

## SECTION 9.—IMMUNITIES FROM TAXATION

(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 the 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.

## SECTION 10.—APPLICATION OF ARTICLE

Each member shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this Article, and shall inform the Bank of the detailed action which it has taken.

## ARTICLE VIII.—AMENDMENTS

(a) Any proposal to introduce modifications in this Agreement, whether emanating from a member, a Governor, or the Executive Directors, shall be communicated to the Chairman of the Board of Governors, who shall bring the proposal before the Board. If the proposed amendment is approved by the Board, the Bank shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths of the total voting-power, have accepted the proposed amendment, the Bank shall certify the fact by a formal communication addressed to all members.

(b) Notwithstanding (a) above, acceptance by all members is required in the case of any amendment modifying—

- (i) The right to withdraw from the Bank provided in Article VI, Section 1;
- (ii) The right secured by Article II, Section 3 (c);
- (iii) The limitation on liability provided in Article II, Section 6.

(c) Amendments shall enter into force for all members three months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.

## ARTICLE IX.—INTERPRETATION

(a) Any question of interpretation of the provisions of this Agreement arising between any member and the Bank or between any members of the Bank shall be submitted to the Executive Directors for their decision. If the question particularly affects any member not entitled to appoint an Executive Director, it shall be entitled to representation in accordance with Article V, Section 4 (h).

(b) In any case where the Executive Directors have given a decision under (a) above, any member may require that the question be referred to the Board of Governors, whose decision shall be final. Pending the result of the reference to the Board, the Bank may, so far as it deems necessary, act on the basis of the decision of the Executive Directors.

(c) Whenever a disagreement arises between the Bank and a country which has ceased to be a member, or between the Bank and any member during the permanent suspension of the Bank, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the Bank, another by the country involved, and an umpire who, unless the parties otherwise agree, shall be appointed by the President of the Permanent Court of International Justice or such other authority as may have been prescribed by regulation adopted by the Bank. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.