

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

CONFIDENTIAL

SM-29

(To be submitted to the
Executive Directors on
November 6, 1951.)

Minutes of the Twenty-ninth Special Meeting of the Executive Directors
held in the Board Room of the Bank on October 10, 1951, at 4:30 p.m.

1. There were present:

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(a) Chairman

Eugene R. Black, President
Robert L. Garner, Vice President

(b) Executive Directors and Alternates
acting as Executive Directors

Thomas Basyn
J. W. Beyen
F. Bizard (Temporary Alternate)
G. Cigliana-Piazza (Temporary Alternate)
Tsao-Whe Chu (Alternate)
Manuel J. Diez
John S. Hooker (Alternate)
Leslie G. Melville
Sir Ernest Rowe-Dutton
D. S. Savkar (Alternate)
Cabir Selek
Yaqub Shah
Harry L. Wolfson (Alternate)

(c) Alternates not acting as Executive Directors

L. H. E. Bury
Nasrollah Djahanguir
Julio Heurtematte

(d) Staff

D. Crena de Iongh, Treasurer
Harold N. Graves, Director of Public Relations
William F. Howell, Acting Director of Administration
M. M. Mendels, Secretary
Leonard B. Rist, Economic Director
Davidson Sommers, General Counsel
Richard H. Demuth, Assistant to Vice President
Ellsworth E. Clark, Legal Department
S. R. Cope, Loan Department
Joseph T. Fajans, Loan Department
H. G. Prud'homme, Loan Department
E. W. Rembert, Loan Department
M. M. Rosen, Economic Department
P. N. Rosenstein-Rodan, Economic Department
A. Stevenson, Economic Department
K. Varvaressos, Economic Department
Lyell Doucet, Secretary's Department

LOAN TO CASSA PER IL MEZZOGIORNO
(ITALY) - APPROVAL

2. The Executive Directors considered the President's Report and Recommendations and related documents (R-491 and R-518) on the proposed loan to Cassa per il Mezzogiorno, to be guaranteed by the Republic of Italy, and, on motion duly made and seconded, unanimously adopted the following resolution:

RESOLUTION NO. 199

Approval of recommendations of the President that the Bank grant a loan to the Cassa per il Mezzogiorno in the amount of \$10,000,000, to be guaranteed by Republic of Italy; authorization to President or Vice President or Assistant to the President or Loan Director or Treasurer to execute Loan Agreement, Guarantee Agreement and other documents relating thereto.

(See Annex "A" attached)

3. Mr. Cigliana-Piazza, on behalf of his Government and himself, expressed appreciation to the Executive Directors on the occasion of the approval of the loan; he also expressed his appreciation to the Management and Staff of the Bank for their efficient handling of the loan.

ADJOURNMENT

4. There being no further business, the meeting adjourned at 5:25 p.m.

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RESOLVED:

1. THAT the Executive Directors hereby approve the recommendations of the President, dated October 5, 1951, that the Bank grant a loan to the Cassa per opere straordinarie di pubblico interesse nell'Italia meridionale (Cassa per il Mezzogiorno). (hereinafter called the Borrower), to be guaranteed by the Republic of Italy, in the principal amount of \$10,000,000, maturing on and prior to November 1, 1976, in accordance with the amortization table set forth in Schedule 1 to the form of Loan Agreement between the Bank and the Borrower which has been presented to the Executive Directors with such recommendations, with interest (including commission) and commitment charge at the rates specified in said form of Loan Agreement, and

upon such other terms and conditions as are contained in said form of Loan Agreement and the form of Guarantee Agreement between the Republic of Italy and the Bank which has also been presented to the Executive Directors with such recommendations.

2. THAT the rate of commission to be charged in connection with said loan shall be 1% per annum of the principal amount of said loan from time to time outstanding; that said commission shall be included as part of the interest and service charge on said loan and shall be payable semi-annually on the dates for the payment of said interest and service charge; and that the amount of said commission so paid to the Bank shall be set aside in the special reserve as provided in Section 6 of Article IV of the Articles of Agreement of the Bank.

3. THAT the form, terms and conditions of the said forms of Loan Agreement and Guarantee Agreement be, and they hereby are, approved; and

4. THAT the President or the Vice President or the Assistant to the President or the Loan Director or the Treasurer of the Bank be, and each of them hereby is, authorized in the name and on behalf of the Bank (a) to execute with the Borrower and to deliver a loan

agreement substantially in the form of the said form of Loan Agreement presented to the Executive Directors, with such changes therein as they or any of them shall approve, the execution of said Loan Agreement by any of said officers to be conclusive evidence of his approval of any such changes; (b) to execute with the Republic of Italy and to deliver a guarantee agreement substantially in the form of the said form of Guarantee Agreement presented to the Executive Directors, with such changes therein as they or any of them shall approve, the execution of said Guarantee Agreement by any of said officers to be conclusive evidence of his approval of any such changes; and (c) to take any and all such other action and execute and deliver any and all such other documents as they or any of them shall deem necessary or proper in the premises and in order to carry fully into effect the purposes of this Resolution.