

**THE WORLD BANK GROUP ARCHIVES**

**PUBLIC DISCLOSURE AUTHORIZED**

**Folder Title:** Deutsche Bundesbank - Bonds - Borrowing - 64 Million Deutsche Marks - 16 Million Dollars - 4 7/8 Percent Notes - 1966 - Correspondence - Volume 2

**Folder ID:** 1052471

**Dates:** 01/05/1966-02/04/1966

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

**ISAD Reference Code:** WB IBRD/IDA TRE

**Digitized:** 9/10/2020

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THE WORLD BANK

Washington, D.C.

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The World Bank


1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

Internet: [www.worldbank.org](http://www.worldbank.org)

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**Archives**  
1052471  
A1995-233 Other # 31 Box #167841B  
Deutsche Bundesbank - Bonds - Borrowing - 64 Million Deutsche Marks - 10  
Million Dollars - 4 7/8 Percent Notes - 1966 - Correspondence - Volume 2

RETURN TO  
CENTRAL FILES

DECLASSIFIED  
WITH RESTRICTIONS  
WBG Archives



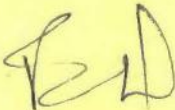
THIS FILE IS CLOSED AS OF  
DECEMBER 1968.  
FOR FURTHER CORRESPONDENCE SEE:  
1969 - 1971.

RECORDS MANAGEMENT SECTION  
February 1969

Official Documents

February 4, 1966

Raymond E. Deely



4-7/8% US \$ Notes of 1966 due 1968 and 1971

4-7/8% DM Notes of 1966 due 1968 and 1971

There is attached for retention in the Official Documents of these Issues a letter dated January 25, 1966 from Deutsche Bundesbank together with the confirmed copy of the letter agreement dated January 19, 1966 between this Bank and Deutsche Bundesbank.

cc: Mr. Stockhan  
Mr. Deely/Sec. Div. File

REDeely:ls

# DEUTSCHE BUNDESBANK

Postanschrift: Deutsche Bundesbank · 6 Frankfurt 1 · Postfach 3611

International Bank for  
Reconstruction and Development

Washington D.C. 20433

U S A

AIR MAIL

Bitte in der Antwort angeben

J 120/807/66

Ihr Zeichen und Ihre Nachricht vom

FRANKFURT (MAIN)

January 25, 1966

Betreff

Gentlemen,

We confirm receipt of your letter dated January 19, 1966 setting forth the arrangements concerning the issuance of new Notes in the principal amounts of \$ 16.000.000 and DM 64.000.000 when Notes in the principal amounts of \$ 22.000.000 and DM 40.000.000 presently held by us will mature February 1, 1966. In compliance with your request we enclose copy of your letter mentioned above signed by us.

Enclosure

Very truly yours

DEUTSCHE BUNDESBANK

*Summiger Joseph*



Mr. B. L. Prins

January 25, 1966

Raymond E. Deely

4-7/8% Notes of 1966

There are attached for safekeeping 21 4-7/8% US\$ Notes of 1966 and 14 4-7/8% DM Notes of 1966, all dated February 1, 1966, in blank.

As a matter of record, we received 56 US\$ Notes and 57 DM Notes from Printing. Six notes of each type, in blank were cancelled, marked specimen and sent to

Deutsche Bundesbank  
Mr. Cavanaugh  
Mr. Steckhan  
Mr. de Lesseps  
Mr. Rutland  
Archives.

Two of each type were signed by Mr. Cavanaugh and sent to the Federal Reserve Bank of New York for delivery and two others of each type have been completed to conform to the originals and will be retained in the Securities Division's Files.

In addition, 25 of each type have been marked specimen and sent to Mr. Steckhan for the bound volume and 8 DM Notes were spoiled in preparation.

Received:

January , 1966

cc: Mr. Cavanaugh  
Mr. Steckhan  
Mr. Rutland  
Mr. Deely/Sec. Div. File

REDeely:ls

Arrangements for  
Issuance of Notes

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

1818 H Street, N.W., Washington, D.C. 20433, U.S.A.

Telex Code: 330000 Telephone: EX-10000 Cable Address: IBRD/IBRD

AIR MAIL

January 19, 1966

Deutsche Bundesbank  
Frankfurt (Main)  
Federal Republic of Germany

Gentlemen:

I am writing to confirm the understanding between us that the Deutsche Bundesbank will lend to the International Bank for Reconstruction and Development, and the International Bank will borrow from the Deutsche Bundesbank, on February 1, 1966,

- (i) sixteen million United States Dollars (\$16,000,000) with interest at the rate of 4-7/8% per annum payable semi annually on February 1 and August 1 in each year maturing in equal principal amounts of \$8,000,000 on February 1, 1968 and February 1, 1971; and
- (ii) sixty-four million Deutsche Mark (DM64,000,000) with interest at the rate of 4-7/8% per annum payable semi-annually on February 1 and August 1 in each year maturing in equal principal amounts of DM32,000,000 on February 1, 1968 and February 1, 1971.

The International Bank's obligations are to be represented by promissory notes, in the form annexed hereto, in the aggregate principal amounts and with the maturity dates set forth above. The International Bank agrees, on request by the Deutsche Bundesbank, to exchange any of these notes for notes of the same tenor in smaller denominations and in a like aggregate principal amount.

On February 1, 1966, the International Bank will deliver to the Federal Reserve Bank of New York for the account of the Deutsche Bundesbank 4-7/8% Notes, dated February 1, 1966, in the aggregate principal amounts of \$16,000,000 and DM64,000,000; and will pay to the Federal Reserve Bank of New York for the account of the Deutsche Bundesbank \$6,000,000 in Federal Reserve Bank of New York funds, all against surrender by the Deutsche Bundesbank to the Federal Reserve Bank of New York for the account of the International Bank of 3-3/4% Notes, dated February 1, 1961, due February 1, 1966, of the International Bank, in the aggregate principal amounts of \$22,000,000 and DM40,000,000, and the payment by the Deutsche Bundesbank to itself for the account of the International Bank of DM24,000,000. The International Bank will also pay on February 1, 1966 to the Federal Reserve Bank of New York and to the Deutsche Bundesbank interest accrued to that date on the maturing 3-3/4% Notes.



January 19, 1966

The Deutsche Bundesbank agrees that, upon disposing of any note, it will notify the International Bank of the name and the address of the transferee thereof and will make a notation thereon of the date to which interest thereon has been paid.

With respect to the notes denominated in United States dollars, it is understood that the Deutsche Bundesbank, while reserving its full right of disposition of the notes, is not acquiring them with a view to their distribution in the United States.

Please indicate your agreement with the foregoing by signing the form of confirmation on the enclosed copy of this letter and returning it to us.

Very truly yours,

Robert W. Cavanaugh  
Treasurer

Attachments (2)

Confirmed:

DEUTSCHE BUNDESBANK

by

A handwritten signature in dark ink, appearing to read "Jürgen", is written over a faint, illegible stamp or text.

Frankfurt (Main), January 1966

cc: Mr. Donner  
Mr. Broches  
Mr. Cavanaugh  
Mr. Rutland  
Mr. Frine  
Mr. de Lesseps  
Mr. Steckhan (cleared with)  
Mr. Dealy/Sec. Div. File

REDealy:ls

AIR MAIL

January 19, 1966

Deutsche Bundesbank  
Frankfurt (Main)  
Federal Republic of Germany

Gentlemen:

I am writing to confirm the understanding between us that the Deutsche Bundesbank will lend to the International Bank for Reconstruction and Development, and the International Bank will borrow from the Deutsche Bundesbank, on February 1, 1966,

- (i) sixteen million United States Dollars (\$16,000,000) with interest at the rate of  $4\frac{7}{8}\%$  per annum payable semi-annually on February 1 and August 1 in each year maturing in equal principal amounts of \$8,000,000 on February 1, 1968 and February 1, 1971; and
- (ii) sixty-four million Deutsche Mark (DM64,000,000) with interest at the rate of  $4\frac{7}{8}\%$  per annum payable semi-annually on February 1 and August 1 in each year maturing in equal principal amounts of DM32,000,000 on February 1, 1968 and February 1, 1971.

The International Bank's obligations are to be represented by promissory notes, in the form annexed hereto, in the aggregate principal amounts and with the maturity dates set forth above. The International Bank agrees, on request by the Deutsche Bundesbank, to exchange any of these notes for notes of the same tenor in smaller denominations and in a like aggregate principal amount.

On February 1, 1966, the International Bank will deliver to the Federal Reserve Bank of New York for the account of the Deutsche Bundesbank  $4\frac{7}{8}\%$  Notes, dated February 1, 1966, in the aggregate principal amounts of \$16,000,000 and DM64,000,000; and will pay to the Federal Reserve Bank of New York for the account of the Deutsche Bundesbank \$6,000,000 in Federal Reserve Bank of New York funds, all against surrender by the Deutsche Bundesbank to the Federal Reserve Bank of New York for the account of the International Bank of  $3\frac{1}{4}\%$  Notes, dated February 1, 1961, due February 1, 1966, of the International Bank, in the aggregate principal amounts of \$22,000,000 and DM80,000,000, and the payment by the Deutsche Bundesbank to itself for the account of the International Bank of DM24,000,000. The International Bank will also pay on February 1, 1966 to the Federal Reserve Bank of New York and to the Deutsche Bundesbank interest accrued to that date on the maturing  $3\frac{1}{4}\%$  Notes.

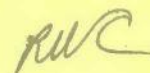
January 19, 1966

The Deutsche Bundesbank agrees that, upon disposing of any note, it will notify the International Bank of the name and the address of the transferee thereof and will make a notation thereon of the date to which interest thereon has been paid.

With respect to the notes denominated in United States dollars, it is understood that the Deutsche Bundesbank, while reserving its full right of disposition of the notes, is not acquiring them with a view to their distribution in the United States.

Please indicate your agreement with the foregoing by signing the form of confirmation on the enclosed copy of this letter and returning it to us.

Very truly yours,



Robert W. Cavanaugh  
Treasurer

Attachments (2)

Confirmed:

DEUTSCHE BUNDESBANK

by

Frankfurt (Main), January 1966



INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

**NOTE**

New York, N. Y., February 1, 1966

No. .

\$

International Bank for Reconstruction and Development,  
Washington, D. C., for value received, hereby promises to pay  
to the order of Deutsche Bundesbank, Frankfurt (Main), on the  
first day of , the principal sum of

dollars (\$) ) in lawful money of the United States  
of America, with interest thereon in like money from the date  
hereof at the rate of four and seven-eighths per cent (4-7/8%) per  
annum payable semi-annually on February 1 and August 1 in each  
year; principal and interest to be paid at the Federal Reserve Bank  
of New York in Federal Reserve Bank of New York funds.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By SPECIMEN

THIS NOTE IS NOT AN OBLIGATION OF ANY GOVERNMENT.



INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

**SCHULDSCHEIN**

New York, N. Y., den 1. Februar 1966

No.

DM

Die unterzeichnete International Bank for Reconstruction and Development, Washington, D. C., verpflichtet sich hierdurch, für erhaltenen Gegenwert an die Order der Deutschen Bundesbank, Frankfurt (Main), am den Betrag von

Deutsche Mark (DM ) in der Währung der Bundesrepublik Deutschland zu zahlen und diesen Betrag vom heutigen Tage ab mit viersiebenachtel Prozent ( $4\frac{7}{8}\%$ ) jährlich in der gleichen Währung zu verzinsen. Die Zinsen werden halbjährlich nachträglich jeweils am 1. Februar und 1. August eines jeden Jahres gezahlt. Kapitalrückzahlung und Zinszahlungen werden an die Deutsche Bundesbank, Frankfurt (Main), geleistet.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

**SPECIMEN**

DIESER SCHULDSCHEIN STELLT KEINE VERPFLICHTUNG  
IRGEND EINER REGIERUNG DAR.



# DEUTSCHE BUNDESBANK

*Ray Eup*  
*Arbuer*

Postanschrift: Deutsche Bundesbank • 6 Frankfurt 1 • Postfach 3611

BY AIRMAIL

International Bank for  
Reconstruction and Development  
Attention: Mr. Robert W. Cavanaugh  
1818 H Street, N. W.  
Washington 25 D. C.  
U. S. A.

Bitte in der Antwort angeben

Ihr Zeichen und Ihre Nachricht vom

FRANKFURT (MAIN)

A 13

18 January 1966

Betreff

Renewal of Bundesbank Loans  
Letter Mr. George D. Woods dated 22 December 1965 addressed to  
President Blessing  
Our letter dated 28 December 1965

Gentlemen:

With reference to the above letters we should be obliged if you  
would deliver to the Federal Reserve Bank of New York, New York,  
for our safe custody account

on 1 February 1966

§ 16 million 4 7/8 % notes

two notes of § 8 million each  
maturing on 1 February 1968 and 1 February 1971

DM 64 million 4 7/8 % notes

two notes of DM 32 million each  
maturing on 1 February 1968 and 1 February 1971.

Against these items the Federal Reserve Bank of New York, New York,  
will hand you

on 1 February 1966

§ 22 million 3 3/4 % notes maturing 1 February 1966

DM 40 million 3 3/4 % notes maturing 1 February 1966.

-2-

Hauptgebäude  
Taunusanlage 4-6

Telegramme  
NOTENBANK  
FRANKFURTMAIN

Fernsprecher 2681 oder 268  
~~330682~~ oder ~~330681~~ und . . . .  
durchwählen

Telex  
Inland 4-1227  
Ausland 4-1232

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GENERAL FILES  
COMMUNICATIONS

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COMMUNICATIONS

1966 JAN 21 AM 8:53

TO: DIRECTOR

FROM: DIRECTOR

RE: [illegible]

DATE: [illegible]

[illegible]

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DEUTSCHE BUNDESBANK

Empfänger

International Bank for Reconstruction and Development, Washington

It is understood that you will pay on a net basis to Federal Reserve  
Bank of New York, New York, in favor of our account

on 1 February 1966 \$ 6,- million

and we shall debit

on 1 February 1966 DM 40,- million

and simultaneously we shall credit

on 1 February 1966 DM 64,- million

both to your Deutsche Mark B Account on our books.

Very truly yours

DEUTSCHE BUNDESBANK

*Walter*  
Walter

*Bergemann*  
Bergemann

CONFIDENTIAL

**FOR  
EXECUTIVE  
DIRECTORS'  
MEETING**

**DECLASSIFIED**  
**AUG 01 2014**  
**WBG ARCHIVES**

For consideration on  
January 11, 1966

FROM: The Secretary

R66-6

January 7, 1966

PROPOSED BORROWING FROM DEUTSCHE BUNDESBANK

The Bank has outstanding with the Deutsche Bundesbank \$22 million and DM40 million principal amount of 3-3/4% Notes issued in 1961 which mature February 1, 1966. The Bank has arranged to replace these Notes, equivalent to \$32 million, by the issuance on February 1, 1966 of new Notes with an interest rate of 4-7/8% per annum in the principal amounts of \$16 million and DM64 million maturing in an equal amount of each currency on February 1, 1968 and February 1, 1971.

The attached draft resolution is recommended for approval.

Distribution:

Executive Directors and Alternates  
President  
President's Council  
Executive Vice President, IFC  
Department Heads (Bank and IFC)





# Record Removal Notice

The World Bank Group  
**Archives**  
& Records Management

**File Title**

Bonds Borrowing - Deutsche Bundesbank - 64 million Deutsche Marks - 4 7/8 Percent Notes of 1966 - 16 Million Dollars

**Barcode No.**

1052471

**Document Date**

Jan 7, 1966

**Document Type**

Board Record

**Correspondents / Participants****Subject / Title**

International bank for Reconstruction and Development - Resolution No. 66 - Authorization to Borrow US \$16,000,000 and DM 64,000,000

**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

Aug 1, 2014



INCOMING CABLE

DATE AND TIME  
OF CABLE:

**JANUARY 7, 1966**

**1316**

LOG NO.:

**WU 13 - JAN. 7**

TO:

**INTBAFRAD**

FROM:

**FRANKFURTMAIN**

ROUTING

ACTION COPY:

**MR. CAVANAUGH**

INFORMATION  
COPY:

DECODED BY:

**TREASURER'S**

TEXT:

**6 ATTENTION MR. CAVANAUGH ✓**

**YOUR TELEX DATED JANUARY 5 ▲ OUR AGREEMENT WITH INTEREST PROPOSAL OF MR. WOODS  
DESPATCHED ON JANUARY 3 WITH AIRMAIL IN LETTER DATED DECEMBER 30.**

**DELAY CAUSED BY HOLIDAYS 537**

**NOTENBANK**

**\_\_\_AS RECEIVED.**

**FCA**

NEW YORK: 1000 NEW YORK OFFICE: 1000 NEW YORK OFFICE: 1000 NEW YORK OFFICE: 1000

TYPE

GENERAL FILES  
COMMUNICATIONS

JAN 7 10 46 AM 1966

• • •

TO DIRECTOR

REPLY

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REPLY TO DIRECTOR

OUTGOING WIRE

TO: NOTENBANK  
FRANKFURTMAIN

DATE: JANUARY 5, 1966

CLASS OF  
SERVICE: NLT

RCH

COUNTRY: (GERMANY)

TEXT:  
Cable No.:

4

ATTENTION DR. EMMINGER. DID YOU RECEIVE LETTER OF DECEMBER 22  
FROM WOODS TO BLESSING? IF SO COULD YOU CABLE WHETHER PROPOSED  
RATE IS AGREEABLE AS WE WOULD LIKE TO OBTAIN FORMAL APPROVAL  
OUR EXECUTIVE DIRECTORS JANUARY 11 REGARDS

CAVANAUGH  
INTBAFRAD

*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 Secretaries Guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Wilson  
Mr. Poore  
Mr. Deely

For Use by Archives Division

Checked for Dispatch:

*ack. Jan. 7, 1966*

*[Signature]*



OUTGOING WIRE

TO: NOTERBANK  
 FRANKFURT/MAIN

DATE: JANUARY 2, 1966

CLASS OF SERVICE:   
 TIME: 11:00 AM

RGH

COUNTRY: (GERMANY)

TEXT: 4

ATTENTION DR. HANSEN. DID YOU RECEIVE LETTER OF DECEMBER 22 FROM WOODS TO ASSISTANCE IF SO GIVE YOU CABLE WITHIN PROPOSED RATE IS AGREEABLE AS WE WOULD LIKE TO OBTAIN FORMAL APPROVAL OUR EXECUTIVE DIRECTORS JANUARY 11 REGARDS

CAVANAUGH  
 INTBFRAD

*Robert W. Cavanaugh*

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME: ROBERT W. CAVANAUGH  
 DEPT: TREASURER'S  
 SIGNATURE:   
 (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

DISPATCHED:   
 TWO:   
 ORIGINAL FILE COPY:

IMPORTANT: See Secretary's Guide for processing forms

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Wilson  
 Mr. Poore  
 Mr. Deely

For Use by Archives Division

Checked for Dispatch:

JAN 5 5 55 PM 1966

GENERAL FEES  
 COMMUNICATIONS  
 TREASURER'S