

No. 633

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**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT,  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
and COMMONWEALTH DEVELOPMENT CORPORATION**

**Memorandum of Understanding relating to the Cameroon  
Development Corporation. Signed at Washington, on  
24 April 1964**

*Official text: English.*

*Filed and recorded at the request of the International Bank for Reconstruction and  
Development and the International Development Association on 17 January  
1968.*

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**BANQUE INTERNATIONALE POUR  
LA RECONSTRUCTION ET LE DÉVELOPPEMENT,  
ASSOCIATION INTERNATIONALE  
DE DÉVELOPPEMENT et  
COMMONWEALTH DEVELOPMENT CORPORATION**

**Protocole d'accord relatif à la Cameroon Development Cor-  
poration. Signé à Washington, le 24 avril 1964**

*Texte officiel anglais.*

*Classé et inscrit au répertoire à la demande de la Banque internationale pour la  
reconstruction et le développement et de l'Association internationale de dévelop-  
pement le 17 janvier 1968.*

No. 633. MEMORANDUM OF UNDERSTANDING<sup>1</sup> BETWEEN INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, INTERNATIONAL DEVELOPMENT ASSOCIATION AND COMMONWEALTH DEVELOPMENT CORPORATION RELATING TO THE CAMEROON DEVELOPMENT CORPORATION. SIGNED AT WASHINGTON, ON 24 APRIL 1964

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WHEREAS : (a) Commonwealth Development Corporation (CDC) has lent to Cameroon Development Corporation (Camdev) prior to the date hereof sums of money amounting in the aggregate to £1million (the CDC loan); (b) the International Bank for Reconstruction and Development (the Bank) has agreed to lend to Camdev the equivalent of \$7 million (the Bank loan); and (c) the International Development Association (the Association) has agreed to make a credit to the Federal Republic of Cameroon in an amount equivalent to \$11 million (the credit), the proceeds of which will be made available to Camdev.

The Bank, the Association and CDC hereby agree as follows :

1. So long as : (1) disbursements are made under the Bank loan and the credit and thereafter so long as any part of the Bank loan or the credit remains outstanding; and (2) Camdev remains indebted to CDC in respect of any part of the CDC loan, the Bank, the Association and CDC will keep each other informed of any repayment or proposed repayment prior to maturity of the whole or any part of their respective loans or credit and will consult with each other prior to :

- (a) demanding repayment of the whole or any part of their respective loans or credit;
- (b) taking any step to enforce any guarantee of the whole or any part of their respective loans or credit;
- (c) commenting on or approving any proposed legislation (including rules or regulations made by presidential decree or otherwise) affecting Camdev.

2. The Bank, the Association and CDC further agree that during the period mentioned in paragraph 1 of this Memorandum neither of them will, except with the prior agreement of the others :

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<sup>1</sup> Came into force on 24 April 1964 by signature.

- (a) consent to Camdev incurring any debt or creating or acquiring any subsidiary; or
  - (b) consent to the creation by Camdev of any mortgage, charge or lien on all or any of its assets or the disposal by Camdev, otherwise than in the ordinary course of business, of all or any of its assets; or
  - (c) consent to any payment before 31st December 1975 by Camdev to the Federal Republic of Cameroon or to the Federated State of West Cameroon other than sums due on account of taxes or rent.
3. The Bank and the Association further agree that during the same period of time they will convey to Camdev their approval of any appointment to any of the senior management positions of Camdev made by CDC in its capacity as managing agents of Camdev and that they will consult with CDC prior to :
- (a) commenting on any arrangement for the management of Camdev otherwise than by CDC, or commenting on any appointment to any of Camdev's senior management positions (other than appointments made by CDC in its capacity as managing agents of Camdev); or
  - (b) taking any action which would or might result in the suspension or cancellation of the Bank loan or the credit.
4. CDC further agrees that, during the aforesaid period, it will consult with the Bank and the Association prior to :
- (a) agreeing to the termination or amendment of any bond or agreement securing or guaranteeing the CDC loan;
  - (b) giving notice to terminate the Management Agreement dated 1st January 1960 prior to its expiry date;
  - (c) surrendering the right to be represented on the Board of Camdev during the continuance of that Management Agreement.

Dated April 24, 1967, at Washington, D.C.

International Bank for Reconstruction and Development :

*By* A. G. EL EMARY

International Development Association :

*By* A. G. EL EMARY

Commonwealth Development Corporation

*By* A. N. GOODE