

**Final Terms dated 19 November 2010**

**International Bank for Reconstruction and Development**

Issue of USD 20,000,000 Zero Coupon Callable Notes due 23 November 2040

under the  
**Global Debt Issuance Facility**

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Prospectus dated May 28, 2008. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Prospectus. Omitted

**SUMMARY OF THE NOTES**

- |   |   |
|---|---|
| 1. Issuer:  | International Bank for Reconstruction and Development (“ <b>IBRD</b> ”)   |
| 2. (i) Series Number:                                 | 3936  |
| (ii) Tranche Number:                                  | 1   |
| 3. Specified Currency or Currencies (Condition 1(d)): | United States Dollars (“ <b>USD</b> ”)  |
| 4. Aggregate Nominal Amount:                          |   |
| (i) Series:   | USD 20,000,000  |
| (ii) Tranche:   | USD 20,000,000  |
| 5. (i) Issue Price:                                   | 100 per cent. of the Aggregate Nominal Amount   |
| (ii) Net proceeds:                                    | USD 20,000,000  |
| 6. Specified Denominations (Condition 1(b)):          | USD 1,000,000   |
| 7. Issue Date:  | 23 November 2010  |
| 8. Maturity Date (Condition 6(a)):                    | 23 November 2040  |
| 9. Interest Basis (Condition 5):                      | Zero coupon (further particulars specified below)   |
| 10. Redemption/Payment Basis (Condition 6):           | Each Note will be redeemed at its Optional Redemption Amount, its Early Redemption Amount or its Final Redemption Amount, as applicable |
| 11. Change of Interest or Redemption/Payment Basis:   | Not Applicable  |
| 12. Call/Put Options (Condition 6):                   | Call Option<br>(further particulars specified below)  |
| 13. Status of the Notes (Condition 3):                | Unsecured and unsubordinated  |
| 14. Listing:  | Luxembourg Stock Exchange   |
| 15. Method of distribution:                           | Non-syndicated  |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- |   |                          |
|---|--------------------------|
| 16. Zero Coupon Note Provisions (Condition 5(c)): | Applicable               |
| (i) Amortization Yield (Condition 6(c)(ii)):      | 5.00 per cent. per annum |

- |       |   |                |
|-------|---|----------------|
| (ii)  | Day Count Fraction<br>(Condition 5(l)):                   | 30/360         |
| (iii) | Any other formula/basis of<br>determining amount payable: | Not Applicable |

#### PROVISIONS RELATING TO REDEMPTION

- | 17.                      | Call Option (Condition 6(d)):   | Applicable  |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
|--------------------------|---|---|--------------------------|---|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|
| (i)                      | Optional Redemption<br>Date(s):   | 23 November in each year, from and including 23 November 2013 to and including 23 November 2039   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| (ii)                     | Optional Redemption<br>Amount(s) of each Note and<br>method, if any, of calculation<br>of such amount(s): | <p>The Optional Redemption Amount per Specified Denomination for each Optional Redemption Date is set out opposite such date in the table below, expressed as a percentage of the Specified Denomination, and payable on the applicable Optional Redemption Date</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Optional Redemption Date</th> <th style="text-align: left;">Optional Redemption<br/>Amount expressed as a<br/>percentage of the Specified<br/>Denomination</th> </tr> </thead> <tbody> <tr><td>23 November 2013</td><td>115.762500 per cent.</td></tr> <tr><td>23 November 2014</td><td>121.550625 per cent.</td></tr> <tr><td>23 November 2015</td><td>127.628156 per cent.</td></tr> <tr><td>23 November 2016</td><td>134.009564 per cent.</td></tr> <tr><td>23 November 2017</td><td>140.710042 per cent.</td></tr> <tr><td>23 November 2018</td><td>147.745544 per cent.</td></tr> <tr><td>23 November 2019</td><td>155.132822 per cent.</td></tr> <tr><td>23 November 2020</td><td>162.889463 per cent.</td></tr> <tr><td>23 November 2021</td><td>171.033936 per cent.</td></tr> <tr><td>23 November 2022</td><td>179.585633 per cent.</td></tr> <tr><td>23 November 2023</td><td>188.564914 per cent.</td></tr> <tr><td>23 November 2024</td><td>197.993160 per cent.</td></tr> <tr><td>23 November 2025</td><td>207.892818 per cent.</td></tr> <tr><td>23 November 2026</td><td>218.287459 per cent.</td></tr> <tr><td>23 November 2027</td><td>229.201832 per cent.</td></tr> <tr><td>23 November 2028</td><td>240.661923 per cent.</td></tr> <tr><td>23 November 2029</td><td>252.695020 per cent.</td></tr> <tr><td>23 November 2030</td><td>265.329771 per cent.</td></tr> <tr><td>23 November 2031</td><td>278.596259 per cent.</td></tr> <tr><td>23 November 2032</td><td>292.526072 per cent.</td></tr> <tr><td>23 November 2033</td><td>307.152376 per cent.</td></tr> <tr><td>23 November 2034</td><td>322.509994 per cent.</td></tr> <tr><td>23 November 2035</td><td>338.635494 per cent.</td></tr> <tr><td>23 November 2036</td><td>355.567269 per cent.</td></tr> <tr><td>23 November 2037</td><td>373.345632 per cent.</td></tr> <tr><td>23 November 2038</td><td>392.012914 per cent.</td></tr> </tbody> </table> | Optional Redemption Date | Optional Redemption<br>Amount expressed as a<br>percentage of the Specified<br>Denomination | 23 November 2013 | 115.762500 per cent. | 23 November 2014 | 121.550625 per cent. | 23 November 2015 | 127.628156 per cent. | 23 November 2016 | 134.009564 per cent. | 23 November 2017 | 140.710042 per cent. | 23 November 2018 | 147.745544 per cent. | 23 November 2019 | 155.132822 per cent. | 23 November 2020 | 162.889463 per cent. | 23 November 2021 | 171.033936 per cent. | 23 November 2022 | 179.585633 per cent. | 23 November 2023 | 188.564914 per cent. | 23 November 2024 | 197.993160 per cent. | 23 November 2025 | 207.892818 per cent. | 23 November 2026 | 218.287459 per cent. | 23 November 2027 | 229.201832 per cent. | 23 November 2028 | 240.661923 per cent. | 23 November 2029 | 252.695020 per cent. | 23 November 2030 | 265.329771 per cent. | 23 November 2031 | 278.596259 per cent. | 23 November 2032 | 292.526072 per cent. | 23 November 2033 | 307.152376 per cent. | 23 November 2034 | 322.509994 per cent. | 23 November 2035 | 338.635494 per cent. | 23 November 2036 | 355.567269 per cent. | 23 November 2037 | 373.345632 per cent. | 23 November 2038 | 392.012914 per cent. |
| Optional Redemption Date | Optional Redemption<br>Amount expressed as a<br>percentage of the Specified<br>Denomination               |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2013         | 115.762500 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2014         | 121.550625 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2015         | 127.628156 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2016         | 134.009564 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2017         | 140.710042 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2018         | 147.745544 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2019         | 155.132822 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2020         | 162.889463 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2021         | 171.033936 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2022         | 179.585633 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2023         | 188.564914 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2024         | 197.993160 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2025         | 207.892818 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2026         | 218.287459 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2027         | 229.201832 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2028         | 240.661923 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2029         | 252.695020 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2030         | 265.329771 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2031         | 278.596259 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2032         | 292.526072 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2033         | 307.152376 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2034         | 322.509994 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2035         | 338.635494 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2036         | 355.567269 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2037         | 373.345632 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |
| 23 November 2038         | 392.012914 per cent.  |   |                          |   |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |                  |                      |

23 November 2039

411.613560 per cent.

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|---|---|
| (iii) Notice period:                                    | Not less than five London and New York Business Days prior to the Optional Redemption Date                        |
| 18. Final Redemption Amount of each Note (Condition 6): | 432.194238 per cent. of the Specified Denomination (which equates to USD 4,321,942.38 per Specified Denomination) |
| 19. Early Redemption Amount (Condition 6(c)):           | As set out in the Conditions  |

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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|---|---|
| 20. Form of Notes (Condition 1(a)):   | Registered Notes<br><br>Global Registered Certificate available on Issue Date |
| 21. New Global Note:  | No  |
| 22. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)): | London and New York   |
| 23. Governing law (Condition 14):   | English   |
| 24. Other final terms:  | Not Applicable  |

#### **DISTRIBUTION**

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|--|--|
| 25. (i) If syndicated, names of Managers and underwriting commitments: | Not Applicable                         |
| (ii) Stabilizing Manager(s) (if any):                                  | Not Applicable                         |
| 26. If non-syndicated, name of Dealer:                                 | Morgan Stanley & Co. International plc |
| 27. Total commission and concession:                                   | Not Applicable                         |
| 28. Additional selling restrictions:                                   | Not Applicable                         |

#### **OPERATIONAL INFORMATION**

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|---|-------------------------------|
| 29. ISIN Code:  | XS0559905061                  |
| 30. Common Code:  | 055990506                     |
| 31. Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, <i>société anonyme</i> and The Depository Trust Company and the relevant identification number(s): | Not Applicable                |
| 32. Delivery:   | Delivery against payment      |
| 33. Registrar and Transfer Agent (if any):  | Citibank, N.A., London Branch |
| 34. Intended to be held in a manner which would allow Eurosystem eligibility:   | Not Applicable                |

#### **GENERAL INFORMATION**

IBRD's most recent Information Statement was issued on 22 September 2010.

## **LISTING APPLICATION**

These Final Terms comprise the final terms required for the admission to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's regulated market of the Notes described herein issued pursuant to the Global Debt Issuance Facility of International Bank for Reconstruction and Development.

## **RESPONSIBILITY**

IBRD accepts responsibility for the information contained in these Final Terms.

Signed on behalf of IBRD:

By: .....

Name:

Title:

Duly authorized