STATES, BUT IS ITS LARGEST BORROWING ANYWHERE SINCE ITS ISSUE OF TWO HUNDRED AND FIFTY MILLION DOLLARS OF BONDS IN THE UNITED STATES IN THE SUMMER OF 1947. THE NEW DEBT WILL CARRY INTEREST AT THE RATE OF FOUR AND ONEHALF PERCENT PER ANNUM AND WILL HAVE A FINAL MATURITY OF TWELVE YEARS.

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME

DEPT.

SIGNATURE \_\_\_\_\_

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

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TO:

DATE:

CLASS OF  
SERVICE:

COUNTRY:

- 2 -

TEXT:  
Cable No.:

PARAGRAPH IN ANNOUNCING THE TRANSACTION, MR. EUGENE R. BLACK, PRESIDENT OF THE WORLD BANK, SAID, **SINGLE QUOTE** THE WILLINGNESS OF GERMANY TO LEND THIS LARGE AMOUNT TO THE WORLD BANK IS STRIKING TESTIMONY TO THE DESIRE OF GERMANY TO ASSIST IN THE ECONOMIC ADVANCEMENT OF THE UNDERDEVELOPED AREAS OF THE WORLD. IT ALSO GIVES EVIDENCE OF THE ENERGY AND RESOURCEFULNESS OF THE GERMAN PEOPLE. THE WORLD BANK GREATLY APPRECIATES THE ACTION TAKEN BY THE OFFICIALS IN THE BUNDESBANK AND IN THE GOVERNMENT TO MAKE THIS TRANSACTION POSSIBLE. **END SINGLE QUOTE** PARAGRAPH IN THE PAST THREE YEARS, GERMANY HAS BEEN THE MAJOR SOURCE OF FUNDS BORROWED BY THE WORLD BANK, SUPPLYING MORE THAN HALF THE APPROXIMATELY ONE BILLION THREE HUNDRED ~~AND FIFTY~~ MILLION DOLLARS OF NET FUNDS BORROWED IN THAT PERIOD. INCLUDING THE TRANSACTION ANNOUNCED TODAY, IT IS ESTIMATED THAT ABOUT SIXTY PERCENT OF THE FUNDED DEBT OF THE WORLD BANK IS HELD OUTSIDE THE UNITED STATES, BY INVESTORS IN MORE THAN FORTY COUNTRIES. PARAGRAPH THIS IS THE TWELFTH PRIVATE BORROWING TRANSACTION BETWEEN THE BUNDESBANK AND THE WORLD BANK, AND RAISES THE NET TOTAL OF SUCH OPERATIONS TO THE EQUIVALENT OF ALMOST SIX HUNDRED MILLION DOLLARS. IT IS ALSO THE LONGEST BORROWING BY THE WORLD BANK FROM THE BUNDESBANK; ALL PREVIOUS TRANSACTIONS WERE FOR TERMS OF THREE YEARS OR LESS. IN ADDITION TO THESE

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME

DEPT.

SIGNATURE \_\_\_\_\_

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TO:

DATE:

CLASS OF  
SERVICE:

COUNTRY:

- 3 -

TEXT:  
Cable No.:

TRANSACTIONS, THE BUNDESBANK HAS PURCHASED MORE THAN FORTY MILLION DOLLARS OF REGULAR ISSUES OF WORLD BANK BONDS. PARAGRAPH APART FROM ITS TRANSACTIONS WITH THE BUNDESBANK, THE WORLD BANK BORROWED TWO HUNDRED MILLION DEUTSCHEMARKS (\$47,000,000) IN GERMANY BY THE SALE IN 1959 OF A LONG-TERM ISSUE TO THE GERMAN PUBLIC. MOREOVER, GERMAN FINANCIAL INSTITUTIONS HAVE PURCHASED MORE THAN THIRTEEN MILLION DOLLARS OF PARTS OF LOANS OUT OF THE BANK'S PORTFOLIO. PARAGRAPH THE PRESENT BORROWING CONSISTS OF TWO TRANCHES. ONE TRANCHE IS ONE HUNDRED AND TWENTY MILLION UNITED STATES DOLLARS AND THE OTHER TRANCHE IS FIVE HUNDRED MILLION DEUTSCHEMARKS (ABOUT \$120,000,000). EACH TRANCHE HAS A FINAL MATURITY OF TWELVE YEARS AND WILL BE RETIRED IN TEN EQUAL SEMIANNUAL INSTALLMENTS BEGINNING IN THE EIGHTH YEAR. ANOTHER INTERESTING FEATURE OF THIS BORROWING IS THAT THE WORLD BANK HAS A YEAR IN WHICH TO DRAW DOWN THE FUNDS. UNTIL THE FUNDS ARE DRAWN, THE BANK WILL PAY A STANDBY COMMISSION OF THREEQUARTERS OF ONE PERCENT. INTEREST AT THE RATE OF FOUR AND ONEHALF PERCENT PER ANNUM WILL ACCRUE FROM THE DATES FUNDS ARE DRAWN. UNQUOTE REGARDS

BLACK  
INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME ROBERT W. CAVANAUGH

DEPT. TREASURER

SIGNATURE \_\_\_\_\_

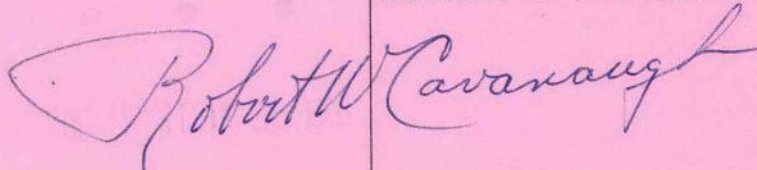
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RWCavanaugh:emk

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SIGNATURE OF INSTANTANT AUTHORITY

GENERAL FILES  
CORRESPONDENCE

SIGNATURE

DEPT:

INTERNATIONAL

NAME

ROBERT M. CALVINICH

MESSAGE AUTHORIZED BY:

STANDARDIZATION AND COPY DISTRIBUTION

JUL 11 11 16 AM 1960

NOT TO BE TRANSMITTED

UNCLASSIFIED  
CLASS

THE UNITED STATES FROM THE UNITED STATES AND OTHER COUNTRIES RECORDS  
 INTERESTS OF ONE PERCENT. INTEREST AT THE RATE OF FOUR AND ONE-HALF PERCENT  
 UNTIL THE UNITED STATES. THE BANK WILL PAY A STANDARD COMMISSION OF  
 WORKING IS THAT THE UNITED STATES HAS A LEAD IN WHICH TO DRAW DOWN THE UNITED  
 INVESTMENTS BEGINNING IN THE EIGHTH YEAR. WHOLESALE INVESTING BECAUSE OF THIS  
 THAT NATIONAL OF UNITED STATES AND WILL BE HELD IN THE UNITED STATES  
 ONE HUNDRED MILLION DOLLARS (ABOUT \$750,000,000). EACH UNITED HAS A  
 ONE HUNDRED AND TWENTY MILLION UNITED STATES DOLLARS AND THE OTHER UNITED IS  
 TWENTY-FIVE THE UNITED STATES CONSISTS OF TWO UNITED. ONE UNITED IS  
 THIRTEEN MILLION DOLLARS OF UNITED STATES OF UNITED STATES PORTFOLIO.  
 UNITED STATES. UNITED STATES INVESTMENT INSTITUTIONS HAVE PURCHASED MORE THAN  
 (\$75,000,000) IN UNITED STATES BY THE STATE IN 1959 OF A LONG-TERM ISSUE TO THE UNITED  
 WITH THE UNITED STATES. THE UNITED STATES BORROWED TWO HUNDRED MILLION DOLLARS  
 OF UNITED STATES OF UNITED STATES BONDS. TWENTY-FIVE UNITED STATES INVESTMENTS  
 INVESTMENTS. THE UNITED STATES HAS PURCHASED MORE THAN FORTY MILLION DOLLARS

COPY NO:

TEXT:

- 3 -

COPY NO:

REVISION:  
CLASS OF

10:

DATE:

RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL BANK FOR

OUTGOING WIRE

COMMISSION  
INTERNATIONAL FINANCE

(11-58)  
FORM NO. 51

(not for public use)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

**FOR  
EXECUTIVE  
DIRECTORS'  
MEETING**

**DECLASSIFIED  
JUL 23 2014  
WBG ARCHIVES**

CONFIDENTIAL

R 60-84

(For consideration  
on July 12, 1960)

FROM: The Secretary

July 11, 1960

PROPOSED BORROWING FROM THE DEUTSCHE BUNDESBANK

There is attached for consideration by the Executive Directors a draft resolution approving a proposed borrowing by the Bank from the Deutsche Bundesbank of DM 500,000,000 and of a principal amount in U.S. dollars not to exceed U.S. \$120,000,000.

Attachment

Distribution:

Executive Directors and Alternates  
President  
Vice Presidents  
Department Heads



# Record Removal Notice

<b>File Title</b> Bonds Borrowing - Deutsche Bundesbank - 500 Million Deutsche Marks - 4 1/2 Percent Notes of 1960 - 120 million dollars - Bond of 1960	<b>Barcode No.</b>  1052237
------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

<b>Document Date</b> Jul 11, 1960	<b>Document Type</b> Board Record
--------------------------------------	--------------------------------------

**Correspondents / Participants**

**Subject / Title**  
 Borrowing of DM 500,000,000 and U.S. \$120,000,000 from Deutsche Bundesbank (Draft)

**Exception No(s).**

1  
  2  
  3  
  4  
  5  
  6  
  7  
  8  
  9  
  10 A-C  
  10 D  
  Prerogative to Restrict

**Reason for Removal**  
 Board Record

**Additional Comments**  
 Declassification review of this record can be initiated upon request

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

<b>Withdrawn by</b> Chandra Kumar	<b>Date</b> Jul 23, 2014
--------------------------------------	-----------------------------



## CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

## TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201 (4-00)

## SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

RBA042 PA205

P CDU345 TFF1706 208/207 PD INTL FR CNT PCTN CD FRANKFURTMAIN

VIA WUCABLES 9 1250

MR EUGENE R BLACK

1960 JUL 9 AM 10 35

2325 S-ST NORTH WEST WASHDC

REFERRING TO YESTERDAY'S TELEPHONE DISCUSSIONS BETWEEN YOU AND MR DONNER , WE ARE PREPARED TO EXTEND A LOAN TO THE WORLDBANK AT AN AMOUNT EQUIVALENT TO ONE THOUSAND MILLION DM ON THE FOLLOWING TERMS : 1) ONE HALF OR 500 MILLION

END 1

*Next week*

*10*

*RM*

*ack: July 11, 1960 - Cable*

*Gen Files*

B- 17527

## CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201 (4-60)

## SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International  
Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

P CDU345 2/50

WOULD BE EXPRESSED IN DM , THE OTHER HALF (EQUIVALENT TO ABOUT DOLLARS 120 MILLION) WOULD BE EXPRESSED IN USDOLLAR . 2) INTEREST RATE FOUR AND ONE HALF PER CENT . 3) REPAYMENT BEGINNING EIGHT YEARS AFTER SIGNATURE OF LOAN CONTRACT IN TEN SEMI - ANNUAL INSTALMENTS . 4)

END 2

B- 17528

## CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201 (4-00)

## SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International  
Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

P CDU345 3/50

LOAN PROCEEDS TO BE WITHDRAWN FROM BUNDESBANK WITHIN TWELVE MONTHS AFTER LOAN CONTRACT HAS BECOME EFFECTIVE . COMMITMENT CHARGE OF THREE QUARTERS OF ONE PER CENT FOR UNDISBURSED AMOUNT . 5) WORLDBANK WILL DELIVER CERTIFICATES OF INDEBTEDNESS TO BUNDESBANK IN AMOUNTS TO BE SPECIFIED IN CASE THAT BUNDESBANK SHOULD DISPOSE  
END 3

B- 17529

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201 (4-60)

SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

P CDU345 4/50

OF ANY OF SUCH CERTIFICATE IN THE US MARKET , BUNDESBANK WOULD DO SO ONLY AFTER CONSULTING WORLD BANK .1 **IT IS UNDERSTOOD**

**THAT BUNDESBANK IS NOT ACQUIRING THESE CERTIFICATES**

**WITH A VIEW TO THEIR DISTRIBUTION IN THE UNITED STATES**

. PLEASE CONFIRM . LOOKING FORWARD TO RECEIVE TEXT OF

END 4

P CDU345 5/7

CERTIFICATES AND DRAFT OF PRESS RELEASE

B- 17530



CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201 (4-00)

SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

NOTENBANK

DM 1) 500 DM 120 2) 3) 4) 5).

B- 17531

Mr. Eugene R. Black

June 29, 1960

Robert W. Cavanaugh

Mr. Gorn called me this morning and said that he had talked with Dr. Donner who advised him that he was still working on the proposed transaction in Germany but could not predict the outcome. Dr. Donner asked that this matter be kept strictly secret for the time being.

RWCavanaugh:emk

*RWC*

cc: Mr. Iliff  
Legal Department

AIR MAIL

June 28, 1960

Professor Otto Donner  
Per Adresse Bundeswirtschaftsministerium  
Abteilung VI  
Bonn, Germany

Dear Otto:

I think the idea of Germany lending the Bank the equivalent of \$250 million at this time, either in dollars or Deutsche mark, is a great thing. I believe that such a step would have a tremendous impact and would be beneficial both to Germany and the Bank.

Confirming my proposal made on the 'phone today, we would be willing to borrow the \$250 million either as Deutsche mark or dollars, or divided between the two currencies. We would prefer dollars because, in view of the more than \$2 billion of dollar assets held by the Bank, repayment of a dollar debt creates less of a problem than repayment of a Deutsche mark debt. Also, there is the possibility that some borrowers might not be too pleased to receive large amounts of Deutsche mark due to the wide-spread feeling that the Deutsche mark will appreciate. However, I do not think this is a major problem.

As I mentioned, we do not need to borrow additional funds at this time. Consequently, we would like to have a two-year draw-down period during which time we would pay a stand-by commission of  $3/4$  of 1% per annum. We would accept a draw-down period of one year. If the draw-down period cannot be arranged, it would be essential that our right to invest any Deutsche marks we receive be continued as it would probably take at least a year to disburse the Deutsche marks.

As to the interest rate, we are willing to pay  $4-1/2\%$  per annum. Even though interest rates may be higher in Germany at this time, I do not feel the Bank would be justified in borrowing this amount of money at a rate higher than it would have to pay in the U.S. market. At the present time 10-Year U.S. Government Bonds are yielding between 3.95 and 4% and 10-Year IBRD Bonds are yielding between 4.35 and 4.40%. In fact, our  $4-1/2\%$  Bonds, which mature in December 1973, are being offered above par.

Professor Otto Donner -- 2

Needless to say, I very much appreciate your efforts.

Best personal regards.

Sincerely,

(Signed) Eugene R. Black  
Eugene R. Black

RWCavanaugh:emk