



**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Global Debt Issuance Facility

No. 3952

**USD 50,000,000 Notes linked to UYU/USD FX & to the
S&P 500® Risk Control 10% Excess Return Index due March 30, 2016**

JPMorgan

The date of these Final Terms is March 24, 2011

EXECUTIVE SUMMARY

The following is an executive summary of the provisions of the Notes only and is qualified in its entirety by reference to the more detailed information contained elsewhere in the Final Terms and Prospectus. Capitalized terms used in this summary have the meanings set forth elsewhere in the Final Terms.

Issuer:	International Bank for Reconstruction and Development
Securities:	USD 50,000,000 Notes linked to UYU/USD FX and to the S&P 500® Risk Control 10% Excess Return Index (the “Notes”). Issued under the Issuer’s Global Debt Issuance Facility.
Credit Rating:	The Notes are expected to be rated AAA by Standard and Poor’s, a division of the McGraw-Hill Companies, Inc., upon issuance.
Aggregate Nominal Amount:	USD 50,000,000
Issue Price:	100%
Denomination:	USD 100,000 and integral multiples of USD 10,000 in excess thereof
Issue Date:	March 29, 2011
Trade Date:	March 15, 2011
Maturity Date:	March 30, 2016
Interest Basis:	Zero Coupon
Business Day:	New York and Montevideo subject to postponement in accordance with the provisions set forth in Terms 18 and 19.
Calculation Amount:	USD 10,000
Participation Rate:	142%
Final Redemption Amount:	Subject to the occurrence of a Mandatory Early Redemption, the Final Redemption Amount per Calculation Amount on the Maturity Date is an amount in USD equal to the UYU Linked Principal and the Supplemental Payment Amount, as further set forth under Term 17 “Final Redemption Amount of each Note (Condition 6)”.
UYU Linked Principal:	An amount in USD equal to the UYU Amount divided by the UYU Rate.
Supplemental Payment Amount:	An amount in USD equal to the greater of (i) the product of the Calculation Amount, the Underlying Index Return and the Participation Rate, and (ii) zero.
Mandatory Early Redemption Amount:	<p>Certain events as further set forth under Term 22 “Mandatory Early Redemption” will cause the Notes to be redeemed early as of the Mandatory Early Redemption Date at the Mandatory Early Redemption Amount.</p> <p>A Mandatory Redemption Event includes a Bankruptcy in respect of JPMorgan, a termination of the Associated Swap Transaction or an Index Cancellation, as notified by the Calculation Agent to the Issuer, the Global Agent and the Noteholders.</p>
UYU Rate:	The UYU/USD fixing rate, expressed as the amount of UYU per one USD as determined on the UYU Valuation Date.

UYU Amount:	UYU 965,000,000 (equivalent to USD 50,000,000 at the UYU rate of 19.30)
Underlying Index Return:	The performance of the Underlying Index from the Initial Index Level to the Final Index Level expressed as a percentage and calculated as follows: (Final Index Level - Initial Index Level) / Initial Index Level
Underlying Index:	The S&P 500® Risk Control 10% Excess Return Index (Bloomberg Ticker Symbol: SPXT10UE).
UYU Valuation Date:	The date that falls ten (10) Business Days prior to the Maturity Date, subject to postponement in accordance with the provision set forth under Term 18 “UYU Related Disruption Events and Fallbacks”.
Initial Index Level:	107.047 (namely, the Underlying Index’s Closing Level on the Initial Valuation Date).
Initial Valuation Date	March 15, 2011 (the “Trade Date”)
Final Index Level:	Underlying Index’s Closing Level observed on the Final Valuation Date as determined by the Calculation Agent.
Final Valuation Date:	Ten (10) Business Days prior to the Maturity Date, subject to postponement pursuant to the provisions set forth under Term 19 “Index Related Market Disruption Events”.
Adjustment to Underlying Index:	The Underlying Index is subject to adjustment or substitution by the Calculation Agent in certain circumstances provided under the provisions set forth under Term 19 “Index Related Market Disruption Events”, including (but not limited to) if the Index Sponsor discontinues publication of the Underlying Index.
Market Disruption Events:	<p>Certain events that prevent the Calculation Agent from calculating the Underlying Index closing level on the Final Valuation Date and from calculating the Underlying Index Return. The Calculation Agent will determine whether or not one has occurred.</p> <p>A Market Disruption Event includes a trading or exchange disruption for component securities of the Underlying Index on its principal trading exchange, a trading or exchange disruption on a related exchange in respect of futures or options relating to the Underlying Index that the Calculation Agent determines is material, and an unexpected closure of the principal trading exchange or a related exchange prior to the scheduled closing time, all as more fully described elsewhere herein.</p>
Dealer:	J.P. Morgan Securities Ltd.
Calculation Agent:	JPMorgan Chase Bank, N.A.
Clearing Systems:	Euroclear/Clearstream
Rank:	The Notes constitute direct, unsecured obligations of the Issuer ranking <i>pari passu</i> , without any preference among themselves, with all their other obligations that are unsecured and unsubordinated. The Notes are not obligations of any government.
Applicable law:	English law.

Risk factors:	Noteholders should consider carefully the factors set out under “Risk Factors” in the Final Terms and the Prospectus before reaching a decision to buy the Notes.
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Final Terms dated March 24, 2011

International Bank for Reconstruction and Development

**Issue of USD 50,000,000 Notes linked to UYU/USD FX & to the S&P 500® Risk Control
10% Excess Return Index due March 30, 2016**

**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. Certain additional investment considerations are set forth in the Schedule and Annex hereto.

SUMMARY OF THE NOTES

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| 1. Issuer: | International Bank for Reconstruction and Development (“ IBRD ”) |
| 2. (i) Series Number: | 3952 |
| (ii) Tranche Number: | 1 |
| 3. Specified Currency or Currencies (Condition 1(d)): | United States Dollars (“ USD ”). |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | USD 50,000,000 |
| (ii) Tranche: | USD 50,000,000 |
| 5. (i) Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| (ii) Net proceeds: | USD 50,000,000 |
| 6. (i) Specified Denominations (Condition 1(b)): | USD 100,000 and integral multiples of USD 10,000 in excess thereof |
| (ii) Calculation Amount (Condition 5(j)): | USD 10,000 |
| 7. Issue Date: | March 29, 2011 |
| 8. Maturity Date (Condition 6(a)): | March 30, 2016 unless postponed pursuant to Term 18 or Term 19; subject to Mandatory Early Redemption as specified in Term 22 |
| 9. Interest Basis (Condition 5): | Zero Coupon (further particulars specified below) |
| 10. Redemption/Payment Basis (Condition 6): | Currency-linked Redemption and Index-linked Redemption as set out in Term 17 |
| 11. Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. Call/Put Options (Condition 6): | Not Applicable |
| 13. Status of the Notes (Condition 3): | Unsecured and unsubordinated |
| 14. Listing: | Luxemburg 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 for the purpose of Condition 5(c) only provided that the Early Redemption Amount of the Notes shall be calculated as set out in Term 23 |
| (i) Amortization Yield (Condition 6(c)(ii)): | Solely for purposes of calculating the Rate of Interest for any overdue principal under Condition 5(c), the Amortization Yield shall equal 7.5 % per cent per annum. |
| (ii) Day Count Fraction (Condition 5(l)): | Solely for purposes of calculating the Rate of Interest for any overdue principal under Condition 5(c), the Day Count Fraction shall be 30/360. |
| (iii) Any other formula/basis of determining amount payable: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. Final Redemption Amount of each Note (Condition 6): | The Final Redemption Amount per Calculation Amount payable on the Maturity Date shall be an amount in USD calculated by the Calculation Agent in accordance with the following: |
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UYU Linked Principal + Supplemental Payment Amount

Whereby

“**UYU Linked Principal**” means an amount in USD equal to the UYU Amount divided by the UYU Rate for the relevant UYU Valuation Date;

“**Supplemental Payment Amount**” means an amount in USD equal to the greater of (i) the product of the Calculation Amount, the Underlying Index Return and the Participation Rate, and, (ii) zero; and

“**UYU**” means Uruguayan Peso.

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| 18. UYU Related Disruption Events and Fallbacks: | <p>In the event of the occurrence of an Unscheduled Holiday or a Disruption Event on a day which but for such occurrence would have been the UYU Valuation Date, the Calculation Agent shall apply each of the following paragraphs (each a “Disruption Fallback”) for the determination of the UYU Rate, in the order set forth below, until the UYU Rate can be determined in accordance with this Term 18.</p> <p>(1) <i>Valuation Postponement</i>: the UYU Rate will be determined on the first Business Day that is not an Unscheduled Holiday, or on the Business Day first following the day on which the Disruption Event ceases to exist, as applicable, unless the UYU Valuation Date has not occurred on or before the 30th consecutive day after the Scheduled UYU Valuation Date (any such period being a “Deferral Period”). In such event, the UYU Rate will be determined in accordance with the next applicable Disruption Fallback on the next day after the Deferral Period that</p> |
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would have been a Business Day but for the Unscheduled Holiday, or on the next day after the Deferral Period that is a Business Day in the event of a continuing Disruption Event (the “**Postponed UYU Valuation Date**”).

- (2) *Fallback Reference Price*: the UYU Rate will be determined by the Calculation Agent on the relevant Postponed UYU Valuation Date pursuant to the Dealer Poll. If the UYU Rate cannot be determined pursuant to the Dealer Poll then the UYU Rate will be determined in accordance with the next applicable Disruption Fallback.
- (3) *Calculation Agent Determination*: the UYU Rate (or a method for determining the UYU Rate) will be determined by the Calculation Agent on the Postponed UYU Valuation Date in its sole and absolute discretion.

In the event the Scheduled UYU Valuation Date becomes subject to a Disruption Fallback as set forth above, then the Maturity Date shall be postponed by one Business Day for each day that the Scheduled UYU Valuation Date is postponed as set forth above.

For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Maturity Date is postponed in accordance with this Term 18.

The Calculation Agent shall notify the Issuer as soon as reasonably practicable that the UYU Rate is to be so determined.

19. Index Related Market Disruption Event:

If the Final Valuation Date occurs on a day that is not a Trading Day or on which the Calculation Agent has determined that a Market Disruption Event (as defined below in Term 21) has occurred or is continuing, then the Final Valuation Date will be postponed until the next succeeding Trading Day on which the Calculation Agent determines that a Market Disruption Event does not occur or is not continuing; *provided* that in no event will the Final Valuation Date be postponed by more than five Business Days.

In the event the Final Valuation Date occurs on a day which is not a Trading Day or on which a Market Disruption Event is determined to have occurred and is continuing then the Maturity Date shall be postponed by one Business Day for each day that the Final Valuation Date is postponed as set forth above.

For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Maturity Date is postponed in accordance with this Term 19.

If one of the following events occur (Successor Index, Index Cancellation or Index Modification) then the consequence specified in respect of each such event shall apply:

(i) Successor Index:

If the Index Sponsor discontinues publication of the Underlying Index but is calculated and announced by a

successor sponsor acceptable to the Calculation Agent (in its sole and absolute discretion) or the Index Sponsor or another entity publishes a successor or substitute index that the Calculation Agent determines, in its sole and absolute discretion, to be comparable to the Underlying Index then in each case, that index (the “**Successor Index**”) will be deemed to be the Underlying Index and the Calculation Agent will substitute the Successor Index as calculated by the Index Sponsor or any other entity for the Underlying Index.

(ii) Index Cancellation:

If the Index Sponsor discontinues publication of the Index and:

- the Calculation Agent (in its sole and absolute discretion) does not select a Successor Index as set forth in paragraph (i) above, or
- the Successor Index is no longer published,

the Calculation Agent will (but without prejudice to the occurrence and the consequences of the occurrence of a Mandatory Early Redemption Event pursuant to Term 22) for the purpose of calculating the Early Redemption Amount compute a substitute level for the Underlying Index in accordance with the procedures last used to calculate the level of the Underlying Index before any discontinuation but using only those securities that comprised the Underlying Index prior to such discontinuation.

If, in accordance with the previous paragraphs (i) and (ii), a Successor Index is selected or the Calculation Agent calculates a level as a substitute for the Underlying Index, the Successor Index or level will be used as a substitute for the Underlying Index for all purposes after such selection or substitution, including for purposes of determining whether a Market Disruption Event exists, even if the Index Sponsor elects to begin republishing the original Underlying Index, unless the Calculation Agent in its sole and absolute discretion decides to use the republished Underlying Index.

(iii) Index Modification:

If at any time the method of calculating the level of the Underlying Index or the level of the Successor Index, changes in any material respect (other than a modification prescribed in that formula or method to maintain such Underlying Index or Successor Index in the event of changes in constituent stock and capitalization and other routine events), or if the Underlying Index or Successor Index is in any other way modified so that the Underlying Index or Successor Index does not, in the opinion of the Calculation Agent (in its sole and absolute discretion), fairly represent the level of the relevant Index had those changes or modifications not been made, then, from and after that time, the Calculation Agent will make any adjustments as, in the sole and absolute discretion of the Calculation Agent, may be necessary in order to arrive at a calculation of a level of a stock index comparable to the Underlying Index or such

Successor Index, as the case may be, as if those changes or modifications had not been made, and calculate the Closing Level with reference to the Underlying Index or such Successor Index, as so adjusted. Accordingly, if the method of calculating the Underlying Index or a Successor Index is modified and has a dilutive or concentrative effect on the level of such index (including, but not limited to, a share or stock split), then the Calculation Agent will adjust such index in order to arrive at a level of such index as if it had not been modified, (including, but not limited to, as if a share or stock split had not occurred).

20. Additional Definitions - General:

“Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York and Montevideo.

“Calculation Agent” means JPMorgan Chase Bank, N.A. (**“JPMorgan”**). For the avoidance of doubt, the Calculation Agent shall make determinations in respect of the Notes in good faith.

“Dealer Poll” means that the UYU Rate in respect of a certain date will be the UYU/USD exchange rate for USD, expressed as the amount of UYU per one USD, for settlement on the same day, as determined by the Calculation Agent on the basis of quotations provided by Reference Dealers on such date. The Calculation Agent will request each Reference Dealer to provide a firm quotation of the specified rate as of 4:00 p.m., Montevideo time. If four (4) quotations are provided, the UYU Rate for such UYU Valuation Date will be the arithmetic mean of the specified rates without regard to the specified rates having the highest and lowest value. For this purpose, if more than one quotation has the same highest and lowest value, then the specified rate of only one of such quotations shall be disregarded. If two (2) or three (3) quotations are provided, the UYU Rate for such date will be the arithmetic mean of the specified rates provided. If fewer than two (2) quotations are provided, it will be deemed that the UYU Rate for such date cannot be determined pursuant to the Dealer Poll.

“Deferral Period” has the meaning as set forth in Term 18 above.

“Disruption Event” means in the sole and absolute determination of the Calculation Agent any action, event or circumstance whatsoever which from a legal or practical perspective makes it impossible for the Calculation Agent to obtain the UYU Rate on a UYU Valuation Date.

“Montevideo Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Montevideo.

“Participation Rate” means 142%

“Postponed UYU Valuation Date” has the meaning as set forth in Term 18 above.

“Reference Dealers” means the Montevideo office of each of HSBC, Citibank, Banco Itau and Banco Santander. In the event that any of the Reference Dealers shall cease to operate in Uruguay, such Reference Dealer shall be substituted by the Calculation Agent (acting in its sole and absolute discretion) for purposes of completing the Dealer Poll.

“Supplemental Payment Amount” has the meaning set forth in Term 17.

“Underlying Index Return” means the performance of the Underlying Index from the Initial Index Level to the Final Index Level expressed as a percentage and calculated as follows:

$$\text{(Final Index Level – Initial Index Level) / Initial Index Level.}$$

“Underlying Index” has the meaning set forth in Term 21 below.

“Unscheduled Holiday” means a day that is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. Montevideo time two Montevideo Business Days prior to the Scheduled UYU Valuation Date.

“UYU Amount” means UYU 965,000,000 (equivalent to USD 50,000,000 at the UYU rate of 19.30)

“UYU Linked Principal” has the meaning set forth in Term 17.

“UYU Valuation Date” means, in respect of the Maturity Date, the date (the **“Scheduled UYU Valuation Date”**) that is ten (10) Business Days prior to such date, provided however, that, in the event of an Unscheduled Holiday or there has occurred or is subsisting on such date a Disruption Event, the UYU Valuation Date shall be determined by the Calculation Agent in accordance with the provision set forth under Term 18 “UYU Related Disruption Events and Fallbacks”.

“UYU Rate” means the UYU/USD fixing rate, expressed as the amount of UYU per one USD, for settlement on the same day reported by the Uruguayan Central Bank as published at Bloomberg page URINUSCA <Crncy> on the relevant UYU Valuation Date (or such other page as may replace that page for the purpose of displaying such exchange rate). If the Bloomberg page URINUSCA no longer reports such rate or is no longer available and has not been replaced by any other page or service, the Calculation Agent shall be entitled to obtain such rate as reported by the Uruguayan Central Bank from any other screen or information source that it deems appropriate in its sole and absolute discretion. If the UYU Rate cannot be obtained in the manner referenced in the prior paragraphs in respect of

the relevant UYU Valuation Date because of a Disruption Event, then the UYU Rate in respect of the relevant UYU Valuation Date shall be determined by the Calculation Agent in accordance with the provisions set forth above under Term 18 “UYU Related Disruption Events and Fallbacks.”

21. Additional Definitions with regard to the Underlying Index:

“**Closing Level**” on any Trading Day will equal the official closing level of the Underlying Index or any Successor Index published by the Index Sponsor at the regular weekday close of trading on that Trading Day.

“**Early Closure**” means the closure on any Exchange Business Day of any Exchange relating to securities that comprise 20 percent or more of the level of the Underlying Index or any Related Exchange prior to its normal Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant exchange system for execution at the close of trading on such Exchange Business Day.

“**Exchange**” means the primary organized exchange or quotation system for trading any securities included in the Underlying Index and any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any securities underlying the Underlying Index has temporarily relocated (*provided* that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying the Underlying Index on such substitute exchange or quotation system as on the original Exchange).

“**Exchange Business Day**” means any Trading Day on which each Exchange and Related Exchange is open for business during its regular trading session, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“**Exchange Disruption**” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent in its sole and absolute discretion) the ability of market participants in general to (i) effect transactions in or obtain market values on any Exchange or Related Exchange in securities that comprise 20 percent or more of the level of the Underlying Index or (ii) effect transactions in options contracts or futures contracts relating to the Index on any relevant Related Exchange.

“**Final Index Level**” means the Underlying Index’s Closing Level observed on the Final Valuation Date as determined by the Calculation Agent.

“**Final Valuation Date**” means, in respect of the Maturity Date, the date that is ten (10) Business Days prior to such date, subject to adjustment pursuant to the provisions set forth under Term 19 “Index Related Market Disruption

Events”.

“**Index Sponsor**” means Standard & Poors or any successor corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Underlying Index and (b) announces (directly or through an agent) the level of the Underlying Index on a regular basis during each Trading Day.

“**Initial Index Level**” means 107.047 (namely, the Underlying Index’s Closing Level on the Initial Valuation Date).

“**Initial Valuation Date**” means March 15, 2011 (the “Trade Date”)

“**Market Disruption Event**” as determined by the Calculation Agent in its sole and absolute discretion, means an Exchange or any Related Exchange fails to open for trading during its regular trading session or the occurrence or existence of any of the following events:

- a Trading Disruption, if the Calculation Agent determines in its sole and absolute discretion that it is material, at any time during the one hour period that ends at the close of trading for an Exchange or Related Exchange; or
- an Exchange Disruption, if the Calculation Agent determines in its sole and absolute discretion that it is material, at any time during the one hour period that ends at the close of trading for an Exchange or Related Exchange; or
- an Early Closure.

For the purposes of determining whether a Market Disruption event exists at any time, if a Market Disruption Event occurs in respect of a security included in the Underlying Index at any time, then the relevant percentage contribution of that security to the level of the Underlying Index will be based on a comparison of (i) the portion of the level of the Underlying Index attributable to that security and (ii) the overall level of the Underlying Index, in each case immediately before the occurrence of such Market Disruption Event.

“**Related Exchange**” means each exchange or quotation system on which futures or options contracts relating to the Underlying Index are traded, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to such Underlying Index has temporarily relocated (*provided* that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Index on such temporary substitute exchange or quotation system as on the original related exchange).

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Successor Index” has the meaning as set forth in Term 19 above.

“Trading Day” means any day on which an Exchange and Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“Trading Disruption” means any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise, whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise, (i) relating to securities that comprise 20 percent or more of the level of the Underlying Index or (ii) in options contracts or futures contracts relating to the Underlying Index on any Related Exchange.

“Underlying Index” means the S&P 500® Risk Control 10% Excess Return Index (Bloomberg Ticker Symbol: SPXT10UE).

22. Mandatory Early Redemption:

All Notes will be redeemed early as of the Mandatory Early Redemption Date at the Mandatory Early Redemption Amount per Calculation Amount if:

(i) a Bankruptcy (as such term is used in Section 5 (a) (vii) of the ISDA Master Agreement dated as of August 10, 1994 (as amended from time to time) between JPMorgan and the Issuer (the **“ISDA Master Agreement”**)) occurs in relation to JPMorgan, or

(ii) the Associated Swap Transaction is terminated under Section 6 of the ISDA Master Agreement pursuant to which such Associated Swap Transaction was entered into, or

(iii) the Index Sponsor discontinues publication of the Index and:

- the Calculation Agent does not select a Successor Index in accordance with Term 19 above, or
- the Successor Index is no longer published

(this event referred to in paragraph (iii) hereafter referred to as an **“Index Cancellation”**);

(the events referred to in paragraphs (i), (ii) and (iii) each referred to as a **“Mandatory Redemption Event”**).

Calculation Agent shall forthwith give a notice (the **“Mandatory Redemption Notice”**) to the Issuer, the Global Agent and the Noteholders of the occurrence of a Mandatory Redemption Event that consists of an Index Cancellation.

“Associated Swap Transaction” means the swap transaction entered into in connection with the issue of the Notes between the Issuer and JPMorgan.

“Mandatory Early Redemption Date” means either

- (i) if the Mandatory Redemption Event consists of an Index Cancellation, the 10th Business Day (as defined in Term 20 above) after the date on which the Mandatory Redemption Notice (as defined above) is received or deemed received by the Issuer and Global Agent (whatever date is later); or
- (ii) if the Mandatory Redemption Event does not consist of an Index Cancellation, the date upon which the Mandatory Redemption Event has occurred.

“Mandatory Early Redemption Amount” means either:

- (i) if the Mandatory Redemption Event consists of an Index Cancellation, an amount per Calculation Amount determined by the Calculation Agent, by reference to the market value of the Notes following the Mandatory Early Redemption Date. In determining the Mandatory Early Redemption Amount, the Calculation Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing models may not yield a commercially reasonable result, may estimate such Mandatory Early Redemption Amount in a commercially reasonable manner. For the purposes of determining the market value of the Notes: (x) the equity component of the market value of the Notes will be priced using an implied volatility of 12 per cent., the spot price will be equal to the Closing Level of the Underlying Index on the Mandatory Early Redemption Date (subject to postponement *mutatis mutandis* in accordance with Terms 17 to 21 above) and the strike price will be equal to the Initial Index Level, and (y) the zero-coupon component of the market value of the Notes will be priced by taking into account prevailing interest rates or amortization yields of zero coupon securities denominated in UYU having a similar term to that of the Notes;
- (ii) if the Mandatory Redemption Event does not consist of an Index Cancellation, an amount per Calculation Amount determined by the Issuer, by reference to the market value of the Notes following the Mandatory Early Redemption Date, applying the same principles as set forth in the previous paragraph (i), provided however, that with regard to the valuation of the equity component of the market value of the Notes, the spot price will be equal to the Closing Level of the Underlying Index on the last Business Day of the month that precedes the month in which the Mandatory Early Redemption Date occurs (subject to postponement *mutatis mutandis* in accordance with Terms 17 to 21 above).

The Mandatory Early Redemption Amount will be determined by the Calculation Agent or the Issuer, as applicable, on or as soon as reasonably practicable following the event giving rise to the early redemption of the Notes. The Mandatory Early Redemption Amount will be paid by the Issuer as soon as practicable after the relevant Mandatory Early Redemption Date.

The Calculation Agent or the Issuer, as applicable, will make the determinations set forth in the previous paragraphs in good faith and in a commercially reasonable manner.

23. Early Redemption Amount (Condition 6(c)): The Early Redemption Amount payable in respect of each Note, upon it becoming due and payable as provided in Condition 9, shall be determined by the Calculation Agent *mutatis mutandis* as set out under subparagraph (i) of the definition of Mandatory Early Redemption Amount.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes (Condition 1(a)): Registered Notes:
Global Registered Certificate available on Issue Date
25. New Global Note: No
26. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)): London, New York and Montevideo
27. Governing law (Condition 14): English
28. Other final terms:
- (i) Neither the Calculation Agent, the Dealer nor Issuer will have any responsibility for good faith errors or omissions in calculating or disseminating information regarding the Underlying Index or any Successor Index or as to modifications, adjustments or calculations by the Index Sponsor or any successor Index Sponsor in order to arrive at the level of the Underlying Index or any Successor Index.
 - (ii) By investing in the Notes each Noteholder represents that:
 - (a) it has made its own independent decision to invest in the Notes based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer the Calculation Agent, or the Dealer as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer, the Calculation Agent, or the Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes;

- (b) it is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Notes, including but not limited to the risks set out in the Annex to these Final Terms (which are not, and do not intend to be, exhaustive). It is also capable of assuming, and assumes, the risks of the investment in the Notes; and
- (c) it has fully considered the market risk associated with an investment linked to the Underlying Index. Each Noteholder understands that none of the Issuer, the Calculation Agent, or the Dealer purports to be a source of information on market risks with respect to the Underlying Index. Each Noteholder confirms that it has read and understood the summary information relating to the Underlying Index contained in the Schedule to these Final Terms which has been provided for information purposes only and is not to be used or reproduced for any other purpose or used or considered as any advice or recommendation with respect to such Underlying Index. Each Noteholder confirms that it understands that such information is a summary only and is qualified in its entirety by the methodology and policy applied by the Index Sponsor.

DISTRIBUTION

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| 29. (i) If syndicated, names of Managers and underwriting commitments: | Not Applicable |
| (ii) Stabilizing Manager(s) (if any): | Not Applicable |
| 30. If non-syndicated, name of Dealer: | J.P. Morgan Securities Ltd. |

OPERATIONAL INFORMATION

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| 31. ISIN Code: | XS0607921193 |
| 32. Common Code: | 060792119 |
| 33. 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 |
| 34. Delivery: | Delivery against payment |
| 35. Registrar and Transfer Agent (if any): | Citibank N.A., London Branch |
| 36. Additional Paying Agent(s) (if any): | Not Applicable |

37. 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.

CONFLICT OF INTEREST

JPMorgan Chase Bank, N.A., the parent company of J.P. Morgan Securities Ltd. will be Calculation Agent under the Notes and will also be IBRD's counterparty in a related swap transaction entered into by IBRD in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for JPMorgan Chase Bank, N.A. creates possible conflicts of interest. For example, the amounts payable by JPMorgan Chase Bank, N.A. to IBRD under the related swap transaction are expected, as of the Issue Date, to be calculated on the same basis as the amounts payable by IBRD under the Notes. As a result, the determinations made by JPMorgan Chase Bank, N.A. in its discretion as Calculation Agent for the Notes may affect the amounts payable by JPMorgan Chase Bank, N.A. under the related swap transaction, and, in making such determinations, JPMorgan Chase Bank, N.A. may have economic interests adverse to those of the Noteholders. The Noteholder understands that although IBRD will enter into the related swap transaction with JPMorgan Chase Bank, N.A. as swap counterparty in order to hedge its obligations under the Notes, IBRD's rights and obligations under the related swap transaction will be independent of its rights and obligations under the Notes, and Noteholders will have no interest in the related swap transaction or any payment to which IBRD may be entitled thereunder.

In addition, the parent of the Calculation Agent, JPMorgan Chase & Co., is one of the companies that make up the Underlying Index. Neither the Calculation Agent nor JPMorgan Chase & Co. will have any obligation to consider the Noteholders interests in taking any corporate action that might affect the level of the Underlying Index, the stocks comprising the Underlying Index or the Notes.

J.P. Morgan Securities LLC ("JPMS"), one of JPMorgan Chase & Co.'s affiliates, worked with S&P in developing the guidelines and policies governing the composition and calculation of the S&P 500® Risk Control 10% Excess Return Index. Although judgments, policies and determinations concerning the S&P 500® Risk Control 10% Excess Return Index were made by JPMS, JPMorgan Chase & Co., as the parent company of JPMS, ultimately controls JPMS. In addition, the policies and judgments for which JPMS was responsible could have an impact, positive or negative, on the level of the S&P 500® Risk Control 10% Excess Return Index and the value of the Notes. JPMS is under no obligation to consider Noteholders' interests in its role in developing the guidelines and policies governing the Underlying Index or making judgments that may affect the level of the Underlying Index. Furthermore, the inclusion of equity securities in the S&P 500® Risk Control 10% Excess Return Index is not an investment recommendation by the Calculation Agent or JPMS of the equity securities underlying the S&P 500® Risk Control 10% Excess Return Index.

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

SCHEDULE

UNDERLYING INDEX - S&P 500 RISK CONTROL 10% EXCESS RETURN INDEX

Set out below is a summary description of the Underlying Index. Such summary description is for information purposes only and should not be relied upon by the Noteholders. All disclosure contained in these Final Terms regarding the Underlying Index, including, without limitation, its make-up, method of calculation and changes in its components, is derived from, and based solely upon, publicly available information. As such, neither the Issuer nor the Dealer assumes any responsibility for the accuracy or completeness of such information. In addition, neither the Issuer nor the Dealer accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Underlying Index. The Index Sponsor is under no obligation to continue to publish the Underlying Index and may discontinue publication of the Underlying Index at any time.

The S&P 500 Risk Control 10% Excess Return Index is one of the S&P Risk Control Series Indices (described below). It offers investors greater stability and a reduction in the overall risk level of the S&P 500. By integrating a volatility control within the index rules, Standard & Poor's provides a new level of innovation for investors looking to gain exposure to the U.S. equity markets while limiting their risk.

The S&P 500 Risk Control 10% Excess Return Index utilizes the existing S&P 500 methodology, plus an overlying mathematical algorithm designed to control the level of risk of the S&P 500 by establishing a specific volatility target and dynamically adjusting the exposure to the S&P 500 based on its observed historic volatility.

“STANDARD & POOR’S”, “S&P”, “S&P 500” AND “500” ARE TRADEMARKS OF THE MCGRAW-HILL COMPANIES, INC. AND HAVE BEEN LICENSED FOR USE BY THE ISSUER AND SUB-LICENSED FOR USE BY THE DEALER

S&P Risk Control Series Indices:

The S&P Risk Control Series Indices aim to control the level of risk of returns by varying exposure to an underlying equity index. When the risk (volatility) of the underlying index is determined to be high, the exposure of the S&P Risk Control Indices to the underlying index will decrease. If the risk measure comes back to lower levels, the exposure to the underlying index will increase.

For further information on the S&P Risk Control Series Indices, please see:

www.standardandpoors.com.

For further information on the methodology of the Underlying Index, see:

http://www2.standardandpoors.com/spf/pdf/index/Index_Mathematics_Methodology_Web.pdf.

Information contained on such websites is not incorporated by reference in, and should not be considered a part of, these Final Terms.

The Index and the Index Sponsor:

The Notes are not sponsored, endorsed, sold or promoted by S&P. S&P is referred to as the “Index Sponsor”. The Index Sponsor has not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to the Notes. The Index Sponsor

makes no representation or warranty, express or implied to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly, or the ability of the Underlying Index to track general stock market performance. The Index Sponsor has no relationship to the Dealer or the Issuer other than the licensing of its Index and the related trademarks for use in connection with the Notes, which Index is determined, composed and calculated by the Index Sponsor without regard to the Issuer, Dealer or the Notes. The Index Sponsor has no obligation to take the needs of the Issuer, Dealer or the Noteholders into consideration in determining, composing or calculating the Underlying Index. The Index Sponsor is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted into cash. The Index Sponsor has no liability in connection with the administration, marketing or trading of the Notes.

THE INDEX SPONSOR DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE UNDERLYING INDEX OR ANY DATA INCLUDED THEREIN AND THE INDEX SPONSOR SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS THEREIN. THE INDEX SPONSOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY JPMORGAN, HOLDERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE USE OF THE UNDERLYING INDEX OR ANY DATA INCLUDED THEREIN. THE INDEX SPONSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE UNDERLYING INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE INDEX SPONSOR HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. THE LICENSING AGREEMENT BETWEEN THE DEALER AND THE INDEX SPONSOR IS SOLELY FOR THEIR BENEFIT AND NOT FOR THE BENEFIT OF THE NOTEHOLDERS OR ANY THIRD PARTIES.

ANNEX – RISK FACTORS

Certain Investment Considerations

The Notes do not pay interest. The Notes are not Principal Protected in USD. Noteholders may receive less at maturity than they could have earned on ordinary interest-bearing debt securities with similar maturities, since the Redemption Amount at maturity is based on the Underlying Index Return. The Notes may be redeemed prior to Maturity Date.

The Notes are complex financial instruments and may not be suitable for certain investors. The Notes are only suitable for investors who are capable of assessing and understanding the risks of investing in the Notes.

There are various risks associated with the Notes including, but not limited to, exchange rate risk, price risk and liquidity risk. Investors should consult with their own financial, legal and accounting advisors about the risks associated with an investment in these Notes, the appropriate tools to analyze that investment, and the suitability of the investment in each investor's particular circumstances, without relying on the Issuer or the Dealer.

Noteholders should also consult their own tax advisors concerning the consequences of owning the Notes in their particular circumstances under the laws of each applicable taxing jurisdiction. Investors intending to purchase the Notes should consult with their tax and financial advisors to ensure that the intended purchase meets the investment objective before making such purchase.

Credit Risk of the Issuer

The Notes are subject to the credit risk of the Issuer. Fluctuations in the Issuer's credit ratings and credit spreads may adversely affect the market value of the Notes. Investors are dependent on the Issuer's ability to pay all amounts due on the notes at maturity or on any other relevant payment dates, and therefore investors are subject to the Issuer's credit risk and to changes in the market's view of the Issuer's creditworthiness.

Currency-linked Risks

Payment subject to Uruguayan Peso Exchange Risk

The amount of any payment of principal in U.S. dollars under the Notes will be affected by the exchange rate of UYU to USD, since the underlying amounts by reference to which USD amounts are determined are in UYU. The exchange rate between UYU and the USD will fluctuate during the term of the Notes. In recent years, rates of exchange between UYU and USD have been volatile and such volatility may occur in the future and could significantly affect the returns of Noteholders. In addition, for investors whose investment currency is USD, the movement of the currency exchange rates could result in any amount due under the Notes being less than the initial USD amount paid for the Notes. As a result, a holder could lose a substantial amount of its investment in the Notes.

Notes are not Principal Protected in USD

The UYU Amount used to determine the UYU Linked Principal is fixed on the Trade Date. However, the purchase price of the Notes is payable in USD and amounts received upon maturity will be payable in USD, and therefore amounts payable in USD on the Notes may be less than the amount initially invested if the value of the UYU were to decline in USD terms between the Trade Date and the UYU Valuation Date.

Payment at Maturity Depends on Interplay of Exchange Rate and Index Performance

The payment that the Noteholder will receive at maturity will depend on both the change in the rate of exchange between UYU and USD and the performance of the Underlying Index. The interplay of these two factors means that the Notes are a more complex investment than an instrument linked to a single underlying factor. It is not possible to predict how the two factors to which the Note's performance payout is tied may perform. Appreciation in the Underlying Index may be offset by a decline in the value of UYU against USD. The UYU may appreciate relative to USD without any appreciation in the Index. There can be no assurance that either factor's performance will correlate with the other's performance.

Index-Linked Risks

- If the Final Index Level does not exceed the Initial Index Level, Noteholders will receive only the UYU Linked Principal at maturity. This will be true even if the value of the Underlying Index was higher than the Initial Index Level at some time during the term of the Notes but later falls below the Initial Index Level. Therefore, the return on investment in the Notes may be less than the amount that would be paid on an ordinary debt security. The return at maturity of only the UYU Linked Principal at maturity will not compensate Noteholders for any loss in value due to inflation and other factors relating to the value of money over time.
- Noteholders may receive a lower payment at maturity than they would have received if they had invested in the Underlying Index, the component stocks of the Underlying Index or contracts related to the Underlying Index. Because the Final Index Level will be calculated based on the closing level on the Final Valuation Date, the level of the Underlying Index at various other times during the term of the Notes could be higher than the Final Index Level. This difference could be particularly large if there is a significant decrease in the level of the Underlying Index during the latter portion of the term of the Notes or if there is significant volatility in the Underlying Index level during the term of the Notes.
- The return on the Notes is linked to the performance of the S&P 500® Risk Control 10% Excess Return Index, which is intended to provide a performance benchmark for an unfunded investment in the U.S. equity markets while seeking greater stability than and a reduction in the overall risk level relative to the S&P 500® Total Return Index (the “**Base Index**”). The S&P 500® Risk Control 10% Excess Return Index utilizes a 10% volatility target and dynamically adjusts its exposure to the Base Index based on observed historical volatility.
- The Underlying Index began publishing on May 13, 2009 and, therefore, has a limited history. S&P has calculated the returns that hypothetically might have been generated had the Underlying Index existed in the past, but those calculations are subject to many

limitations. Such hypothetical calculations do not reflect actual trading, liquidity constraints, fees and other costs. In addition, the models used to calculate these hypothetical returns are based on certain data, assumptions and estimates. Different models or models using different data, assumptions or estimates might result in materially different hypothetical performance. Regardless of the hypothetical and historical performance of the Underlying Index, the Final Index Level may be lower than or equal to the Initial Index Level, which would result in no payment of a Supplemental Payment Amount.

- The Underlying Index employs a mathematical algorithm intended to control the level of risk of the Underlying Index by establishing a specific volatility target and dynamically adjusting the exposure to the Base Index based on its observed historical volatility. No assurance can be given that the volatility strategy will be successful or that the Underlying Index will outperform the Base Index or any alternative strategy that might be employed to reduce the level of risk of 10%.
- The Underlying Index represents a portfolio consisting of the Base Index and a borrowing cost component accruing interest based on U.S. overnight LIBOR. The Underlying Index dynamically adjusts its exposure to the Base Index based on the Base Index's observed volatility. The Underlying Index's exposure to the Base Index will decrease, or deleverage, when historical volatility causes the risk level of the Base Index to reach a high threshold. If, at any time, the Underlying Index exhibits low exposure to the Base Index and the Base Index subsequently appreciates significantly, the Underlying Index will not participate fully in this appreciation. Under these circumstances, the Supplemental Payment Amount, if any, payable on the Notes may be less than the amount a Noteholder would have received by investing the same principal amount directly in the S&P 500® Total Return Index or in the underlying securities comprising the S&P 500® Total Return Index.
- As an "excess return" index, the S&P 500® Risk Control 10% Excess Return Index calculates the return on a leveraged or deleveraged investment with an increased or decreased exposure to the Base Index where the investment was made through the use of borrowed funds. Thus the return of the S&P 500® Risk Control 10% Excess Return Index will be equal to the leveraged or deleveraged return of the Base Index less the associated borrowing costs. Because this "excess return" index represents an unfunded position in the Base Index, the performance of the S&P 500® Risk Control 10% Excess Return Index will be subject to short-term money market fund borrowing costs and will not include any "total return" feature or cash component of a "total return" index, which represents a funded position in the Base Index.
- Noteholders will not receive interest payments, and will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of the underlying securities composing the Underlying Index would have. Returns on the Notes will not reflect the return an investor would realize if it actually owned the common stocks of any of the companies included in the Underlying Index.
- The Index Sponsor is responsible for calculating and maintaining the Underlying Index. The Index Sponsor can add, delete or substitute the stocks underlying the Underlying Index or make other methodological changes that could change the value of the Underlying Index at any time. The Index Sponsor may discontinue or suspend calculation or dissemination of the Reference Indices. If one or more of these events occurs, the calculation of the Final Redemption Amount at maturity will be adjusted to reflect such event or events. Please refer to Term 19. Consequently, any of these actions

could adversely affect the Final Redemption Amount at maturity and/or the market value of the Notes.

Market Risks

- The price at which Noteholders will be able to sell their Notes to the Dealer or its affiliates prior to maturity, may be at a substantial discount from the principal amount of the Notes, even in cases where the level of the Underlying Index has appreciated since the Trade Date.
- While the payment at maturity will be based on the provisions in Term 17 and following of the Final Terms, the expected profit from hedging in the original issue price is likely to adversely affect the price at which the Issuer is willing to repurchase the Notes. Assuming no change in market conditions or any other relevant factors, that price will likely be lower than the original issue price, because the original issue price included the cost of hedging the Calculation Agent's obligations under the Notes, which includes an estimated profit component. Noteholders should not expect the price at which the Issuer is willing to repurchase the Notes to vary in proportion to changes in the level of the Underlying Index. Prior to maturity, the value of the Notes will be affected by a number of economic and market factors that may either offset or magnify each other. The Issuer expects that, generally, the level of the Underlying Index on any day will affect the value of the Notes more than any other single factor. Other relevant factors include: the expected volatility of the Underlying Index; the time to maturity of the Notes; the dividend rate on the stocks in the Underlying Index; the interest and yield rates in the market; the economic, financial, political, regulatory or judicial events that affect the stocks represented in the Underlying Index or stock markets generally and which may affect the closing level for the Underlying Index on the Final Valuation Date; and the creditworthiness of the Issuer.
- Noteholders will receive at least 100% of the principal amount of the Notes only if they hold their Notes to maturity. If Noteholders sell their Notes in the secondary market prior to maturity, however, they will not receive principal protection or any minimum total return on the portion of their Notes sold. Noteholders should be willing to hold their Notes until maturity.
- Noteholders cannot predict the future performance of the Underlying Index based on the historical performances of the Underlying Index

Notes are Not Liquid Instruments

The Notes are not actively traded in any financial market and there may exist at times only limited markets for the Notes resulting in low or non-existent volumes of trading in the Notes and such obligations, and therefore a lack of liquidity and price volatility of the Notes and such obligations. Although the Issuer, at its discretion, may provide a repurchase bid price for the Notes if requested, the Issuer is under no obligation to do so and, in any event, as a result of market conditions may be unable to provide a repurchase bid price if requested.

No tax gross-up on payments

Repayment of all or any part of the Note and payment at maturity of any additional amount due under the terms of the Note will be made subject to applicable withholding taxes (if any). Consequently, the Issuer will not be required to pay any further amounts in respect of the Note in the event that any taxes are levied on such repayment or payment.

UYU Related Disruption Events and Index Related Disruption Events may postpone Maturity Date

In the event that the UYU Valuation Date or the Final Valuation Date is postponed as set forth in the Final Terms, the Maturity Date of the Notes will be postponed by one Business Day for each Business Day that the UYU Valuation Date or Final Valuation Date is postponed, and therefore may be postponed up to 30 calendar days (UYU related disruption) or five Business Days (Index related disruption). No interest or other payment will be payable because of any such postponement of the Maturity Date.

Possible Mandatory Early Redemption.

As set out in Term 22, the Notes may be redeemed prior to the Maturity Date upon the occurrences of certain events set out in Term 22. If the Notes are redeemed early, the redemption amount may be less than the principal amount of the Notes.