



## INTER-AMERICAN DEVELOPMENT BANK

### U.S. \$1,250,000,000 Euro Medium-Term Note Program

Inter-American Development Bank (the "Bank") has established a program (the "Program") under which it may from time to time issue, in one or more Series (as defined below), medium-term notes outside the United States of America (the "Notes") with maturities of at least one year from the date of issue and denominated in U.S. dollars or, subject to certain conditions and as provided in "Description of the Notes — Form, Denomination and Title" herein, in other currencies or composite currencies as may be designated by the Bank at the time of offering as set forth in a supplement hereto which contains the specific terms of an issue of Notes (the "Pricing Supplement"). The Bank also may issue medium-term notes in the United States of America ("U.S. Notes") under a U.S. Medium-Term Note Program. The aggregate proceeds of Notes and U.S. Notes outstanding may not at any one time exceed U.S.\$1,250,000,000 (or the equivalent in other currencies or composite currencies calculated as described herein); provided that the Bank reserves the right to increase such amount.

This Information Memorandum supersedes the previous information memorandum dated May 14, 1993 prepared in connection with the Program. Any Notes issued under the Program on or after the date of this Information Memorandum are issued subject to the provisions provided herein. This does not affect any Notes already in issue.

The Notes, which may be issued at their principal amount or at a premium or discount to their principal amount, may bear interest on a fixed or floating rate basis.

All Notes having identical terms (other than the Original Issue Date, Interest Commencement Date and Issue Price) and which are intended to form a single series will constitute a Series (a "Series" or the "Notes of a Series"). Notes of a Series may be issued in either bearer or registered form, but not in both registered and bearer form, and if in bearer form the Notes will initially be represented by a temporary global Note which will be deposited on or about the issue date thereof with a common depository for the Euroclear system ("Euroclear") and Cedel Bank, société anonyme ("Cedel Bank") or otherwise delivered as agreed between the Issuer and the relevant Dealer as further described in "Description of the Notes — Form, Denomination and Title" herein. Notes in bearer form will not be exchangeable for Notes in registered form, and Notes in registered form will not be exchangeable for Notes in bearer form.

The Notes to be issued under the Program have been admitted to listing on the Luxembourg Stock Exchange. Unlisted Notes and Notes listed on other or additional stock exchanges may also be issued under the Program. In certain circumstances as described herein, application shall be made to list on the Paris Bourse Notes that are denominated in French francs or denominated in other currencies but linked, directly or indirectly to French francs ("French Franc Notes"). For the sole purpose of listing French Franc Notes on the Paris Bourse, this Information Memorandum has been submitted for clearance to the *Commission des Opérations de Bourse* (the "COB") and has been registered by the COB under visa n° 95-565 dated December 5, 1995.

The Notes have been rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Ratings Group.

The Notes may be offered and sold from time to time by the Bank to the Dealers named herein. The Bank reserves the right to appoint other dealers in addition to, or in substitution for, the Dealers and the right to sell Notes directly to investors on its own behalf. See "Subscription and Sale" herein.

#### *Arrangers*

LEHMAN BROTHERS

LEHMAN BROTHERS BANKHAUS AG

*French Franc Arranger and Dealer*

**Banque Nationale de Paris**

Daiwa Europe Limited  
Goldman Sachs International  
Merrill Lynch International Limited  
Morgan Stanley & Co.  
International

Deutsche Morgan Grenfell  
Lehman Brothers  
J.P. Morgan Securities Ltd.  
SBC Warburg  
A Division of Swiss Bank Corporation

*The date of this Information Memorandum is December 8, 1995*

---

(This Page Intentionally Left Blank)

*In this Information Memorandum references to the “Bank” are references to the Inter-American Development Bank.*

*The Bank accepts responsibility for the information contained in this Information Memorandum and the Information Statement which accompanies this Information Memorandum (together the “Offering Circular”), except for the information furnished to the Bank in writing by the Dealers expressly for inclusion herein. To the best of the knowledge and belief of the Bank (which has taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.*

*Potential purchasers should determine for themselves the relevance of the information contained in the Offering Circular as amended or supplemented from time to time, and their interest in the purchase of any Notes should be based upon such investigation as they themselves deem necessary.*

*The Dealers and the Arrangers (other than the French Franc Arranger of French Franc Notes for which it will be the Paris Bourse listing sponsor) referred to herein have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility or liability is accepted by the Dealers and the Arrangers (other than the French Franc Arranger of French Franc Notes for which it will be the Paris Bourse listing sponsor) as to the accuracy or completeness at any time of this Offering Circular or any supplement hereto except for the information such Dealers or such Arrangers furnished to the Bank in writing expressly for inclusion herein.*

*No dealer, salesman or other person is authorized by the Bank or the Dealers to give any information or to make any representations other than those contained in this document in connection with the offering or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorized by the Bank or the Dealers. Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication or constitute a representation that there has been no adverse change in the affairs of the Bank since the date hereof.*

*The Bank may agree with the Dealers that Notes may be issued in a form not contemplated by the “Description of the Notes” below, in which case a supplement to this Information Memorandum will be published describing the effect of the agreement reached in relation to such Notes.*

*The Notes are not required to be registered under the United States Securities Act of 1933, as amended. Accordingly, no registration statement has been filed with the United States Securities and Exchange Commission. The Notes include notes in bearer form that are subject to United States tax law requirements. Subject to certain exceptions, Notes in bearer form may not be offered, sold or delivered within the United States or to U.S. persons.*

*The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Neither the Bank nor any of the Dealers represents that this Offering Circular may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. See “Subscription and Sale” herein. Persons into whose possession this Offering Circular comes are required by the Bank and the Dealers to inform themselves about and observe any such restrictions.*

*In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to “ECU” are to European Currency Units, references to “dollars”, “U.S.\$” and “\$” are to the lawful currency of the United States of America, references to “Yen” and “¥” are to the lawful currency of Japan, references to “Sterling” and “£” are to the lawful currency of the United Kingdom, references to “Deutsche mark” and “DM” are to the lawful currency of the Federal Republic of Germany and references to “French francs” and “FF” are to the lawful currency of France.*

*This Offering Circular does not constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Bank, the Dealers or any of them that any recipient of this Offering Circular should subscribe for or purchase any Notes. Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the financial condition of the Bank.*

In connection with the issue of any Series of listed Notes, the Dealer disclosed as stabilizing manager in the relevant Pricing Supplement may over-allot or effect transactions which stabilize or maintain the market price of such Notes at a level which might not otherwise prevail. Such stabilizing, if commenced, may be discontinued at any time. All such stabilization shall be made in compliance with all applicable laws and regulations.

#### TABLE OF CONTENTS

	<u>Page</u>
DOCUMENTS INCORPORATED BY REFERENCE .....	1
USE OF PROCEEDS .....	1
SUMMARY OF TERMS AND CONDITIONS OF THE NOTES.....	2
DESCRIPTION OF THE NOTES.....	6
TAX STATUS OF THE NOTES .....	18
SUBSCRIPTION AND SALE .....	19
<i>PERSONNES QUI ASSUMENT LA RESPONSABILITE DU "DOCUMENT DE BASE"</i> .....	22

## DOCUMENTS INCORPORATED BY REFERENCE

The Bank prepares unaudited quarterly financial statements and annual audited financial statements. In addition, the Bank will periodically prepare an information statement (the "Information Statement") which describes the Bank, including its capital, operations and administration, the Agreement Establishing the Inter-American Development Bank, as amended (the "Bank Agreement"), the Bank's legal status, and its principal financial policies. Each Information Statement will also contain the Bank's latest audited financial statements and its latest unaudited semiannual financial statements, if any. The current Information Statement dated September 22, 1995 contains the Bank's audited financial statements as of December 31, 1994 and its unaudited semi annual financial statements as of June 30, 1995.

The Information Statement dated September 22, 1995 and any Information Statement and any quarterly or annual financial statements of the Bank issued subsequent to September 22, 1995 shall, and so long as any of the Notes are outstanding, be deemed to be incorporated by reference in this Information Memorandum and to be a part hereof.

Any statement contained in a document incorporated herein by reference shall be deemed to be modified or superseded for the purposes of this Offering Circular to the extent that a statement contained in any subsequent document which is also incorporated herein by reference or that is a supplement hereto, modifies or supersedes such a statement. Any statement so superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Bank will provide, without charge, to each person to whom a copy of this Information Memorandum has been delivered, upon the written request of any such person, a copy of any or all of the documents incorporated herein by reference. Written requests for such documents should be directed to the Bank at its office set out at the end of this document. In addition, each of such documents and copies of the Bank Agreement and the decisions made by the Bank's Board of Executive Directors on questions of interpretation of the Bank Agreement will be available free of charge to holders of the Notes at the main office of the Listing Agent in Luxembourg as long as any of the Notes are outstanding and, for as long as any Notes are listed on the Paris Bourse, from the principal office in Paris of Banque Nationale de Paris in its capacity as listing agent (the "Paris Listing Agent") for Notes listed on the Paris Bourse.

The Bank has undertaken, in connection with the listing of the Notes, that for as long as any Notes are listed on the Luxembourg Stock Exchange, if there shall occur any material adverse change in the financial condition or operations of the Bank or in the event the Bank decides to change the terms and conditions of the Notes, it will prepare and make available a new Offering Circular or a supplement to the Offering Circular, as amended for use in connection with any subsequent issue of Notes to be listed on the Luxembourg Stock Exchange. The Bank has also undertaken that, so long as any French Franc Notes are listed on the Paris Bourse, if there shall occur any adverse material change in the financial condition or operations of the Bank which is likely to affect its solvency or to provoke a significant variation in the stock exchange price of the Notes, it shall be notified to the COB and published in accordance with COB rules.

Documents incorporated by reference in the Information Memorandum have not been submitted to the clearance procedure of the COB.

## USE OF PROCEEDS

The net proceeds to the Bank from the sale of the Notes will be included in the ordinary capital resources of the Bank and used in its ordinary operations.

## SUMMARY OF TERMS AND CONDITIONS OF THE NOTES

*The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the full text of this document and, in relation to the terms and conditions of any particular Series of Notes, the Pricing Supplement relevant thereto. Terms not defined in this summary are defined elsewhere herein.*

Issuer .....	Inter-American Development Bank (the “Bank”)
Arranger .....	Lehman Brothers International (Europe)
DM Arranger .....	Lehman Brothers Bankhaus Aktiengesellschaft
FF Arranger .....	Banque Nationale de Paris
Euro MTN Dealers .....	Daiwa Europe Limited, Deutsche Bank AG London, Goldman Sachs International, Lehman Brothers International (Europe), Merrill Lynch International Limited, J.P. Morgan Securities Ltd., Morgan Stanley & Co. International Limited and Swiss Bank Corporation.

The issuance of Notes denominated in Deutsche marks will take place in compliance with the guidelines of the German Central Bank (Deutsche Bundesbank) regarding the issue of Deutsche mark denominated debt securities. Under current guidelines only credit institutions domiciled in Germany or German branches of foreign credit institutions will be eligible to act as Dealers in relation to such Notes except in the case of an issue of Deutsche Mark denominated Notes in a syndicated transaction (which need only be lead managed by a credit institution domiciled in Germany or a German branch of a foreign credit institution).

Each issue of Notes denominated in Swiss francs or carrying a Swiss franc related element with a maturity of more than one year (other than Notes privately placed with a single investor with no publicity) will be effected in compliance with the relevant regulations of the Swiss National Bank, based on Article 7 of the Federal Law on Banks and Savings Banks of 1934 (as amended). Under the said regulations, the relevant dealer or, in the case of a syndicated issue, the lead manager must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) (the “Swiss Dealer”). The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the relevant issue date for such a transaction.

FF Dealer .....	Banque Nationale de Paris
-----------------	---------------------------

Under current guidelines, only French credit institutions (which expression includes French subsidiaries of foreign banks) may act as dealers with respect to issues of French Franc Notes except in the case of an issue of Notes denominated in French francs on a syndicated basis (where the lead manager must be a credit institution authorised to act as a manager of issues of Euro French franc debt instruments).

The Arranger for issues of French Franc Notes, the dealers which purchase French Franc Notes and the Bank must comply with the rules and regulations from time to time relating to the *Marché de l’Eurofranc* (the “Euro French Franc Regulations”) including in the case of issues effected by way of private placement. Under the current regulations,

private placements shall be construed as issues of Notes placed on a firm basis with a small number of pre-determined, non-resident investors.

In the event of a public issue of such French franc denominated Notes, the minimum aggregate principal amount for the issue shall, under the current regulations, be FF300,000,000.

Fiscal Agent .....	Bankers Trust Company, London Branch. The Fiscal Agent will perform the usual functions of a paying agent in respect of the Notes.
Principal Paying Agent .....	Bankers Trust Company, London Branch
Registrar .....	Bankers Trust Company, New York Branch
Amount .....	Up to U.S.\$1,250,000,000 aggregate proceeds to the Bank of Notes and U.S. Notes outstanding at any one time (or its equivalent in other currencies or composite currencies calculated at the date of issue), subject to the right of the Bank to increase such limit.
Currencies .....	Subject to any legal or regulatory restrictions, such currencies as may be agreed between the Bank and the relevant Dealer, including, without limitation, Australian dollars, Austrian schillings, Canadian dollars, Czech crowns, Danish kroner, Deutsche marks, Dutch guilders, ECU, Finnish markkas, French francs, Hong Kong dollars, Irish punt, Italian lire, Japanese yen, Luxembourg francs, New Zealand dollars, Norwegian kroner, Portuguese escudos, South African rand, Sterling, Swedish kroner, Swiss francs and United States dollars as indicated in the applicable Pricing Supplement.
Maturities .....	At least one year (including for French Franc Notes) except that the minimum maturity of Notes denominated in Sterling will be more than one year and the minimum maturity of Notes denominated in DM will be two years, or, in any case, such other minimum or maximum maturity as may be allowed or required from time to time to comply with all applicable laws and regulatory requirements for the relevant Specified Currency as indicated in the applicable Pricing Supplement.
Issue Price .....	Notes may be issued at their principal amount, or at a premium or discount to their principal amount, as specified in the Pricing Supplement relating to such Notes.
Fixed Rate Notes .....	Fixed Rate Notes will bear interest which will be payable in arrears on such date or dates as shall be agreed between the Bank and the relevant Dealer(s) (as indicated in the relevant Pricing Supplement) and upon redemption or maturity and will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each, all as more fully described in "Description of the Notes — Interest Rates".
Floating Rate Notes .....	Floating Rate Notes will bear interest calculated by reference to LIBOR or such other reference rate as is specified in the relevant Pricing Supplement, as adjusted by addition or subtraction of any applicable spread and/or by multiplication by any applicable spread multiplier, and interest will be payable monthly, quarterly, semi-annually or annually (or such other period(s) as the Bank and the relevant purchaser may agree) and upon redemption or maturity, all as more fully described in "Description of the Notes — Interest Rates". Interest payment periods will be determined prior to issue and will be specified in the relevant Pricing Supplement. Unless otherwise specified in the applicable Pricing



Supplement, interest will be calculated on the basis of the actual number of days in the interest payment period concerned divided by 360 (or 365/366 in the case of Notes denominated in Sterling). Floating Rate Notes may have a maximum interest rate, a minimum interest rate or both or neither.

Form of Notes .....	Notes of a Series may be issued in either bearer or registered form. Notes of any particular Series shall not be constituted by Notes in both bearer and registered form. The Notes in bearer form will initially be represented by a temporary Global Note; interests in a temporary Global Note will be exchangeable for interests in a definitive permanent Global Note or, in certain circumstances, a definitive Note in each case not earlier than 40 days after the original issue date, upon receipt of certification as to non-U.S. beneficial ownership by the Fiscal Agent. Except in the case of Global Notes denominated in Deutsche Marks, interests in a permanent Global Note will in turn be exchangeable for definitive Notes, all as more fully described in "Description of the Notes — Form, Denomination and Title". Temporary or permanent Global Notes denominated in Deutsche Marks will not be exchangeable for Notes in definitive form. Notes in bearer form will not be exchangeable for Notes in registered form and Notes in registered form will not be exchangeable for Notes in bearer form.
Denomination of Definitive Notes .....	Definitive Notes will be issued in the denominations specified in the relevant Pricing Supplement, provided that all Notes denominated in Sterling will be issued in a minimum denomination of £100,000 and in all cases, the Notes will be subject to such other minimum denominations as may be allowed or required from time to time to comply with all applicable laws or regulations for the relevant Specified Currency.
Redemption .....	The Pricing Supplement relating to each Series of Notes will indicate whether, under what circumstances and the terms on which the Notes of such Series may otherwise be redeemed prior to their stated maturity. The Bank may at any time purchase Notes in any manner and at any price. No part of Notes denominated in Sterling or of French Franc Notes may be redeemed prior to one year and one day or to one year respectively from the relevant Original Issue Date and no part of Notes denominated in DM may be redeemed prior to two years from the relevant Original Issue Date.
Taxation .....	The Notes are not subject to any tax by a member of the Bank (i) which tax discriminates against the Notes solely because they are issued by the Bank or (ii) if the sole jurisdictional basis for the tax is the place or currency in which the Notes are issued, made payable or paid, or the location of any office or place of business maintained by the Bank. Also, under the Bank Agreement, the Bank is not under any obligation to withhold or pay any tax imposed by any member on the interest on the Notes.
Status of the Notes; Negative Pledge .....	The Notes will represent unconditional and direct obligations of the ordinary capital resources of the Bank and will rank <i>pari passu</i> , without any preference among themselves, with all other outstanding obligations of the ordinary capital resources of the Bank. The Notes will have the benefit of a negative pledge, as described in and subject to the excep-



	tions set forth under “Description of the Notes — Negative Pledge” below.
Rating .....	The Notes have been rated Aaa by Moody’s Investors Service, Inc. (“Moody’s”) and AAA by Standard & Poor’s Ratings Group (“S&P”).
Listing .....	The Notes have been admitted to listing on the Luxembourg Stock Exchange. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Bank and the relevant Dealer(s) in relation to each issue including, in the case of French Franc Notes, the Paris Bourse where (i) such French Franc Notes are, or are intended to be, listed on any other stock exchange or (ii) such French Franc Notes are, or are intended to be, distributed as a public offer (within the meaning of the Euro French Franc Regulations). Unlisted Notes may also be issued. The Pricing Supplement relating to each issue will state whether or not and, if so, on which stock exchange(s) the Notes are to be listed.
Selling Restrictions .....	There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See “Subscription and Sale” below.
Governing Law .....	The Notes will be governed by, and construed in accordance with, the law of the State of New York.
Clearing Systems .....	As specified in the relevant Pricing Supplement, Euroclear, Cedel Bank and/or SICOVAM ( <i>Société Interprofessionnelle pour la compensation des Valeurs Mobilières</i> ) and/or any additional or alternative clearance system as applicable.

## DESCRIPTION OF THE NOTES

The Notes may be issued from time to time in one or more Series of one or more Notes pursuant to a Fiscal Agency Agreement, dated as of May 14, 1993 (as amended, supplemented or otherwise modified from time to time, the “Fiscal Agency Agreement”), between the Bank and Bankers Trust Company, as Fiscal Agent (the “Fiscal Agent”) and Bankers Trust Luxembourg S.A. and Swiss Bank Corporation, as Paying Agents (the “Paying Agents”). The issuance and sale of the Notes has been authorized by the Bank’s Board of Executive Directors in its Global Borrowing Authorization Resolution (DE-27/93) adopted on January 21, 1993, as amended or replaced from time to time. The terms of any particular Series of Notes (including Notes to be listed on the Luxembourg Stock Exchange or the Paris Bourse) will be set forth in a Pricing Supplement relating to such Series, as described under “Pricing Supplements” below. The statements in this section include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement, each Calculation Agency Agreement referred to below, the Notes, and any applicable Pricing Supplement. Copies of the Fiscal Agency Agreement and each Calculation Agency Agreement are available for inspection at the principal office of the Fiscal Agent, being at the date hereof at Bankers Trust Company, 1 Appold Street, Broadgate, London EC2A 2HE and at the specified offices of such other Paying Agents as may be appointed from time to time (each, together with the Fiscal Agent in its capacity as Principal Paying Agent, a “Paying Agent”). The Holders of Notes and the Holders of any interest coupons and talons appertaining to the Notes are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement and the Calculation Agency Agreement applicable to them.

As used herein, the following terms shall have the meanings set forth below:

“Business Day” with respect to any Note means in the case of Notes denominated in a Specified Currency other than ECU, any day except a Saturday, Sunday or other day on which banking institutions are required or authorized by law or executive order to close, in London and in either (i) in the principal financial center of the country issuing the Specified Currency or (ii) in the case of Notes denominated in ECU, any day other than a non-ECU clearing day, as determined by the ECU Banking Association in Paris.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and in the case of the third sentence in paragraph (ii) under “Floating Rate Notes” the principal financial center of the country issuing the Specified Currency.

“Market Exchange Rate” means the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for the applicable Specified Currency.

### **Form, Denomination and Title**

Notes of a Series may be issued in either bearer or registered form, but in no event shall Notes of any particular Series be constituted by Notes in both bearer and registered form. Unless otherwise specified in the applicable Pricing Supplement, the Notes will be in bearer form and serially numbered. The Notes will be issued in the denominations specified in the applicable Pricing Supplement, provided that all Notes denominated in Sterling will be issued in a minimum denomination of £100,000 and in all cases, the Notes will be subject to such other minimum or maximum denominations as may be allowed or required from time to the time to comply with all applicable laws and regulations for the relevant Specified Currency.

Notes in bearer form will initially be represented by a temporary Global Note, without interest coupons attached (a “temporary Global Note”), which will be deposited on behalf of purchasers of the Notes of such Series with a common depository for Morgan Guaranty Trust Company of New York, as operator of the Euroclear system (“Euroclear”), and Cedel Bank, société anonyme (“Cedel Bank”), on or about the issue date thereof. Upon deposit of such temporary Global Note, Euroclear and Cedel Bank will credit purchasers with principal amounts of Notes of such Series equal to the principal amount thereof for which they have paid. Upon certification from Euroclear or Cedel Bank to the Fiscal Agent as to the non-United States beneficial ownership thereof as required by U.S. Treasury regulations and as set forth in the Fiscal Agency Agreement,

interests in the temporary Global Note of any Series will be exchangeable for either interests in a permanent Global Note (a “permanent Global Note”) of such Series, without coupons attached, or for definitive Notes (as indicated in the Pricing Supplement and subject, in the case of definitive Notes, to such notice period as is specified in the Pricing Supplement) on or after the date (the “Exchange Date”) that is the first Business Day following the expiration of a period of 40 days after the Original Issue Date (as defined below) of the Notes of such Series. No payments on a temporary Global Note will be made prior to certification as to the beneficial ownership thereof. Interests in a temporary Global Note (as discussed above) or a permanent Global Note may be exchanged (but not prior to the Exchange Date) in whole, and interests in a permanent Global Note (subject to the Notes which continue to be represented by the Global Note being regarded by Euroclear and Cedel Bank as fungible with the definitive Notes issued in partial exchange for such Global Note) may be exchanged in part, for other bearer Notes of such Series in definitive form, with coupons (“Coupons”) and, if applicable, talons (“Talons”) attached, upon 40 days’ notice (which may be given at any time prior to, on or after the Exchange Date) to the Fiscal Agent. As of the date hereof, neither Euroclear nor Cedel Bank regard Notes in permanent Global form as fungible with Notes in definitive form. References herein to the Notes of a Series shall be deemed to include the temporary and permanent Global Notes and the other definitive bearer or registered Notes of such Series, unless the context requires otherwise and references herein to “Holders” shall be deemed to refer to holders of Notes. Notes in bearer form will not be exchangeable for Notes in registered form and Notes in registered form will not be exchangeable for Notes in bearer form. Temporary or permanent Global Notes denominated in Deutsche Marks will not be exchangeable for Notes in definitive form and the Bank reserves the right to specify that temporary or permanent Global Notes denominated in a Specified Currency shall not be exchangeable for definitive Notes in the event that any jurisdiction’s withholding taxes should be made applicable to such Notes. Any reference in this section “Form, Denomination and Title” to Euroclear, and/or Cedel Bank shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system (including SICOVAM).

For so long as any bearer Notes are represented by a temporary or permanent Global Note, (i) such Notes will be transferable in accordance with the rules and procedures for the time being of Cedel Bank and/or Euroclear, as the case may be, and (ii) each person who is for the time being shown in the records of Cedel Bank and/or Euroclear, as the case may be, as the owner of a particular nominal amount of such Notes (in which regard any certificate or other similar document issued by Cedel Bank and/or Euroclear, as the case may be, as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Bank, the Fiscal Agent and any Paying Agent as a holder of such nominal amount of Notes (and the term “Holder” shall be construed accordingly) for all purposes other than with respect to the payment of principal (including premium, if any) and interest and any other amounts payable, on such Notes, the right to which shall be vested, as against the Bank, the Fiscal Agent and any Paying Agent, solely in the bearer of the temporary or permanent Global Note in accordance with and subject to its terms and the Fiscal Agency Agreement. The term “Holder” shall also include the bearer of any definitive bearer Note (other than a permanent Global Note) and the person in whose name a registered Note is registered in the note register (the “Note Register”) maintained pursuant to the Fiscal Agency Agreement (a “Registered Holder”) by Bankers Trust Company as registrar (the “Registrar”). Title to definitive bearer Notes, Coupons and Talons will pass by delivery. The Bank, the Fiscal Agent and any Paying Agent may (except as ordered by a court of competent jurisdiction or as required by applicable law) deem and treat the bearer of any definitive bearer Note, Coupon (a “Couponholder”) or Talon (a “Talonholder”) as the owner thereof for all purposes (notwithstanding any notice of ownership given or any writing thereon made by anyone) whether or not such definitive bearer Note or Coupon, or any Coupon to which any Talon appertains, shall be overdue. Title to Notes of any Series in registered form shall pass upon the registration of transfers in respect thereof in accordance with the provisions of the Fiscal Agency Agreement.

The clearing and settlement of a transfer of Notes in registered form on the Luxembourg Stock Exchange will not take place through a recognized clearing house, instead the seller’s agent should forward the Note in registered form to the purchaser’s agent. Such Note must be received within seven calendar days following the trade date. The purchaser’s agent should then forward the Note in registered form to the Listing Agent or Paying and Transfer Agent for transmission to the Registrar. The purchaser’s agent may also forward the Note in registered form directly to the Registrar. The new Note certificate will be sent by the Registrar by mail

directly to the transferee unless otherwise requested. However, further delay to the seven calendar days of the procedure may occur. Such exchanges or transfers will be effected without service charge but upon payment of any taxes and other governmental charges and any expenses of the Registrar, Listing Agent or Paying and Transfer Agent in making delivery of Notes in registered form other than at the registered address of the Holder and upon the Paying and Transfer Agent, Listing Agent or the Registrar, as the case may be, being satisfied with the documents of title and identity of the person making the request, and subject to such reasonable regulations as the Bank may from time to time agree with the Paying and Transfer Agent, Listing Agent and the Registrar, all as described in the Fiscal Agency Agreement. Notes in registered form may be transferred in whole or in part (provided that such Note is not less than the minimum denomination specified in the applicable Pricing Supplement).

## **Status**

The Notes (including any Coupons) will represent unconditional and direct obligations of the ordinary capital resources of the Bank and will rank *pari passu*, without any preference among themselves, with all other outstanding obligations of the ordinary capital resources of the Bank.

## **Pricing Supplements**

The Pricing Supplement relating to each issue of Notes will describe the following terms: (i) the currency in which such Notes are to be denominated (the “Specified Currency”), and certain other terms relating to the Notes, including the authorized minimum denominations, if any; (ii) the price (generally expressed as a percentage of the aggregate principal amount thereof) at which such Notes will be issued (the “Issue Price”); (iii) the date on which such Notes will be issued (the “Original Issue Date”), provided, however, that Notes of a Series need not have the same Original Issue Date; (iv) the date on which such Notes will mature (the “Maturity Date”) or in the case of a Floating Rate Note, the month and year in which the Floating Rate Note will be redeemed (the “Redemption Month”); (v) whether such Notes are Fixed Rate Notes or Floating Rate Notes (as defined herein); (vi) if such Notes are Fixed Rate Notes, the rate per annum at which such Notes will bear interest, the Interest Payment Date or Dates (as defined herein) and whether such Notes are Amortizing Notes (as defined herein); (vii) if such Notes are Floating Rate Notes, the Interest Rate Basis, the Interest Payment Period, the Initial Interest Rate, the Interest Payment Dates, the Maximum Interest Rate, if any, the Minimum Interest Rate, if any, the Spread and/or Spread Multiplier, if any (all as defined herein), and any other terms relating to the particular method of calculating the interest rate for such Notes; (viii) whether such Notes may be redeemed at the option of the Bank or the Holder, prior to the Maturity Date, in the case of Fixed Rate Notes, or the Redemption Month, in the case of Floating Rate Notes, and, if so, the provisions relating to such redemption; (ix) any relevant tax consequences associated with the terms of such Notes which have not been described in “Taxation of the Notes”; (x) whether the Notes are to be listed on the Luxembourg Stock Exchange or the Paris Bourse or any alternative or additional stock exchange; (xi) the existence of any syndicate offering the Notes, and the names of each Dealer purchasing the Notes from the Bank; (xii) the common code and ISIN Number of such Series of Notes; (xiii) any other terms of such Notes not inconsistent with the provisions of the Fiscal Agency Agreement; and (xiv) in the case of any Notes to be listed on the Paris Bourse (a) the number and denominations of the Notes to be issued; (b) the SICOVAM number(s); (c) the name and specified office of the paying agent in France; (d) the address in Paris where any relevant document will be available for inspection and a list of such documents; (e) the specialist broker for the Notes; (f) a statement in French signed manually by a person duly authorised on behalf of the Bank and a person duly authorised on behalf of the relevant Dealer or, in the case of a syndicated issue of Notes, the relevant lead manager, accepting responsibility for the information contained in the Pricing Supplement, in the following form:

**PERSONNES QUI ASSUMENT LA RESPONSABILITE DE  
LA NOTE D'INFORMATION COMPOSEE DE LA PRESENTE  
NOTE D'OPERATION (PRICING SUPPLEMENT),  
DU DOCUMENT DE BASE (INFORMATION MEMORANDUM)  
ET DU DOCUMENT D'INFORMATION FINANCIERE (INFORMATION STATEMENT)**

**1. Au nom de l'émetteur**

A la connaissance de l'émetteur, les données de la présente Note d'Information sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Aucun élément nouveau (autre que ceux mentionnés dans la présente Note d'Opération) intervenu depuis le [            ], date du visa no. [            ] apposé par la Commission des Opérations de Bourse sur le Document de Base et depuis le [            ], date du visa no. [            ] apposé par la Commission des Opérations de Bourse sur le Document d'Information Financière, n'est susceptible d'affecter de manière significative la situation financière de l'émetteur dans le contexte de la présente émission.

Inter-American Development Bank

[Name]  
[Title]

**2. Au nom de la banque présentatrice**

A la connaissance de la banque présentatrice, les données de la Note d'Information, composée du Document de Base, du Document d'Information Financière et de la présente Note d'Opération, sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Banque Nationale de Paris

[Name]  
[Title]

(g) a statement in French in respect of the relevant Pricing Supplement in the following form:

“La notice légale sera publiée au Bulletin des Annonces Légales Obligatoires (BALO) du [date]. La présente Note d'Information ne peut pas être distribuée en France avant la date effective de cotation de l'emprunt à la Bourse de Paris et la publicité légale au BALO”; and

(h) the visa numbers allocated by the COB in respect of the Information Memorandum and the relevant Pricing Supplement in the following form:

**“VISA DE LA COMMISSION DES OPERATIONS DE BOURSE**

En vue de la cotation à Paris des obligations émises dans le cadre de ce Programme, et par application des articles 6 et 7 de l'ordonnance no. 76-833 du 28 septembre 1967, la Commission des Opérations de Bourse a enregistré le Document de Base sous le visa no. [            ] du [            ] 1995 et le Document d'Information Financière sous le visa no. [            ] du [            ] 1995 et a apposé sur la présente Note d'Information le visa no. [            ] du [            ].”

The Pricing Supplement in relation to each Note will be attached to such Note (in the case of a Global Note) or will be endorsed on such Note as a supplement thereto. References herein to the Pricing Supplement are to the Pricing Supplement attached to or endorsed on such Note. All Notes of a Series will have terms (other than the Original Issue Date, the Interest Commencement Date and the Issue Price) which are identical.

**Payment Currency**

Except as provided below or in any applicable Pricing Supplement, payment of the principal of (including premium, if any) and interest on each Note will be made in the Specified Currency (or, if the Specified Currency at the time of such payment is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, in such other coin or currency of the country which issued the Specified Currency which at the time of payment is used by the government of the country issuing such currency and for the settlement of transactions by public institutions of or within the international banking community).

Except as set forth below with respect to payments in European Currency Units (“ECU”) and except as provided in the foregoing paragraph, if the Specified Currency is other than U.S. dollars and such Specified Currency is not available due to the imposition of exchange controls or other circumstances beyond the control of the Bank, the Bank will be entitled to satisfy its obligations by making such payments in U.S. dollars at the Market Exchange Rate without constituting a default.

If the Notes are denominated in ECU, the value and composition of the ECU in which the Notes are denominated will be the same as the value and the composition of the European Currency Unit that is at present used as the unit of account of the European Communities (“EC”) and which is at present valued on the basis of specified amounts of the currencies of the member countries of the European Community.

With respect to each due date for the payment of interest or the reimbursement of principal, in the event that the ECU is neither used as the unit of account of the EC, nor as the currency of the European Union, the Fiscal Agent, in consultation with the Bank, shall, without liability on either the Fiscal Agent or the Bank and without having regard to the interests of individual Holders of Notes, choose U.S. dollars or a currency which was a component of the ECU when the ECU was most recently used as the unit of account of the EC (the “Payment Currency”) in which all payments due on that due date with respect to Notes shall be made.

Notices specifying the Payment Currency will be published as provided in the Notes. The amount of any such payment in the Payment Currency shall be computed on the basis of the equivalent of the ECU in that currency, determined as provided below, as of the fourth Business Day (a “Prospective Valuation Date”) prior to the date on which such payment is due. On the first Business Day in Luxembourg (the “Retroactive Valuation Date” and together with any Prospective Valuation Date, a “Valuation Date”) on which the ECU is used neither as the unit of account of the EC, nor as the currency of the European Union, the Fiscal Agent, in consultation with the Bank, shall, without liability on either the Fiscal Agent or the Bank, choose a Payment Currency in which all payments with respect to such Notes having a due date prior thereto but not yet presented for payment are to be made. The amount of each such payment in the Payment Currency shall be computed on the basis of the equivalent of the ECU in that currency, determined as provided below, as of the Retroactive Valuation Date. The equivalent of the ECU in the relevant Payment Currency as of any Valuation Date shall be determined by the Fiscal Agent between the Bank and the Fiscal Agent on the following basis. The component currencies of the ECU for this purpose (the “Components”) shall be the currency amounts that were components of the ECU as of the last date on which the ECU was used as the unit of account of the EC prior to the applicable Valuation Date. The equivalent of the ECU in the Payment Currency shall be calculated by first aggregating the U.S. dollar equivalents of the Components and, if the Payment Currency is not U.S. dollars, then using the rate used for determining the U.S. dollar equivalent of the Payment Currency as set forth below, calculating the equivalent in the Payment Currency of such aggregate amount in U.S. dollars. For purposes of this paragraph, the U.S. dollar equivalent of each of the Components shall be determined by the Fiscal Agent on the basis of the middle spot delivery quotations prevailing at 11:00 a.m. London time on the applicable Valuation Date, as obtained by the Fiscal Agent from one or more banks,



selected by the Bank, in the country of issue of the Component in question. If for any reason no direct quotations are available for a Component as of a Valuation Date from any of the banks selected by the Bank for this purpose, the most recent direct quotations for such Component obtained by the Fiscal Agent shall be used in computing the U.S. dollar equivalent of the ECU on such Valuation Date; provided, however, that the Fiscal Agent shall instead determine the U.S. dollar equivalent of such Component on the basis of cross rates derived from the middle spot delivery quotations for such component currency and for the U.S. dollar prevailing at 11:00 a.m. London time on such Valuation Date, as obtained by the Fiscal Agent from one or more major banks, selected by the Bank, in a country other than the country of issue of such component currency, if no such direct quotations were available in the two Business Days preceding the Valuation Date or if the Bank judges that the equivalent so calculated based on such cross rates is more representative than the U.S. dollar equivalent calculated on the basis of such most recent direct quotations and gives the Fiscal Agent notice to that effect. Unless otherwise specified by the Bank, if there is more than one market for dealing in any Component by reason of foreign exchange regulations or for any other reason, the market to be referred to in respect of such Component shall be that upon which a nonresident issuer of securities denominated in such Component would purchase such Component in order to make payments in respect of such securities. Any payment made in the Payment Currency in accordance with the foregoing will not constitute an Event of Default under the Notes.

All determinations referred to above made by the Bank or the Fiscal Agent, as the case may be, shall be at its sole discretion and shall, absent manifest error, be conclusive for all purposes and binding on all Holders of Notes and any Coupons or Talons relating thereto.

### **Maturities**

The Notes will mature at least one year from the Original Issue Date thereof. The minimum maturity of Notes denominated in Sterling will be more than one year and the minimum maturity of Notes denominated in DM will be two years, or, in any case, such minimum or maximum maturity as may be allowed or required from time to time to comply with all applicable laws and regulatory requirements for the relevant Specified Currency.

### **Interest Rates**

The Pricing Supplement relating to each issue of Notes, will specify (a) a fixed rate per annum, in which case each such Note will be a "Fixed Rate Note"; or (b) a variable rate at which interest is to be calculated, in which case each such Note will be a "Floating Rate Note". Interest on a Floating Rate Note may be calculated by reference to LIBOR (in which case such Note will be a "LIBOR Note") or by reference to any other interest rate basis, all as more fully described herein and in the Pricing Supplement relating to such Note. The interest rate on each Note will be equal to (a) in the case of a Fixed Rate Note, a fixed rate or (b) in the case of a Floating Rate Note, the interest rate determined by reference to the specified Interest Rate Basis plus or minus the Spread, if any, and/or multiplied by the Spread Multiplier, if any. The "Interest Rate Basis" with respect to any Floating Rate Note shall be the Interest Rate Basis specified in the applicable Pricing Supplement. The "Spread" is the number of basis points (one one-hundredth of a percentage point) specified in the applicable Pricing Supplement to be added to or subtracted from the Interest Rate Basis of such Floating Rate Note, and the "Spread Multiplier" is the percentage specified in the applicable Pricing Supplement to be applied to the Interest Rate Basis for such Floating Rate Note. Any Floating Rate Note may also have either or both a maximum interest rate limitation ("Maximum Interest Rate") and/or a minimum interest rate limitation ("Minimum Interest Rate") on the rate at which interest may accrue during any interest period.

All percentages resulting from any calculation with respect to Floating Rate Notes will be rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, with five or more one-millionths of a percentage point being rounded upwards to the next higher one-hundred thousandth of a percentage point (e.g. 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)), and all currency or composite currency amounts used in or resulting from such calculations will be rounded to the nearest one-hundredth of a unit (with .005% of a unit being rounded upwards).



### **Fixed Rate Notes**

Each Fixed Rate Note will bear interest from its Original Issue Date or such other date stated in the Pricing Supplement (either such date, an “Interest Commencement Date”), or from the most recent date to which interest on such Note has been paid or duly provided for, at the rate per annum stated therein until the principal amount thereof is paid or made available for payment. Interest on each Fixed Rate Note will be payable in arrears on the date or dates set forth in the relevant Pricing Supplement (each such date being an “Interest Payment Date”) commencing with the first such Interest Payment Date falling at least fifteen days after the Original Issue Date of such Note, and at the Maturity Date or any redemption date, until the principal of such Note shall be paid or made available for payment. If such day is not a Business Day with respect to such Fixed Rate Note, the payment of interest may be made on the next succeeding Business Day with the same force and effect as if made on the due date, and no interest shall accrue as a result of such delay. Interest on Fixed Rate Notes will be computed on the basis of a 360-day year of twelve 30-day months.

### **Floating Rate Notes**

Interest on each Floating Rate Note will be payable by the Bank on each Interest Payment Date which falls the number of months or such other period (the “Interest Payment Period”) specified as the Interest Payment Period(s) in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined above) with respect to such Note, the interest shall be payable on the next succeeding Business Day (and interest will accrue to but exclude such succeeding Business Day) with respect to such Note; provided, however, that if the Interest Rate Basis specified in such Note is LIBOR and such next succeeding Business Day would fall in the next calendar month, such interest shall be payable on the immediately preceding Business Day (and interest will accrue to but exclude such preceding Business Day and each subsequent Interest Payment Date shall be the last Business Day of the last month of each subsequent Interest Payment Period).

The rate of interest on each Floating Rate Note will be reset on the second London Banking Day prior to the Original Issue Date and on the second London Banking Day prior to each subsequent Interest Payment Date (or such other day which is the convention for a Specified Currency) with respect to such Note, unless otherwise specified in the applicable Pricing Supplement (each date upon which interest is so reset being hereinafter referred to as an “Interest Determination Date”), provided, however, that the interest rate in effect for the ten calendar days immediately prior to the final Interest Payment Date of such Note will be that in effect on the tenth calendar day preceding such final Interest Payment Date. Notwithstanding the foregoing, the interest rate on any Note shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, and in no event shall be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Unless otherwise indicated in the applicable Pricing Supplement, interest payments on an Interest Payment Date for a Floating Rate Note will include interest accrued from, and including, the Interest Commencement Date or from, and including, the most recent Interest Payment Date to which interest has been paid or duly provided for to, but excluding, such Interest Payment Date.

Interest payable on any redemption date will include accrued interest from, and including, the Interest Commencement Date or from, and including, the last date in respect of which interest has been paid, to but excluding any redemption date.

The calculation agent specified in the applicable Pricing Supplement (the “Calculation Agent”) will, as soon as practicable after determining the interest rate in relation to each Interest Payment Period, calculate the amount of interest payable in respect of the principal amount of the smallest or minimum denomination of such Notes specified in the relevant Pricing Supplement for the relevant Interest Payment Period. The amount of interest payable will be calculated by applying the rate of interest for an Interest Payment Period to such principal amount, multiplying the product by the actual number of days in the Interest Payment Period concerned divided by 360 (or, in the case of Notes denominated in Sterling, 365/366) or by such other number as may be specified in the relevant Pricing Supplement and rounding the resulting figure to the nearest

sub-unit of the currency in which such Notes are denominated or, as the case may be, in which such interest is payable (one-half of any such sub-unit being rounded upwards).

Unless otherwise provided for in the applicable Pricing Supplement, each relevant Calculation Agent will determine the interest rate on each Interest Determination Date as described below. Such Calculation Agent will notify the Bank, the Luxembourg Stock Exchange or the Paris Bourse or any alternative or additional stock exchange and the Fiscal Agent as soon as practicable (but in no event later than the first Business Day of the relevant Interest Payment Period) of each determination of the interest rate applicable to any such Floating Rate Note. In addition, such Calculation Agent will cause such information to be published in accordance with the provisions in the Fiscal Agency Agreement for giving notices to Holders of Notes in bearer form. Such Calculation Agent's determination of any interest rate will be, absent manifest error, final and binding.

Subject to applicable provisions of law and except as may be provided in any applicable Pricing Supplement, on each Interest Determination Date the rate of interest on Floating Rate Notes shall be the rate determined, in the case of LIBOR Notes, in accordance with the provisions below and, in the case of other Floating Rate Notes, in accordance with the provisions of such Notes and the applicable Pricing Supplement.

The interest rate with respect to a LIBOR Note for any Interest Determination Date shall be determined by such Calculation Agent in accordance with the following provisions:

- (i) The Calculation Agent will determine LIBOR on the basis of the offered rates for deposits of a specified maturity in the Specified Currency of such Note on the Interest Determination Date and LIBOR shall equal either (A) the arithmetic mean, as determined by the Calculation Agent, of the offered rates which appear on the display specified in the Pricing Supplement on the Reuters Monitor Money Rates Service (or such other relevant page as may replace that page on that service) (the "Reuters Screen") or (B) the offered rate which appears on the page specified in the Pricing Supplement on the Dow Jones Telerate Service (or such other page as may replace that page on that service) (the "Telerate Page"), in each case as of 11:00 a.m., London time, on such Interest Determination Date, adjusted by the addition or subtraction of the Spread, if any, specified in such Note, or by multiplication by the Spread Multiplier, if any, specified in such Note; if neither the Reuters Screen nor the Telerate Page is specified in the applicable Note, LIBOR will be determined as if Telerate Page had been specified; provided, however, in the case of (A) above, if fewer than two such offered rates so appear on the Reuters Screen, LIBOR for such Interest Determination Date will be determined as if the Telerate Page had been chosen, and in the case of (B) above, if no rate appears on the Telerate Page, LIBOR for such Interest Determination Date will be determined as if the Reuters Screen had been chosen, provided, further, that if fewer than two such offered rates so appear on the Reuters Screen and no rate appears on the Telerate Page, LIBOR for such Interest Determination Date will be determined as described in (ii) below.
- (ii) If, on any Interest Determination Date, fewer than two offered rates appear on the Reuters Screen and if no rate appears on the Telerate Page, as the case may be, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market, as selected by the Calculation Agent in consultation with the Bank, to provide the Calculation Agent with its quotation of the rate it offered to prime banks in the London interbank market at approximately 11:00 a.m., London time, on such Interest Determination Date for deposits of the specified maturity in the Specified Currency. If at least two such quotations are provided, LIBOR will be the arithmetic mean of such quotations, adjusted by the addition or subtraction of the Spread, if any, specified in such Note, or by multiplication by the Spread Multiplier, if any, specified in such Note. If fewer than two quotations are provided, LIBOR will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., London time, on such Interest Determination Date by three major banks in the relevant financial center for the Specified Currency (which in the case of ECU shall be Brussels), selected by the Calculation Agent in consultation with the Bank, for loans in the Specified

Currency of a specified maturity to leading European banks, commencing on the next Interest Payment Date, adjusted by the addition or subtraction of the Spread, if any, specified in such Note, or by multiplication by the Spread Multiplier, if any, specified in such Note; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, LIBOR for such Interest Determination Date will be the LIBOR rate set on the previous Interest Determination Date.

If the Interest Rate Basis is specified in the applicable Pricing Supplement to be the “FF Interest Rate Basis”, it will be determined by the Calculation Agent in accordance with the following provisions:

- (i) On the first Business Day before the beginning of each Interest Payment Period (the “FF Interest Determination Date”), the Calculation Agent will obtain the rate as defined and calculated by the *Association Française des Banques* and Telerate respectively, at or about 11:00 a.m. (Paris time) on the relevant FF Interest Determination Date for deposits of the specified maturity in French francs in the Paris interbank market. Such rate is shown on the page designated as page “20041” on the Telerate information display service (the “Telerate Service”) (or such page as may replace page 20041 on that service or such other service as may be denominated by the *Association Française des Banques*, as the information provider for the purposes of displaying Paris interbank offered rates for French franc deposits) as at 11:00 a.m. (Paris time).
- (ii) If on such FF Interest Determination Date, such offered rate cannot be obtained by the Calculation Agent, the Calculation Agent shall request the principal Paris office of five major banks in the Paris interbank market as selected by the Calculation Agent (the “FF Reference Banks”) to provide the Calculation Agent with their offered quotations to prime banks for French franc deposits in Paris of the specified maturity as at 11.00 a.m. (Paris time) on the relevant FF Interest Determination Date. The FF Interest Rate Basis for such Interest Payment Period shall, subject as provided below, be the rate determined by the Calculation Agent to be the arithmetic mean (rounded, if necessary, up to the fifth decimal place) of such quotations (or such of them, being at least two, as are so provided), as are determined by the Calculation Agent.
- (iii) If on an FF Interest Determination Date fewer than two Reference Banks provide such quotations, the Calculation Agent shall determine the arithmetic mean of the French franc offered rates quoted by three major Paris banks selected by the Calculation Agent as at approximately 3.00 p.m. (Paris time) on the relevant FF Interest Determination Date, for a period of the specified maturity, to leading European banks and the FF Interest Rate Basis for such Interest Payment Period shall, subject as provided below, be such arithmetic mean as determined by the Calculation Agent. If no bank or banks is or are so selected, or such bank or banks which is or are so selected does not or do not provide such a rate or rates, the applicable FF Interest Rate Basis shall be the FF Interest Rate Basis in effect as on the previous FF Interest Determination Date.

#### **Payment of Principal and Interest; Paying Agents**

No payment of principal (including premium, if any) or interest in respect of any bearer Note will be made at an office of the Bank or of any agent of the Bank in the United States or by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States, except as may be permitted by United States tax law in effect at the time of such payment without detriment to the Bank. Notwithstanding the foregoing, such payments may be made in U.S. dollars at an office or agency located in the United States if (but only if) the Specified Currency is U.S. dollars and payment of the full amount so payable in U.S. dollars at each office of the Fiscal Agent and of each Paying Agent outside the United States appointed and maintained pursuant to the Fiscal Agency Agreement is illegal or effectively precluded by exchange controls or other similar restrictions. Any payment made under such circumstances will not constitute an Event of Default under the Notes.

If any date for payment of any amount in respect of any Note or Coupon is a Business Day but is not a business day in the place of presentation of the Notes, then the Holder shall not be entitled to payment of the amount due until the next following Business Day and shall not be entitled to any interest or other sum in respect of such delay.

Each temporary Global Note will provide that principal (including premium, if any) and interest payable on Notes represented by such temporary Global Note will be paid in immediately available funds to each of Euroclear and Cedel Bank with respect to that portion of such temporary Global Note held for its account but only upon delivery to the Fiscal Agent of a certificate signed by Euroclear or Cedel Bank, as the case may be, in the form required by the Fiscal Agency Agreement, dated no earlier than such payment date, which certificate must be based on certifications provided to it by its account Holders as to non-United States beneficial ownership of interests in such temporary Global Note as required by U.S. Treasury Regulations and as set forth in the Fiscal Agency Agreement. Payments of principal (including premium, if any) and interest due in respect of any portion of the permanent Global Note will be made in immediately available funds to each of Euroclear and Cedel Bank with respect to the portion of such permanent Global Note held for its account without certification as aforesaid. Each of Euroclear and Cedel Bank will undertake in such circumstances to credit any such amounts received by it to the respective accounts of the persons who are the owners of such interest on the date on which such amounts are paid. Any such amounts so received by Euroclear and Cedel Bank and not so paid shall be returned to the Fiscal Agent immediately prior to the expiration of two (2) years after the receipt thereof.

Any interest on definitive bearer Notes of a Series shall be payable by check or by wire transfer upon surrender of any applicable Coupon, and principal of (including premium, if any) definitive bearer Notes shall be payable by check or by wire transfer upon surrender of such Notes, at such offices or agencies of the Fiscal Agent or any Paying Agent outside the United States or in such other manner as may be set forth or provided for in the bearer Notes of such Series as the Bank may from time to time designate.

After the date specified on the final Coupon on any Coupon sheet, the Talon, if any, forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent or any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to and including the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon.

Payments of principal with respect to Notes in registered form will be made to the persons shown on the Note Register at the close of business on the relevant due date as the holders thereof and will be made following surrender of such Notes in registered form at the specified office of the Paying and Transfer Agent or of the Registrar. Interest payments (other than interest due at any redemption or at maturity thereof) will be paid to the Holders registered on the Note Register at the close of business on the fifteenth calendar day (whether or not a business day) next preceding such Interest Payment Date. Interest payments due at any redemption or maturity of a Note will be paid only to the persons to whom the principal is paid.

The Bank has initially designated the Fiscal Agent, acting through its principal offices in London, as its Paying Agent for the Notes. The Paying Agent is also referred to herein as the "Principal Paying Agent". In addition, the Bank has designated Bankers Trust Luxembourg S.A. and Swiss Bank Corporation as Paying Agents and Transfer Agents (the "Paying Agents and Transfer Agents") and Bankers Trust Company, New York Branch as Registrar. The Bank has undertaken, in connection with listing the Notes, that for as long as the Notes are listed with the Luxembourg Stock Exchange, it shall maintain a Paying and Transfer Agent in Luxembourg, and for as long as the Notes are listed on the Paris Bourse, it shall maintain a Paying and Transfer Agent in Paris.

As used in the preceding paragraphs appearing under the heading "Payment of Principal and Interest; Paying Agents", the term "United States" means the United States of America (including the States and the District of Columbia) and its possessions, including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands.

## **Redemption**

The Pricing Supplement relating to a Series of Notes will indicate either that such Notes cannot be redeemed prior to maturity or the terms on which the Notes will be redeemable at the option of the Bank or at the option of the Holder or at the option of either. No part of Notes denominated in Sterling may be redeemed in whole or in part prior to one year and one day from the relevant Original Issue Date and no part of Notes denominated in DM may be redeemed prior to two years from the relevant Original Issue Date. Notice of redemption shall be provided as set forth below under “Notices”.

If notice of redemption has been given in the manner set forth herein, the Notes of a Series to be redeemed shall become due and payable on the redemption date specified in such notice and upon presentation and surrender of the Notes at the place or places specified in such notice, together with all appurtenant Coupons and Talons, if any, maturing subsequent to the redemption date, the Notes shall be paid and redeemed by the Bank at the places and in the manner and currency therein specified and at the redemption price therein specified together with accrued interest, if any, to the redemption date. If the Series of Notes is redeemable at the option of the Holder and the Holder decides to exercise such option, the Holder must give Notice to the Bank through the Fiscal Agent or one of the Paying and Transfer Agents. Such notice must be given in the manner specified in the Pricing Supplement and must be given not more than 60 nor less than 30 days before the date set for redemption in the Pricing Supplement. Such notice shall be irrevocable. On the date set for redemption, the Bank shall redeem such Note in whole (but not in part) at the amount specified in such Pricing Supplement together with any interest accrued to such date. If any Fixed Rate Note surrendered for redemption shall not be accompanied by all appurtenant Coupons and Talons, if any, maturing after the redemption date, such Note may be paid after deducting from the amount otherwise payable an amount equal to the face amount of all such missing Coupons and Talons, or the surrender of such missing Coupon or Coupons or Talon or Talons may be waived by the Bank and the Fiscal Agent if they are furnished with such security or indemnity as they may require to save each of them and each other paying agency of the Bank harmless. If a deduction is made from the redemption price in the case of any such missing Coupon or Talon and thereafter, but prior to ten years after the redemption date, the bearer of such Coupon or Talon shall surrender such Coupon or Talon at a place specified for redemption, such bearer shall be entitled to receive the amount so deducted with respect to such Talon or Coupon. Any unmatured Coupons and Talons, whether attached to or missing from any Floating Rate Note surrendered for redemption, will become void at the redemption date for such Note. From and after the redemption date, if monies for the redemption of Notes called for redemption shall have been made available at the corporate trust office of the Fiscal Agent for redemption on the redemption date, the Notes called for redemption shall cease to bear interest and the only right of the Holders of such Notes shall be to receive payment of the redemption price together with accrued interest, if any, to the redemption date as aforesaid. If monies for the redemption of the Notes are not made available for payment until after the redemption date, the Notes called for redemption shall not cease to bear interest until such monies have been so made available.

## **Repurchase of Notes**

The Bank may at any time purchase Notes in the open market or by tender (available to all holders of Notes alike) or by private agreement in accordance with the terms of such Notes.

## **Events of Default**

If the Bank shall default in the payment of the principal of, premium (if any) or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds or notes (including the Notes) or similar present or future obligations which have been issued, assumed or guaranteed by the Bank and such default shall continue for a period of 30 days in the case of a default in respect of the Notes or 90 days in the case of a default in respect of any such other obligation as aforesaid, then at any time thereafter and during the continuance of such default the holder of any of the Notes may deliver or cause to be delivered to the Bank at its Head Office in the City of Washington, District of Columbia, United States of America, written notice that such holder elects to declare the principal of all Notes held by him to be due and payable, and on the thirtieth day after such notice shall be so delivered to the Bank the principal of such Notes shall



become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured, together with interest accrued to the date of repayment.

### **Negative Pledge**

So long as any of the Notes shall remain outstanding, the Bank will not create or permit to be created on any of its property or assets any mortgage, pledge or other lien or charge as security for any bonds, notes or other evidences of indebtedness heretofore or hereafter issued, assumed or guaranteed by the Bank for money borrowed (other than purchase money mortgages, pledges or liens on property purchased by the Bank as security for all or part of the purchase price thereof), unless the Notes shall be secured by such mortgage, pledge or other lien or charge equally and ratably with such other bonds, notes or evidences of indebtedness.

### **Notices**

Notices to redeem Notes in bearer form and all other notices to Holders of Notes in bearer form will be valid if published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*), in a French language newspaper of general circulation in Paris (which is expected to be *La Tribune Desfossés*) if and so long as any Notes are listed on the Paris Bourse and in one leading London daily newspaper (which is expected to be the *Financial Times*) or so long as any Notes are represented by a temporary or permanent Global Note, if delivered to Euroclear and Cedel Bank for communication by them to the persons shown in their respective records as having interests therein, provided that, in the case of Notes listed on the Luxembourg Stock Exchange or the Paris Bourse notices shall be given in a manner which comply in all material respects with their respective rules. Any notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication. If publication is not practicable in any such newspaper as aforesaid, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Fiscal Agent shall approve. All notices to redeem Notes in registered form and all other notices to registered Holders of Notes in registered form shall (except to the extent otherwise expressly provided) be in writing and shall be addressed to Holders at their addresses appearing in the Note Register maintained pursuant to the Fiscal Agency Agreement (other than Notices to Holders of Floating Rate Notes regarding interest rates for any Interest Payment Period, which shall be published in a manner similar to Notices to Holders of bearer Notes). Details of the interest rate applicable to the then current Interest Payment Period and Interest Payment Date in respect of any Floating Rate Notes will be published by the Calculation Agent in accordance with the provisions for giving notices to Holders of Notes in bearer form. All notices given to Holders of Notes (irrespective of however given) shall also be delivered in writing to Euroclear and Cedel Bank, and, in the case of listed Notes, to the relevant stock exchange.

### **Replacement of Notes, Coupons and Talons**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent in Luxembourg (or such other place of which notice shall have been given as provided under "Notices" above) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Bank may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

### **Prescription**

All amounts paid by the Bank to a Paying Agent for payment of the principal of or premium or interest on any Note or Coupon and remaining unclaimed for two years after such payment has been made shall be repaid to the Bank together with any interest, if any, thereon, and to the extent permitted by law, the Holder of such Note or Coupon thereafter may look only to the Bank for payment. Definitive bearer Notes and Coupons will become void unless presented for payment within periods of ten and five years, respectively, from the date such payments are first made available. Talons will become void unless presented for exchange for a fresh Coupon sheet within a period of five years from the date on which all Coupons on the Coupon sheet to which the Talon appertains have matured. Notes in registered form will become void unless surrendered for payment

of principal within ten years of such Note's Maturity Date. Under the State of New York's statute of limitations, any legal action upon the Notes or Coupons must be commenced within six years after the payment thereof is due.

#### **Further Issues**

The Bank may from time to time without the consent of the relevant Noteholders or Couponholders create and issue further Notes, with final maturities, interest rates and other terms and conditions identical to already outstanding Notes of any Series, or the same except for the Original Issue Date, Interest Commencement Date and Issue Price, which may be consolidated and form a single series with the outstanding Notes of any Series. Such new Notes will be fungible with such outstanding Notes of such Series.

#### **Governing Law**

The Fiscal Agency Agreement, each Calculation Agency Agreement, the Notes, the Coupons and the Talons are governed by, and will be construed in accordance with, the law of the State of New York.

#### **Fiscal Agent**

The Fiscal Agency Agreement contains provisions for the indemnification of the Fiscal Agent and for its relief from responsibility. The Fiscal Agent and the Paying Agents are entitled to enter into business transactions with the Bank without accounting for any profit resulting therefrom.

### **TAX STATUS OF THE NOTES**

The Notes and the interest thereon will not be exempt from taxation generally.

Under the Bank Agreement, the Notes and the interest thereon are not subject to any tax by a member (i) which tax discriminates against the Notes solely because they are issued by the Bank or (ii) if the sole jurisdictional basis for the tax is the place or currency in which the Notes are issued, made payable or paid, or the location of any office or place of business maintained by the Bank. Also, under the Bank Agreement, the Bank is not under any obligation to withhold or pay any tax imposed by any member on the interest on the Notes. Accordingly, interest due on the Notes will be paid to the Fiscal Agent without deduction in respect of any such tax.

The bearer Notes will have on their face a statement to the effect that any United States person holding such Notes will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1278(a) of the Internal Revenue Code.

Payments on the Notes pursuant to the presentation of a Note or Coupon to a Paying Agent located outside the United States are not subject to U.S. information reporting or backup withholding requirements. In addition, the Bank is not subject to the reporting requirements, and temporary regulations issued by the United States Internal Revenue Service ("IRS") confirm that the backup withholding requirements do not apply to the Bank or its Paying Agents. Information returns may, however, be filed with the IRS by the Bank's Paying Agents in the United States with regard to certain payments on the Notes made by any Paying Agent in the United States to certain United States persons as if such returns were required of such Paying Agent. Brokers, trustees, custodians and other middlemen in the United States will be subject to the reporting and backup withholding requirements with respect to payments on the Notes received by them for the account of certain United States persons. Foreign persons receiving payments on the Notes from any Paying Agent in the United States may be required to establish their status as such in order to avoid the filing of information returns by such Paying Agent in the United States or by such middlemen, or the backup withholding of tax by such middlemen, in respect of such payments.



## SUBSCRIPTION AND SALE

Subject to the terms and conditions set out in the Distribution Agreement, dated as of 8th December, 1995 (as amended, supplemented or otherwise modified from time to time, the “Distribution Agreement”), the Notes may be offered for sale from time to time by the Bank to Lehman Brothers International (Europe), Daiwa Europe Limited, Deutsche Bank AG London, Goldman Sachs International, Merrill Lynch International Limited, J.P. Morgan Securities Ltd., Morgan Stanley & Co International Limited, and Swiss Bank Corporation (the “Euro MTN Dealers”). Such Notes may be resold by the Euro MTN Dealers at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the Euro MTN Dealers. Pursuant to the Distribution Agreement and subject to the terms and conditions set out therein, the Euro MTN Dealers have agreed to use their reasonable best efforts to solicit offers for the resale of Notes. The Notes denominated in DM may be offered for sale from time to time by the Bank to Lehman Brothers Bankhaus Aktiengesellschaft, Daiwa Europe (Deutschland) GmbH, Deutsche Bank Aktiengesellschaft, Goldman, Sachs & Co. oHG, Merrill Lynch Bank AG, J.P. Morgan GmbH, Morgan Stanley Bank AG, and Schweizerischer Bankverein (Deutschland) AG (the “DM MTN Dealers”). Such Notes may be resold by the DM MTN Dealers at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the DM MTN Dealers. Pursuant to the Distribution Agreement and subject to the terms and conditions set out therein, the DM MTN Dealers have agreed to use their reasonable best efforts to solicit offers for the resale of Notes denominated in DM. The Notes denominated in French francs may be offered for sale from time to time by the Bank to Banque Nationale de Paris (the “FF MTN Dealer” and together with the Euro MTN Dealers and the DM MTN Dealers, the “Dealers”). Such Notes may be resold by the FF MTN Dealer at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the FF MTN Dealer. Pursuant to the Distribution Agreement and subject to the terms and conditions as set out therein, the FF MTN Dealer has agreed to use its reasonable best efforts to solicit orders for the resale of French Franc Notes. The Bank will pay the Dealers a commission, based on the principal amounts of the Notes, depending upon maturity, for sales made to them as Dealers.

The Bank has agreed to indemnify the Dealers against certain liabilities and expenses in accordance with the Distribution Agreement.

The Notes are not required to be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). However, the Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Except for Notes issued on a syndicated basis, no Note will have an established trading market when issued. Each Dealer has agreed with the Bank that it will use its best efforts to facilitate secondary market transactions in the Notes for which it or any other Dealer has acted as dealer; *provided, however*, that no Dealer shall be obligated to make a market in any Notes or advance its own funds to purchase any Notes. There can be no assurance of a secondary market for any Notes or that the Notes will be sold.

Each Dealer has severally agreed with the Bank that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Notes in bearer form, within the United States or to, or for the account or benefit of, U.S. persons.

The issuance of the Notes will take place in compliance with the requirements of the German Prospectus Act of December 13, 1990 (Verkaufprospektgesetz) and of the German Central Bank (Deutsche Bundesbank) regarding the issue of DM-denominated debt securities.

In connection with the initial placement of Notes in Germany, each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that it will offer and sell Notes (i) unless otherwise provided in the relevant Pricing Supplement in the case of an issue of Notes made on a syndicated basis, only for an aggregate purchase price per purchaser of at least DM80,000 (or the foreign currency equivalent thereof) or such other amount which may be stipulated from time to time by applicable German law or (ii) as may otherwise be permitted in accordance with applicable German law.

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that:

- (i) in relation to Notes which have a maturity of one year or more, it has not offered or sold and, prior to the expiry of the period of six months from the Issue Date of such Notes, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;
- (ii) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of any Notes to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1995 or is a person to whom such document may otherwise lawfully be issued or passed on; and
- (iii) it has complied and will comply with all applicable provisions of the Act with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Each Dealer has acknowledged that in connection with any issue of Notes the prior approval from the Czech National Bank and the Czech Ministry of Finance has not been and will not be applied for. Each Dealer represents and agrees, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in the Czech Republic or to residents of the Czech Republic or to or for the benefit of any national of the Czech Republic or entity organised under the laws of the Czech Republic, other than to licensed foreign exchange places as defined in section 1 of the Foreign Exchange Act (Act No. 219/1995 of 26th September, 1995) having an authorisation to trade in foreign exchange values pursuant to the Foreign Exchange Act.

Each Dealer has acknowledged that the Notes have not been and will not be registered under the Securities and Exchange Law of Japan. Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to residents of Japan or to or for the benefit of any Japanese person (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to any Japanese persons, except in circumstances which will result in compliance with all applicable laws, regulations and ministerial guidelines of Japan.

Issues of Notes denominated or payable in yen (“Yen Notes”) are subject to the prior approval of the Ministry of Finance of Japan. The types of Yen Notes to be issued under the Program are limited to those which have been approved by the Japanese authorities. In connection with the issue of Yen Notes, the Issuer agrees to comply with all applicable laws, regulations and guidelines, as amended from time to time, of the Japanese governmental and regulatory authorities. Each Dealer agrees to provide any necessary information on Yen Notes to the Issuer (which shall not include the names of clients) so that the Issuer may make any required reports to the Ministry of Finance of Japan through its designated agent.

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, in the Republic of South Africa or to persons resident in the Republic of South Africa except in accordance with South African exchange control regulations and in circumstances which would not constitute an offer to the public within the meaning of the South African Companies Act, 1973 (as amended).

Each Dealer has acknowledged and each further Dealer appointed under the Program will be required to acknowledge that Notes will be issued outside France and each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that, in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to

the public in France, and that it has not distributed and will not distribute or cause to be distributed to the public in France the Offering Circular or any other offering material relating to the Notes. The Bank has undertaken that it will not offer, directly or indirectly, any Notes to the public in France.

The following procedures will apply *inter alia*, to French Franc Notes which are to be listed on the Paris Bourse:

(i) Commission des Opérations de Bourse (COB)

Prior to the listing of any Notes on the Paris Bourse, the Pricing Supplement applicable to such issue of Notes is currently required to be approved at the time of the relevant issue. The relevant approval will be evidenced by the issue of a visa by the COB. The visa number will be disclosed in the Pricing Supplement applicable to the relevant Notes.

(ii) Bulletin des Annonces Légales Obligataires (BALO)

Notes to be listed on the Paris Bourse may not be offered to the public in France and the publication of the Pricing Supplement applicable thereto should not be made before such listing becomes effective and details of the relevant Notes (in the form of a *notice légale*) have been published in the BALO.

(iii) Conseil des Bourses de Valeurs (CBV)

The listing of Notes on the Paris Bourse is subject to approval by the CBV. Such approval will be evidenced by publication in the Bulletin Officiel de la Cote.

Each Dealer has separately agreed with the Bank that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Notes and that it will not, directly or indirectly, offer, sell or deliver Notes or distribute or publish any offering material in relation to the Notes in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

Each purchaser of Notes must observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver the Notes and it may not, directly or indirectly, offer, sell, resell, reoffer or deliver any Notes or distribute this Offering Circular or any circular, advertisement or other offering material (including, without limitation, any supplement to this Offering Circular) and the most recently published audited financial statements of the Bank in any country or jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations.

The Bank has reserved the right to sell Notes from time to time to other securities firms which are not Dealers (and may pay commissions to such firms in connection therewith), so long as such other firms agree to comply with the restrictions described in this "Subscription and Sale" section as if they were Dealers.

**PERSONNES QUI ASSUMENT LA RESPONSABILITE DU  
“DOCUMENT DE BASE”**

**1. Au nom de l'émetteur**

A la connaissance de l'émetteur, les données du présent “Document de Base” sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Inter-American Development Bank

Mr. Charles O. Sethness  
Finance Manager

**2. Au nom de la banque présentatrice**

A la connaissance de la banque présentatrice, les données du présent “Document de Base” sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Banque Nationale de Paris

Mr. Olivier ROUSSEAU  
Sous Directeur

**VISA DE LA COMMISSION DES OPERATIONS DE BOURSE**

En vue de la cotation à Paris des obligations éventuellement émises dans le cadre de ce Programme, et par application des articles 6 et 7 de l'ordonnance no. 67-833 du 28 septembre 1967, la Commission des Opérations de Bourse a enregistré le présent Document de Base sous le visa no. 95-565 du 5 décembre 1995.

**PRINCIPAL OFFICE OF THE BANK**

**Inter-American Development Bank**

1300 New York Avenue, N.W.

Washington, D.C. 20577

Tel: 202-623-1000

**DEALERS**

**Daiwa Europe Limited**

5 King William Street  
London EC4N 7AX

**Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB

**Merrill Lynch International Limited**

Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9LY

**Morgan Stanley & Co International Limited**

25 Cabot Square  
Canary Wharf  
London E14 4QA

**Deutsche Bank AG London**

6 Bishopsgate  
London EC2P 2AT

**Lehman Brothers International (Europe)**

One Broadgate  
London EC2M 7HA

**J. P. Morgan Securities Ltd.**

60 Victoria Embankment  
London EC4Y 0JP

**Swiss Bank Corporation**

Swiss Bank House  
1 High Timber Street  
London EC4V 5SB

**FF DEALER**

**Banque Nationale de Paris**

16 boulevard des Italiens  
75009 Paris

**FISCAL AGENT AND PRINCIPAL PAYING AGENT**

**Bankers Trust Company**

1 Appold Street  
Broadgate  
London EC2A 2HE

**PAYING AGENTS AND TRANSFER AGENTS**

**Bankers Trust Luxembourg S.A.**

14 Boulevard F. D. Roosevelt  
L-2450 Luxembourg

**Swiss Bank Corporation**

1 Aeschenvorstadt  
CH-4002 Basle

**REGISTRAR**

**Bankers Trust Company**

Four Albany Street  
New York, N.Y. 10006

**LEGAL ADVISERS**

*to the Dealers as to United States Law*

**Sullivan & Cromwell**

1701 Pennsylvania Ave., N.W.  
Washington, D.C. 20006

*to the Dealers as to French Law*

**Gide Loyrette Nouel**

26, cours Albert 1<sup>er</sup>  
75008 Paris

**AUDITORS OF THE BANK**

**Price Waterhouse**

1801 K Street, N.W.  
Washington, D.C. 20006  
(ceasing with the fiscal year  
ending December 31, 1994)

**Arthur Anderson**

1666 K Street, N.W.  
Washington, D.C.  
(starting with the fiscal year  
ending December 31, 1995)

**LISTING AGENTS**

**Kredietbank S.A. Luxembourgeoise**

43 Boulevard Royal  
L-2955 Luxembourg

**Banque Nationale de Paris**

16, boulevard des Italiens  
75009 Paris