

**THE INTERNATIONAL FINANCIAL ORGANISATIONS  
ORDER, 1972**

PRESIDENT'S ORDER NO. 86 OF 1972

[31<sup>st</sup> July, 1972]

WHEREAS pursuant to the Articles of Agreement drawn up at the United Nations Monetary and Financial Conference held in the month of July in the year nineteen hundred and forty four at Bretton Woods in New Hampshire in the United States of America, two International bodies known as the International Monetary Fund and the International Bank for Reconstruction and Development were established;

AND WHEREAS pursuant to the Articles of Agreement approved by the Directors of the said International Bank for Reconstruction and Development in the year nineteen hundred and sixty an international body known as the International Development Association was established;

AND WHEREAS in pursuance of the said several Articles of Agreement the said international bodies have each prescribed the terms and conditions set out in the First Schedule to this Order as the terms and conditions, upon which the People's Republic of Bangladesh may be admitted to the membership of each such body and on which the Articles of Agreement relating to each such body may be signed and accepted on behalf of the Government of the People's Republic of Bangladesh;

AND WHEREAS it is expedient that the People's Republic of Bangladesh may be a member of the said international bodies, and to make certain provisions in that behalf;

NOW, THEREFORE, in pursuance of the Proclamation of Independence of Bangladesh read with the Provisional Constitution of Bangladesh Order, 1972 and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Order:-

1. (1) This Order may be called as the International Financial Organisations Order, 1972.

(2) It extends to the whole of Bangladesh.

(3) It shall come into force at once.

2. In this Order, unless there is anything repugnant in the subject or context,-

“Association” means the International Development Association;

“Association Agreement” means the Articles of Agreement for the establishment and operation of the Association;

“Bank” means the International Bank for Reconstruction and Development;

“Bank Agreement” means the Articles of Agreement for the establishment and operation of the Bank as amended;

“Fund” means International Monetary Fund;

“Fund Agreement” means the Articles of Agreement for the establishment and operation of the Fund as amended;

“Government” means Government of the People’s Republic of Bangladesh;

“Membership Resolutions” means the resolutions adopted by the Board of Governors of the Fund, the Bank and the Association, respectively, specifying the terms and conditions upon which the People’s Republic of Bangladesh shall be admitted to membership in these Organisations as set out respectively in Parts I, II and III of First Schedule<sup>1</sup>;

“Special Drawing Rights Department” means the Special Drawing Rights Department of the Fund.]

3. (1) The Government shall designate, by a notification in the *official Gazette*, the officer who shall be authorised on behalf

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<sup>1</sup> The semi-colon (;) was substituted for the full-stop (.) and thereafter the definition “Special Drawing Rights Department” was added by section 2 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

of the Government to sign any or all of the originals of the following Articles of Agreement, that is to say, the Fund Agreement, the Bank Agreement and the Association Agreement and to deposit in the cases of the Fund Agreement and the Bank Agreement, with the Government of the United States, and in the case of the Association Agreement, with the Bank, instruments of acceptance of the said Agreements and of the terms and conditions respectively prescribed under the said Agreements and the Membership Resolutions or by instruments under his hand, to empower such person as may be designated in such instruments to sign the said Agreements and to deposit the said instruments of acceptance as aforesaid.

(2) Upon the accession of the People's Republic of Bangladesh to membership in the Fund, the People's Republic of Bangladesh is hereby authorised to become a participant in the <sup>1</sup>[Special Drawing Rights Department] and the officer authorised to sign the Fund Agreement under clause 1 shall have authority to deposit with the Fund on behalf of the People's Republic of Bangladesh an instrument stating that the People's Republic of Bangladesh undertakes all the obligations of a participant in the <sup>2</sup>[Special Drawing Rights Department] in accordance with the Law of the People's Republic of Bangladesh and representing that the People's Republic of Bangladesh has taken all steps necessary to enable it to carry out all obligations of a participant in the <sup>3</sup>[Special Drawing Rights Department].

<sup>4</sup>[3A. The Government may accept, with or without any condition, wholly or in part, any proposal for-

- (a) any amendment to the Fund Agreement, the Bank Agreement or the Association Agreement; and

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<sup>1</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account" by section 3 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>2</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account in the Fund" by section 3 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>3</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account in the Fund" by section 3 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>4</sup> Article 3A was inserted by section 2 of the International Financial Organisations (Amendment) Act, 1998 (Act No. XVIII of 1998).

- (b) an increase, where occasion arises, in the quota of Bangladesh in the Fund.]

4. (1) There shall be paid out of the Consolidated Fund of the Government all sums required for the purpose of making-

- (a) all payments and transfers or other adjustments required to be made from time to time <sup>1</sup>[\* \* \*] under the provisions of the Membership Resolutions and the Fund Agreement;
- (b) all payments or transfers or other adjustments on account of the participation of the People's Republic of Bangladesh in the <sup>2</sup>[Special Drawing Rights Department];
- (c) all payments required to be made from time to time to the Bank under the provisions of the Membership Resolutions and the Bank Agreement;
- (d) all payments required to be made from time to time to the Association under the Membership Resolutions and the Association Agreement.

(2) The Government is hereby authorised by borrowing, or by any other appropriate means, to acquire and pay on behalf of the People's Republic of Bangladesh the amounts that may fall due from time to time to the Fund, the Bank and the Association under the provisions of the Membership Resolutions upon which the People's Republic of Bangladesh shall be admitted to the membership in the said Organisations and under their respective Articles of Agreement, and to pay, transfer or make adjustments of amounts required on account of the People's Republic of Bangladesh's participation in the <sup>3</sup>[Special Drawing Rights Department].

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<sup>1</sup> The words "to the Fund" were omitted by section 4 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>2</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account in the Fund" by section 4 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>3</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account in the Fund" by section 4 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

(3) The Government may, if it thinks fit, create and issue to the Fund, the Bank or the Association non-interest bearing and non-negotiable notes or other obligations as are provided for by <sup>1</sup>[Section 4] of Article III of the Fund Agreement, by Section 12 of Article V of the Bank Agreement and by paragraph (e) of Section 2 of Article II of the Association Agreement (which sections relate to the acceptance by the Fund, the Bank, or the Association, as the case may be, of notes or similar obligations in place of Bangladesh currency) and the sums payable under such notes or obligations so created and issued shall be a charge on the Consolidated Fund.

(4) For the purpose of providing any sums required to be paid out of the Consolidated Fund under sub-clauses (a), (b), (c) and (d) of clause (1), and clause (3) of this Article, the Government may raise loans by the creation and issue to the Bangladesh Bank in such form as it thinks fit, of non-interest bearing and non-negotiable notes or obligations.

**4A.** *[Omitted by section 3 of the International Financial Organisations (Amendment) Act, 1998 (XVIII of 1998).]*

**4B.** *[Omitted by section 3 of the International Financial Organisations (Amendment) Act, 1998 (XVIII of 1998).]*

**5.** (1) The Bangladesh Bank shall serve as the fiscal agency as required under Article V, section 1, of the Fund Agreement and Article III, Section 2, of the Bank Agreement and Article VI, Sections 9 and 10 of the Association Agreement and is accordingly authorised to carry out, on behalf of the Government all transactions and operations under the various provisions of the Articles of Agreement of the Fund, the Bank and the Association.

(2) The Bangladesh Bank shall be the depository of the Bangladesh currency holdings or any other assets of the Fund, the Bank and the Association.

(3) Subject to clause (2) of Article 6 the Bangladesh Bank, on behalf of the Government shall be entitled to receive any amount which may be paid or transferred to the People's Republic of Bangladesh by the Fund or the Bank, including any

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<sup>1</sup> The word and figure "Section 4" were substituted for the word and figure "Section 5" by section 4 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

amount of gold, currency, or Special Drawing Rights to be paid or allocated to the People's Republic of Bangladesh by the Fund or which may otherwise be acquired by the People's Republic of Bangladesh in consequence of its participation in the <sup>1</sup>[Special Drawing Rights Department].

(4) Notwithstanding anything in the Bangladesh Bank (Temporary) Order, 1971, the Bangladesh Bank is hereby authorised to accept and hold any notes and obligations created and issued in accordance with the provisions of clause (4) of Article 4.

6. (1) There shall be paid out of the Consolidated Fund of the Government all sums required for the redemption of any notes or obligations created and issued to the Bangladesh Bank under clause (4) of Article 4.

(2) All sums received by or on behalf of the Government from the Fund, the Bank and the Association other than sums received by reason of operations of the Bangladesh Bank under Article V or Article VII or Article VIII or <sup>2</sup>[Article XIX] of the Fund Agreement shall be paid into the Consolidated Fund of the Government and the sums so received, in so far as they represent capital, shall, unless otherwise provided in that behalf by any written law, be applied from time to time as the Government may direct in the redemption of notes or other obligations issued to the Bangladesh Bank under this Order.

7. (1) Where under the Articles of the Fund Agreement, Bank Agreement and Association Agreement the Government is required to furnish these bodies with any information, the Government, or if generally or specially authorised by the Government in this behalf, the Bangladesh Bank may by order in writing require any person to furnish to such officer or other person as may be specified in the Order, such detailed information as the government or the Bangladesh Bank, as the case may be, may determine to be essential for the purpose of

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<sup>1</sup> The words "Special Drawing Rights Department" were substituted for the words "Special Drawing Account" by section 6 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

<sup>2</sup> The word and figure "Article XIX" were substituted for the word and figure "Article XXV" by section 7 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

complying with the request of the Fund, the Bank and the Association, and any person so required shall be bound to furnish such information.

(2) Every officer or person to whom any information is required to be furnished under this Section shall be deemed to be a public servant within the meaning of section 21 of the Bangladesh Penal Code (XLV of 1860).

(3) No information obtained under this Section shall be furnished to the Fund, the Bank and the Association in such detail as to disclose the affairs of any person, and the provisions of sub-sections (1), (2) and (3) of section 54 of the Income-tax Act, 1922 (XI of 1922) as adapted in Bangladesh, shall apply in relation to information obtained under this Section as they apply to the particulars referred to in that Section.

(4) A determination of the Government or the Bangladesh Bank under sub-section (1) as to the extent of detail in which information is to be furnished shall be final, and in any prosecution under section 176 or section 177 of the Bangladesh Penal Code (XLV of 1860) in respect of any information required to be furnished under this section, it shall not be a defence to assert that the information was required to be furnished in greater detail than was essential for the purpose of complying with the request of the Fund, the Bank and the Association.

(5) No prosecution for an offence in respect of any information required to be furnished under this Section shall be instituted except with the previous sanction of the Government.

**8.** Notwithstanding anything to the contrary contained in any other law the provisions of:

- (a) Section 2 (b) of Article VIII, Sections 2 to 9 inclusive of Article IX and <sup>1</sup>[Article XXI (b) of, and paragraph 5(d) of of Schedule D to, the Fund] Agreement as set out in Part I of the Second Schedule;
- (b) Sections 2 to 9 inclusive of Article VII of the Bank Agreement as set out in Part II of the Second Schedule; and

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<sup>1</sup> The words, figures, brackets, letters and commas "Article XXI (b) of, and paragraph 5(d) of Schedule D to, the Fund" were substituted for the words, figures, brackets and letter "Article XXVII(b) of the Fund" by section 8 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

- (c) Sections 2 to 9 inclusive of Article VIII of the Association Agreement as set out in Part III of the Second Schedule of this Order, shall have the force of law in the People's Republic of Bangladesh:

Provided that nothing in Section 9 of Article IX of the Fund Agreement or in Section 9 of the Article VII of the Bank Agreement or in Section 9 of Article VIII of the Association Agreement shall be construed as—

- (a) entitling the Fund or the Bank or the Association to import into Bangladesh goods free of any duty of customs without any restriction on their subsequent sale therein, or
- (b) conferring on the Fund or Bank or the Association any exemption from duties or taxes which form part of the price of goods sold or which are in fact no more than charges for services rendered.

9. Nothing in this Order shall prejudice or derogate from the right of the People's Republic of Bangladesh to claim, receive or recover from Pakistan any assets, including gold subscription to the Fund.

10. The Government may, by notification in the *official Gazette*, make rules for giving effect to the provisions set out in the Schedules, and generally for carrying out the purposes of this Order.

#### THE FIRST SCHEDULE

(See Article 2)

#### I. THE MEMBERSHIP RESOLUTIONS OF THE INTERNATIONAL MONETARY FUND OF JUNE 13, 1972

#### INTERNATIONAL MONETARY FUND

#### MEMBERSHIP FOR BANGLADESH

WHEREAS, the Government of Bangladesh on February 18, 1972 applied for admission to membership in the International Monetary Fund in accordance with Section 2 of Article II of the Articles of Agreement of the Fund; and



WHEREAS, pursuant to Section 21 of the By-Laws of the Fund, the Executive Directors have consulted with representatives of that Government and have agreed upon the terms and conditions which, in the opinion of the Executive Directors, the Board of Governors may wish to prescribe for admitting Bangladesh to membership in the Fund;

NOW, THEREFORE, the Board of Governors, having considered the recommendations of the Executive Directors, hereby resolves that the terms and conditions upon which Bangladesh shall be admitted to membership in the Fund shall be as follows:

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|----------------------------|--|
| Definitions                | <p><b>1.</b> As used in this Resolution:</p> <p>(a) The term "Fund" means the International Monetary Fund.</p> <p>(b) The term "Articles" means the Articles of Agreement of the International Monetary Fund.</p>  |
| Quota                      | <p><b>2.</b> The quota of Bangladesh shall be the equivalent of SDR 125 million.</p>   |
| Subscription               | <p><b>3.</b> The subscription of Bangladesh shall be equal to its quota. Bangladesh shall pay in gold not less than the equivalent of SDR 2 million and the balance of the subscription shall be paid in the currency of Bangladesh.</p>   |
| Payment of subscription    | <p><b>4.</b> The portion of the subscription to be paid in gold shall be paid not later than the day the Articles are signed on behalf of Bangladesh. In case Bangladesh does not acquire membership in the Fund the gold so paid shall be returned to it by the Fund. The remaining part of the subscription which has not been paid in gold shall be paid before the thirtieth day after the initial par value of the currency of Bangladesh has been agreed in accordance with paragraph 5 below.</p> |
| Determination of Par Value | <p><b>5.</b> Within 30 days after the Fund so requests, Bangladesh shall communicate to the Fund a proposed par value for its currency, and within 60 days following the Fund's receipt of the proposed par value, Bangladesh and the Fund shall agree on an initial par value for the currency; provided that the Fund may extend the period of 60 days and that Bangladesh shall be deemed to have withdrawn from the Fund if agreement on a par value has</p>   |

not been reached when the extended period expires. In the period between accepting membership and the establishment of an initial par value pursuant to this paragraph, Bangladesh shall not change its exchange rates prevailing at the time of accepting membership without agreement with the Fund after prior consultation.

6. Bangladesh may not engage in exchange transactions with the Fund until both (a) the par value of its currency has been agreed in accordance with paragraph 5 above and put into operation and (b) its subscription has been paid in full; provided, however, that at any time before the requirements under (a) and (b) have been met, the Executive Directors are authorised to permit exchange transactions with Bangladesh under such conditions and in such amounts as may be prescribed by the Executive Directors.

Exchange  
Transactions  
with the Fund

7. Before accepting membership in the Fund, Bangladesh shall represent to the Fund that it has taken all action necessary to sign and deposit the Instrument of Acceptance and sign the Articles, as contemplated by paragraph 8(a) and (b) of this Resolution, and Bangladesh shall furnish to the Fund such information in respect of such action as the Fund may request.

Representation  
and Information

8. After the Fund shall have informed the Government of the United States of America that Bangladesh has complied with the conditions set forth in paragraph 7 of this Resolution, Bangladesh shall become a member of the Fund as of the date when Bangladesh shall have complied with the following requirements:

Acceptance of  
Membership

- (a) Bangladesh shall deposit with the Government of the United States of America an instrument stating that it accepts in accordance with its law the Articles and all the terms and conditions prescribed in this Resolution, and that it has taken all steps necessary to enable it to carry out all its obligations under the Articles and this Resolution; and
- (b) Bangladesh shall sign the original copy of the Articles held in the Archives of the Government of the United States of America.

9. Bangladesh may accept membership in the Fund pursuant to this Resolution within six months of the effective date of this Resolution, which date shall be the date of its

Period for  
Acceptance of  
Membership

adoption by the Board of Governors; provided, however, that, if extraordinary circumstances are deemed by the Executive Directors to warrant an extension of the period during which the applicant may accept membership pursuant to this Resolution, the Executive Directors may extend such period until such later date as they may determine.

II. THE MEMBERSHIP RESOLUTION NO. 274 OF THE  
INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT

**INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT**

MEMBERSHIP OF BANGLADESH

WHEREAS, the Government of Bangladesh has applied for admission to membership in the International Bank for Reconstruction and Development in accordance with Section 1 (b) or Article II of the Articles of Agreement of the Bank; and

WHEREAS, pursuant to Section 20 of the By-laws of the Bank, the Executive Directors, after consultation with representatives of the Government of Bangladesh have made recommendations to the Board of Governors regarding this application;

NOW, THEREFORE, the Board of Governors hereby RESOLVES:

THAT the terms and conditions upon which Bangladesh shall be admitted to membership in the Bank shall be as follows:

Definitions

**1. As used in this resolution:**

- (a) "Bank" means International Bank for Reconstruction and Development.
- (b) "Articles" means the Articles of Agreement of the Bank.
- (c) "Dollars" or "\$" means United States dollars of the weight and fineness in effect on July 1, 1944.
- (d) "Subscription" means the capital stock of the Bank subscribed to by a member.
- (e) "Member" means member of the Bank.

2. By accepting membership in the Bank, Bangladesh shall subscribe to 1,067 shares of the capital stock of the Bank at the par value of \$100,000 per share. Subscription
3. Before accepting membership in the Bank, Bangladesh shall accept membership in and become a member of the International Monetary Fund. Membership in the Fund
4. (a) Before accepting membership in the Bank, Bangladesh shall pay to the Bank on account of the subscription price of one-half of such shares: Payments on Subscription
- (i) Gold or United States dollars equal to 2% thereof; and
- (ii) An amount in its own currency which, at the appropriate prevailing exchange rate, shall be equal to 18% thereof.
- (b) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in the currency of the member shall be left uncalled, as set forth in Resolution No. 129, on the same basis as the 2% and 18% portions of subscriptions made pursuant to Resolution No. 128 of the Board of Governors.
5. Before accepting membership in the Bank, Bangladesh shall represent to the Bank that it has taken all action necessary to sign and deposit the instrument of acceptance and sign the Articles as contemplated by paragraph 6(b) and (e) of this resolution and Bangladesh shall furnish to the Bank such information in respect of such action as the Bank may request. Representation and Information
6. Bangladesh shall become a member of the Bank with a subscription as set forth in paragraph 2 of this resolution as of the date when Bangladesh shall have complied with the following requirements: Acceptance of Membership
- (a) Become a member of the International Monetary Fund;
- (b) Made the payments called for by paragraph 4 of this resolution;
- (c) Furnished the representation, and such information as may have been requested, pursuant to paragraph 5 of this resolution;

- (d) Deposited with the Government of the United States of America an instrument stating that it has accepted in accordance with its law the Articles and all the terms and conditions prescribed in this resolution, and that it has taken all steps necessary to enable it to carry out all its obligations under the Articles and this resolution;
- (e) Signed the original copy of the Articles held in the Archives of the Government of the United States of America.

Limitation on  
Period for  
Acceptance of  
Membership

7. Bangladesh may accept membership in the Bank pursuant to this resolution until December 29, 1972, or such later date as the Executive Directors may determine.

### III. THE MEMBERSHIP RESOLUTION NO. 84 OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION

#### INTERNATIONAL DEVELOPMENT ASSOCIATION

##### MEMBERSHIP OF BANGLADESH

WHEREAS, the Government of Bangladesh has applied for admission to membership in the International Development Association (hereinafter called "Association") in accordance with Section 1 (b) of Article II of the Articles of Agreement of the Association (hereinafter called "Articles"); and

WHEREAS, pursuant to section 9 of the By-Laws of the Association, the Executive Directors, after consultation with representative of the Government of Bangladesh, have made recommendations to the Board of Governors regarding this application;

NOW, THEREFORE, the Board of Governors hereby RESOLVES:

THAT the terms and conditions upon which Bangladesh shall be admitted to membership in the Association shall be as follows:

#### **I. Initial Subscription:**

- (a) The terms and conditions of the membership of Bangladesh in the Association other than those specifically provided for in this resolution shall be those set forth in the Articles with respect to the membership

of original members listed in Part II of Schedule A thereof (including, but not by way of limitation the terms and conditions relating to subscriptions, payments on subscriptions, usability of currencies, and voting rights).

- (b) Upon accepting membership in the Association, Bangladesh shall subscribe funds in the amount of \$ 5,380,000 expressed in terms of United States dollars of the weight and fineness in effect on January 1, 1960.
- (c) Before accepting membership in the Association, Bangladesh shall make all payments on its initial subscription which would have been payable on or before the date of acceptance had it become a member of the Association as an original member listed in Part II of Schedule A of the Articles.
- (d) Bangladesh may accept membership in the Association pursuant to this resolution until December 29, 1972, or such later date as the Executive Directors may determine.

## **II. Additional Subscription:**

- (e) Upon or after acceptance of membership, Bangladesh is also authorized at its option to make an additional subscription in the amount of \$209,440 which shall carry 1250 votes *plus* one vote for each \$80 of such additional subscription (that is, 2618 votes)
- (f) The rights and obligations of the Association and Bangladesh with regard to such additional subscription shall be the same as those which are applicable to the subscriptions authorized for Part II members under Part D of the Third Replenishment Resolution adopted by the Board of Governors of February 17, 1971.

## THE SECOND SCHEDULE (See Article 8)

### **I. Section 2(b) of Article VIII of the Fund Agreement:**

Exchange contracts which involve the currency of any member and which are contrary to the exchange control regulations of that member maintained or imposed consistently with this Agreement shall be unenforceable in the territories of any member. In addition, members may, by mutual accord,

cooperate in measures for the purpose of making the exchange control regulations of either member more effective, provided that such measures and regulations are consistent with this Agreement.

**Sections 2 to 9 of Article IX of the Fund Agreement:**

Status of the Fund

*Section 2.*

The Fund shall possess full juridical personality, and, in particular, the capacity:

- (i) to contract;
- (ii) to acquire and dispose of immovable and movable property;
- (iii) to institute legal proceedings.

Immunity from judicial process

*Section 3.*

The Fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process except to the extent that it expressly waives its immunity for the purpose of any proceedings or by the terms of any contract.

Immunity from other action

*Section 4.*

Property and assets of the Fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

Immunity of archives

*Section 5.*

The archives of the Fund shall be inviolable.

Freedom of assets from restrictions

*Section 6.*

To the extent necessary to carry out the <sup>1</sup>[activities] provided for in this Agreement, all property and assets of the Fund shall be free from restrictions, regulations, controls and moratoria of any nature.

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<sup>1</sup> The word "activities" was substituted for the word "operations" by section 9 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

*Section 7.*

Privilege for communications

The official communications of the Fund shall be accorded by members the same treatment as the official communications of other members.

<sup>1</sup>[*Section 8.*

Immunities and Privileges of officers and employees

All Governors, Executive Directors, Alternates, members of Committees, representatives appointed under Article XII, Section 3(j), advisors or any of the foregoing persons, officers and employees of the Fund:

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Fund waives this immunity;
- (ii) not being local nationals, shall be granted the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials and employees of comparable rank of other members; and
- (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials, and employees of comparable rank of other members.]

*Section 9.*

Immunities from taxation

- (a) The Fund, its assets, property, income and its operations and transactions authorised by this Agreement, shall be immune from all taxation and from all customs duties. The Fund shall also be immune from liability for the collection or payment of any tax or duty.
- (b) No tax shall be levied on or in respect of salaries and emoluments paid by the Fund to executive directors, alternates, officers or employees of the Fund who are not local citizens, local subjects, or other local nationals.

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<sup>1</sup> Section 8 was substituted by section 9 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).



- (c) No taxation of any kind shall be levied on any obligation or security issued by the Fund, including any dividend or interest thereon, by whomsoever held-
- (i) which discriminates against such obligation or security solely because of its origin; or
  - (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Fund.

<sup>1</sup>**[Paragraph 5(d) of Schedule D to the Fund Agreement:**

Article IX, Section 8, shall apply to Councillors, their Alternates, and Associates, and to any other person entitled to attend a meeting of the Council.]

**II. Sections 2 to 9 of Article VII of the Bank Agreement:**

Status of the  
Bank

*Section 2.*

The Bank shall possess full juridical personality, and, in particular, the capacity:

- (i) to contract ;
- (ii) to acquire and dispose of immovable and movable property;
- (iii) to institute legal proceedings.

Position of the  
Bank with  
regard to  
judicial process

*Section 3.*

Action may be brought against the Bank only in a court of competent jurisdiction in the territories of a member in which the Bank has an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members. The property and assets of the Bank shall, wheresoever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the Bank.

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<sup>1</sup> Inserted by section 9 of the International Financial Organisations (Amendment) Ordinance, 1976 (Ordinance No. XCIV of 1976).

*Section 4.*

Property and assets of the Bank, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

Immunity of assets from seizure

*Section 5.*

The archives of the Bank shall be inviolable.

Immunity of archives

*Section 6.*

To the extent necessary to carry out the operations provided for in this Agreement, and subject to the provisions of this Agreement, all property and assets of the Bank shall be free from restrictions, regulations, controls and moratoria of any nature.

Freedom of assets from restrictions

*Section 7.*

The official communications of the Bank shall be accorded by each member the same treatment that it accords to the official communications of other members.

Privilege for communications

*Section 8.*

All governors, executive directors, alternates, officers and employees of the Bank—

Immunities and privileges of officers and employees

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Bank waives this immunity;
- (ii) not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;
- (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

Immunities  
from taxation

*Section 9.*

- (a) The Bank, its assets, property, income and its operations and transactions authorized by this Agreement, shall be immune from all taxation and from all customs duties. The Bank shall also be immune from liability for the collection or payment of any tax or duty.
- (b) No tax shall be levied on or in respect of salaries and emoluments paid by the Bank to executive directors, alternates, officials or employees of the Bank who are not local citizens, local subjects, or other local nationals.
- (c) No taxation of any kind shall be levied on any obligation or security issued by the Bank (including any dividend or interest thereon) by whomsoever held-
  - (i) which discriminates against such obligation or security solely because it is issued by the Bank; or
  - (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by Bank.
- (d) No taxation of any kind shall be levied on any obligation or security guaranteed by the Bank (including any dividend or interest thereon) by whomsoever held:
  - (i) which discriminates against such obligation or security solely because it is guaranteed by the Bank; or
  - (ii) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Bank.

**III. Sections 2 to 9 of Article VIII of the Association Agreement:**

Status of the  
Association

*Section 2.*

The Association shall possess full juridical personality and, in particular, the capacity:

- (i) to contract;
- (ii) to acquire and dispose of immovable and movable property;
- (iii) to institute legal proceedings.

*Section 3.*

Actions may be brought against the Association only in a court of competent jurisdiction in the territories of a member in which the Association has an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members. The property and assets of the Association shall, wheresoever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the Association.

Position of the Association with Regard to Judicial process

*Section 4.*

Property and assets of the Association, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

Immunity of Assets from Seizure

*Section 5.*

The archives of the Association shall be inviolable.

Immunity of Archives

*Section 6.*

To the extent necessary to carry out operations provided for in this Agreement and subject to the provisions of this Agreement, all property and assets of the Association shall be free from restrictions, regulations, controls and moratoria of any nature.

Freedom of Assets from Restrictions

*Section 7.*

The official communications of the Association shall be accorded by each member the same treatment that it accords to the official communications of other members.

Privilege for Communications

Immunities and  
Privileges of  
Officers and  
Employees

*Section 8.*

All Governors, Executive Directors, Alternates, officers and employees of the Association:

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Association waives this immunity;
- (ii) not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;
- (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

Immunities  
from Taxation

*Section 9.*

- (a) The Association, its assets, property, income and its operations and transactions authorised by this Agreement, shall be immune from all taxation and from all customs duties. The Association shall also be immune from liability for the collection or payment of any tax or duty.
- (b) No tax shall be levied on or in respect of salaries and emoluments paid by the Association to Executive Directors, Alternates, officials or employees of the Association who are not local citizens, local subjects, or other local nationals.
- (c) No taxation of any kind shall be levied on any obligation or security issued by the Association (including any dividend or interest thereon) by whomsoever held:
  - (i) which discriminate against such obligation or security solely because it is issued by the Association; or
  - (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Association.
- (d) No taxation of any kind shall be levied on any obligation or security guaranteed by the Association (including any dividend or interest thereon) by whomsoever held:

- (i) which discriminates against such obligation or security solely because it is guaranteed by the Association; or
  - (ii) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Association.
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