

THE SCHEDULE

(See section 4)

PROVISIONS OF THE AGREEMENT WHICH SHALL HAVE FORCE OF LAW

CHAPTER VII

STATUS, IMMUNITIES, EXEMPTIONS AND PRIVILEGES

Article 50

PURPOSE OF CHAPTER

To enable the bank effectively to fulfil its purpose and carry out the functions entrusted to it, the status, immunities, exemptions and privileges set forth in this Chapter shall be accorded to the Bank in the territory of each member.

Article 51

LEGAL STATUS

The Bank shall be an independent international institution possessing full juridical personality and, in particular, full capacity:

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

Article 52

IMMUNITY FROM JUDICIAL PROCEEDINGS

1. The Bank shall enjoy immunity from every legal process except in cases arising out of or in connection with the exercise of its powers to raise money, or to buy and sell or underwrite the sale of securities, in which cases actions may be brought against the Bank in a court of competent jurisdiction in the territory of a country in which the Bank has its principal or a branch office, or has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities.

2. Notwithstanding the provisions of paragraph 1 of this Article, no action shall be brought against the Bank by any member, or by any agency or instrumentality of a member, or by any entity or person directly or indirectly acting for or deriving claims from a member or from any agency or instrumentality of the member. Members shall have recourse to such special procedures for the settlement of controversies between the Bank and its members as may be prescribed in this Agreement, in the By-laws and Regulations of the Bank, or in contracts entered into with the Bank.

3. 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.

Article 53

IMMUNITY OF ASSETS

Property and assets of the Bank, wheresoever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of taking or foreclosure by administrative or legislative action.

Article 54

IMMUNITY OF ARCHIVES

The archives of the Bank and, in general, all documents belonging to it, or held by it, shall be inviolable wherever located.

Article 55

SECRECY OF DEPOSITS

The Bank shall observe complete secrecy in regard to the depositors' accounts and members shall respect the inviolability of information about such deposits.

Article 56

FREEDOM OF ASSETS FROM RESTRICTIONS

To the extent necessary to carry out the purpose and functions of the Bank effectively, 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.

Article 57

PRIVILEGE FOR COMMUNICATIONS

The official communications of the Bank shall be accorded by each member, treatment which is not less favourable than that accorded by it to any other international organization.

Article 58

IMMUNITIES AND PRIVILEGES OF BANK PERSONNEL

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

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity;
- (ii) where they are not local citizens or nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations, and the same facilities as regards exchange regulations, 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 accorded by members to representatives, officials and employees of comparable rank of other members.

Article 59

EXEMPTION FROM TAXATION

1. The Bank, its assets, property, income and its operations and transactions shall be exempt from all taxation and from all customs duties. The Bank shall also be exempt from any obligation for the payment, withholding or collection of any tax or duty.

2. No tax shall be levied on or in respect of salaries and emoluments paid by the Bank to the President, the Executive Directors, officers or employees of the Bank.

3. No tax shall be levied on any security issued by the Bank, including any dividend thereon, by whomsoever held:

- (i) which discriminates against such 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 the Bank.

4. No tax of any kind shall be levied on any security guaranteed by the Bank, including any dividend thereon, by whomsoever held:

- (i) which discriminates against such 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.

Article 60

IMPLEMENTATION

Each member, in accordance with its juridical system, shall promptly take such action as is necessary to make effective in its own territory the provisions set forth in this Chapter and shall inform the Bank of the action which it has taken on the matter.

Article 61

WAIVER OF IMMUNITIES, EXEMPTIONS AND PRIVILEGES

The Bank, at its discretion, may waive any of the privileges, immunities and exemptions conferred under this Chapter in any case or instance, in such manner and upon such conditions as it may determine to be appropriate in its best interest.
