Minutes of the 93rd Special Meeting of the Executive Directors held in the Board Room of the Bank on May 31, 1955, at 9:30 a.m.

1. There were present:

(a) Chairman

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

(b) Executive Directors and Alternates acting as Executive Directors

Jon Arnason
Thomas Basyn
L. H. E. Bury
D. Crena de Jongh
Otto Donner
Viscount Harcourt
John S. Hooker (Alternate)
G. R. Kamat
Ali Akbar Khosropur (Alternate)
Kan Lee
Luis Machado
Jorge Mejia-Palacio
Maurice Perouse (Alternate)
Felice Pick (Alternate)
Louis Rasminsky
William Tennekoon (Alternate)

(c) Alternates not acting as Executive Directors

B. B. Callaghan
Johan Cappelen
Martin T. Flett
Hans Kloss
H. W. Luck
V. G. Pendharkar
Antonije Tasic
J. H. Warren

Sec. 9-257
(d) **Staff**

M. M. Mendels, Secretary  
Henry W. Riley, Treasurer  
A. S. G. Hoar, Director of Operations - Europe, etc.  
J. Burke Knapp, Director of Operations - Western Hemisphere  
Joseph Rucinski, Director of Operations - Asia, etc.  
Leonard B. Rist, Director of Economic Staff  
Richard H. Demuth, Director of Technical Assistance and  
Liaison Staff  
William F. Howell, Director of Administration  
Aron Broches, Assistant General Counsel  
Martin M. Rosen, Assistant Director of Department of  
Operations - Europe, etc.  
S. Aldewereld, Assistant Director of Department of  
Technical Operations  
Walter J. Armstrong, Department of Technical Operations  
Bernard Chadenet, Department of Technical Operations  
Ellsworth E. Clark, Office of the General Counsel  
Christian Finne, Department of Technical Operations  
Douwe Groenveld, Department of Technical Operations  
Petrus A. Kanters, Department of Technical Operations  
C. G. Parker, III, Marketing Department  
Murray Ross, Department of Operations - Europe, etc.  
Edward Symonds, Office of Public Relations  
Sidney P. Wheelock, Department of Operations - Europe, etc.  
Krishan Kapur, Office of the Secretary

**AUDIT OF ACCOUNTS**

2. The Executive Directors considered and adopted the following resolution (R-878):

**RESOLUTION NO. 320**

Audit of Accounts

RESOLVED that the President or the Vice President of the Bank be, and he hereby is authorized to engage Price, Waterhouse & Company to make an audit of the accounts of the Bank as of June 30, 1955.

**LOAN TO ITALY - APPROVAL**

3. The Executive Directors considered the President's Report and Recommendations and related documents (R-879, R-879/1 and R-879/2) on the proposed Sec. 9-257
loan to Cassa per il Mezzogiorno, to be guaranteed by the Republic of Italy, and adopted the following resolution:

RESOLUTION NO. 319

Approval of Loan to Cassa per il Mezzogiorno (Electric Power, Irrigation and Industrial Projects) in the amount of $70,000,000 to be guaranteed by Republic of Italy.

(See Annex "A" attached)

4. The Executive Directors also approved the three Project Agreements presented to the meeting.

5. The Executive Directors approved participation by the Bank of America in the loan to the extent of $5,000,000, without the Bank's guarantee.

6. Mr. Pick expressed appreciation to the Executive Directors for approval of the loan and to the Management and Staff for their efficient handling of the negotiations.

DATE OF NEXT MEETING

7. In addition to the next regular meeting on June 14, the Chairman informed the Executive Directors that a special meeting might be held during the week of June 6.

ADJOURNMENT

8. There being no further business, the meeting adjourned at 11:10 a.m.
RESOLUTION NO. 319

Approval of Loan to Cassa per il Mezzogiorno (Electric Power, Irrigation and Industrial Projects) in the amount of $70,000,000 to be guaranteed by Republic of Italy.

RESOLVED:

1. THAT, in accordance with the recommendations of the President, dated May 24, 1955, the Bank shall grant a loan to Cassa per il Mezzogiorno, to be guaranteed by the Republic of Italy, in an amount in various currencies equivalent to $70,000,000, to mature on and prior to July 15, 1975, to bear interest (including commission) at the rate of 4 3/4% per annum, and to be upon other terms and conditions set forth in the form of Loan Agreement (Electric Power, Irrigation and Industrial Projects) between the Bank and Cassa per il Mezzogiorno and the form of Guarantee Agreement (Electric Power, Irrigation and Industrial Projects) between Republic of Italy and the Bank which have been presented to this meeting.

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 and held or guaranteed by the Bank; 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.