

Final Terms dated 17 February 2011

International Bank for Reconstruction and Development

Issue of USD 30,000,000 Zero Coupon Callable Notes due 23 February 2041

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.

SUMMARY OF THE NOTES

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| 1. Issuer: | International Bank for Reconstruction and Development (“ IBRD ”) |
| 2. (i) Series Number: | 3956 |
| (ii) Tranche Number: | 1 |
| 3. Specified Currency or Currencies (Condition 1(d)): | United States Dollar (“ USD ”) |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | USD 30,000,000 |
| (ii) Tranche: | USD 30,000,000 |
| 5. Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. Specified Denominations (Condition 1(b)): | USD 1,000,000 |
| 7. Issue Date: | 23 February 2011 |
| 8. Maturity Date (Condition 6(a)): | 23 February 2041 |
| 9. Interest Basis (Condition 5): | Zero Coupon
(further particulars specified in Term 16 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
(further particulars specified in Term 17 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

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| 16. Zero Coupon Note Provisions (Condition 5(c)): | Applicable |
| (i) Amortization Yield (Condition 6(c)(ii)): | 5.65 per cent. on an annual basis |
| (ii) Day Count Fraction (Condition 5(l)): | 30/360 |
| (iii) Any other formula/basis of determining amount payable: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. Call Option (Condition 6(d)): | Applicable |
| (i) Optional Redemption Date(s): | 23 February in each year from and including 23 February 2012 to and including 23 February 2040 |
| (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | 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: |

Optional Redemption Date	Optional Redemption Amount expressed as a percentage of the Specified Denomination
23 February 2012	105.650000 per cent.
23 February 2013	111.619225 per cent.
23 February 2014	117.925711 per cent.
23 February 2015	124.588514 per cent.
23 February 2016	131.627765 per cent.
23 February 2017	139.064734 per cent.
23 February 2018	146.921891 per cent.
23 February 2019	155.222978 per cent.
23 February 2020	163.993076 per cent.
23 February 2021	173.258685 per cent.
23 February 2022	183.047801 per cent.
23 February 2023	193.390001 per cent.
23 February 2024	204.316537 per cent.
23 February 2025	215.860421 per cent.
23 February 2026	228.056535 per cent.
23 February 2027	240.941729 per cent.
23 February 2028	254.554937 per cent.
23 February 2029	268.937290 per cent.

	23 February 2030	284.132247 per cent.
	23 February 2031	300.185719 per cent.
	23 February 2032	317.146212 per cent.
	23 February 2033	335.064973 per cent.
	23 February 2034	353.996144 per cent.
	23 February 2035	373.996927 per cent.
	23 February 2036	395.127753 per cent.
	23 February 2037	417.452471 per cent.
	23 February 2038	441.038536 per cent.
	23 February 2039	465.957213 per cent.
	23 February 2040	492.283795 per cent.
(iii) Notice period:	A minimum of 5 (five) London and New York Business Days prior to the relevant Optional Redemption Date.	
18. Final Redemption Amount of each Note (Condition 6):	520.097830 per cent. of the Specified Denomination (which equates to USD 5,200,978.30 per Specified Denomination)	
19. Early Redemption Amount (Condition 6(c)):	As set out in the Conditions	
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
20. Form of Notes (Condition 1(a)):	Registered Notes: 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		
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:	The Royal Bank of Scotland plc	
27. Additional selling restrictions:	Not Applicable	
OPERATIONAL INFORMATION		
28. ISIN Code:	XS0592603244	
29. Common Code:	059260324	
30. Delivery:	Delivery against payment	
31. Registrar and Transfer Agent (if any):	Citibank, N.A., London Branch	

32. Intended to be held in a manner which
would allow Eurosystem eligibility: No

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