INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Global Debt Issuance Facility

No. 100371

MXN 780,976,000 Notes linked to the SGI Cross Asset Dynamic Allocation 2 Index due May 24, 2028 (payable in United States Dollars)

The date of these Final Terms is May 14, 2018

This document sets out the Final Terms (the "**Final Terms**") of the International Bank for Reconstruction and Development ("**Issuer**" or "**IBRD**") MXN 780,976,000 Notes linked to the SGI Cross Asset Dynamic Allocation 2 Index due May 24, 2028 (payable in United States Dollars) (the "**Notes**"). Prospective investors should read this document together with the Issuer's Prospectus dated May 28, 2008 (the "**Prospectus**"), in order to obtain a full understanding of the specific terms and conditions (the "**Conditions**") of the Notes.

The Final Terms of the Notes are set out on pages 27 to 43. Capitalized terms used herein are defined in this document or in the Prospectus.

Investing in the Notes involves risks. See "Additional Risk Factors" beginning on page 10 of this document, and "Risk Factors" beginning on page 13 of the Prospectus.

The return on, and the value of, the Notes is based on the performance of the Index and on the exchange rate of MXN to USD. The performance of the Index, in turn, will be based on the assets which are comprised in the Index (which are referred to as "Index Components", as defined in the Index Rules), which are chosen and rebalanced periodically by the Index Advisor. Therefore, the return on the Index will be dependent in large part on the allocation selections made by the Index Advisor. THE NOTES ARE INTENDED TO BE PURCHASED AND HELD ONLY BY THE INDEX ADVISOR AND BY DISCRETIONARY ACCOUNTS MANAGED BY THE INDEX ADVISOR.

Investors should note that the Conditions of the Notes are separate from, and do not incorporate by reference, the Index Rules. The Index Rules can be modified from time to time without requiring an amendment of the Conditions of the Notes. In the event of the occurrence of an Index Disruption Event or of an Amendment Event relating to the Index, the relevant provisions of the Conditions of the Notes, and not the Index Rules, will determine the relevant action to be taken. The Index Rules are attached for informational purposes only and should not be relied upon by any Noteholder or any prospective investor in the Notes. The Issuer has derived all information contained in the Final Terms regarding the Index from the Index Rules, and the Issuer has not participated in the preparation of, or verified, such Index Rules. Neither IBRD nor the Global Agent will have any responsibility for the contents of the Index Rules, the Index Advisory Agreement, and none of IBRD and the Global Agent shall have any responsibility or liability for the choices and allocations made by the Index Advisor thereunder with respect to the Index. See also Term 29 of the Final Terms below (*Other final terms: Disclaimer of Liabilities and Representations by Prospective Investors of the Notes*).

Although the return on the Notes is based on the performance of the Index, a Note will not represent a claim against the Index Sponsor, the Index Advisor or the Index Calculation Agent and a Noteholder will not have recourse under the terms of the Notes to any asset comprising the Index. The exposure to the Index is notional and an investment in the Notes is not an investment in the Index or any asset comprising the Index from time to time.

In Uruguay the Notes are being placed relying on a private placement exemption ("*oferta privada*") pursuant to Section 2 of Law N° 18,627. The Notes are not and will not be registered with the Superintendency of Financial Services of the Central Bank of Uruguay to be publicly

offered in Uruguay.

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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 this document and Prospectus. Capitalized terms used in this summary have the meanings set forth elsewhere in this document.

Issuer:	International Bank for Reconstruction and Development
Securities:	MXN 780,976,000 Notes linked to the SGI Cross Asset Dynamic Allocation 2 Index due May 24, 2028 (payable in United States Dollars) (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:	MXN 780,976,000
Issue Price:	100% of the Aggregate Nominal Amount payable in USD (being USD 40,000,000 which is equal to the Aggregate Nominal Amount divided by the Initial USD/MXN FX Rate)
Initial USD/MXN FX Rate:	19.5244, being the USD/MXN FX Rate in respect of the Initial MXN Valuation Date
Initial MXN Valuation Date:	The Trade Date, being May 9, 2018 (the "**Scheduled Initial MXN Valuation Date**"), subject to postponement in accordance with the provisions set forth in Term 18 of the Final Terms (*MXN Related FX Disruption and Disruption Fallbacks*) if an FX Disruption or an Unscheduled Holiday occurs on such date
Specified Denomination:	MXN 1,952,440
Issue Date:	May 23, 2018
Trade Date:	May 9, 2018
Scheduled Maturity Date	May 24, 2028
Maturity Date:	The Scheduled Maturity Date, subject to postponement if either (i) the Scheduled Final MXN Valuation Date is postponed pursuant to Term 18 of the Final Terms (*MXN Related FX Disruption and Disruption Fallbacks*) and/or (ii) the Final Index Valuation Date is postponed pursuant to Term 19 of the Final Terms (*Postponement due to Index Disruption Events*)
Interest Basis:	The Notes do not bear or pay any interest
Business Day:	London, New York and Mexico City
Participation Rate:	473%
Final Redemption Amount:	If no Amendment Event has occurred on or before the Scheduled Final Index Valuation Date, the Final Redemption Amount, calculated per

	Specified Denomination, payable on the Maturity Date will be an amount in USD equal to the sum of (i) the USD Principal Amount and (ii) the Note Return Amount, as set forth under Term 17 of the Final Terms (*Final Redemption Amount of each Note (Condition 6)*) If an Amendment Event has occurred prior to the Maturity Date, the Final Redemption Amount, calculated per Specified Denomination, will be an amount in USD equal to the USD Principal Amount, and will payable on the later of (i) the day the Amendment Amount is paid and (ii) the Maturity Date
USD Principal Amount:	An amount in USD equal to (i) the Specified Denomination divided by (ii) the Final USD/MXN FX Rate
Final USD/MXN FX Rate:	The USD/MXN FX Rate in respect of the Final MXN Valuation Date
Final MXN Valuation Date:	The Business Day falling 10 Business Days prior to the Scheduled Maturity Date, expected to be May 10, 2028 (the "**Scheduled Final MXN Valuation Date**"), subject to postponement in accordance with the provisions set forth in Term 18 of the Final Terms (*MXN Related FX Disruption and Disruption Fallbacks*) if an FX Disruption or an Unscheduled Holiday occurs on such date
USD/MXN FX Rate:	The USD/MXN fixing rate, expressed as the amount of MXN per one USD as determined by the Calculation Agent in respect of the Initial MXN Valuation Date or the Final MXN Valuation Date, as applicable
FX Disruption:	In the 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 USD/MXN FX Rate on any MXN Valuation Date
Note Return Amount:	An amount in USD, calculated per Specified Denomination, equal to the product of (a) the USD Calculation Amount, (b) the greater of (x) the Index Return and (y) zero and (c) the Participation Rate
USD Calculation Amount:	An amount in USD, calculated per Specified Denomination, equal to the Specified Denomination divided by the Initial USD/MXN FX Rate

Amendment Event:	In the event of the occurrence of an Amendment Event as described in Term 22 of the Final Terms (*Amendment Event*), the Calculation Agent or the Issuer, as applicable, will give notice to Noteholders of the occurrence of such event and the Issuer shall pay to the Noteholders an amount (which may be zero) as soon as practicable after the Mandatory Amendment Date, calculated per Specified Denomination, equal to the Amendment Amount (as defined in Term 22 of the Final Terms (*Amendment Event*)) calculated as of the Accelerated Final Index Determination Date On the Maturity Date (or, if later, the day on which the above Amendment Amount is paid), the Issuer shall also pay to the Noteholders the USD Principal Amount in full and final redemption of the Notes An Amendment Event includes an Index Cancellation, an Index Modification, an Index Advisory Agreement Termination, an Index Disruption Event continuing for a certain number of days, or termination of the Associated Swap Transaction by the Swap Counterparty (including as a result of an Additional Disruption Event) or the Issuer, each as described in Term 22 of the Final Terms (*Amendment Event*)
Index Return:	The performance of the 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
Index:	The SGI Cross Asset Dynamic Allocation 2 Index (Bloomberg Ticker Symbol: IND1CAD2 <Index>) The Index will track, with certain adjustments described herein, a basket of reference components chosen and rebalanced periodically by the Index Advisor. As a result, the return on the Index will be dependent in large part on the allocation selections made by the Index Advisor
Index Advisor:	República AFAP, S.A.
Index Sponsor:	Société Générale
Index Calculation Agent:	S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) or any successor thereto designated as such pursuant to the Index Rules
Initial Index Level:	100 (being the Index's published Index Level in respect of the Initial Index Valuation Date) In the event that the Index Level on the Initial Index Valuation Date is corrected by the Index Calculation Agent on or prior to the date falling three Business Days after the Initial Index Valuation Date, such corrected value will be the Initial Index Level
Initial Index Valuation Date:	May 10, 2018
Final Index Level:	The Index Level in respect of the Final Index Valuation Date, as determined by the Calculation Agent In the event that the Index Level on the Final Index Valuation Date is corrected by the Index Calculation Agent on or prior to the date falling three

	Business Days after the Final Index Valuation Date, such corrected value will be the Final Index Level
Final Index Valuation Date:	May 10, 2028 or, if such day is not an Index Business Day, the immediately succeeding Index Business Day (the "**Scheduled Final Index Valuation Date**"), subject to postponement pursuant to the provisions set forth under Term 20 of the Final Terms (*Postponement due to Index Disruption Events*) and Term 21 of the Final Terms (*Additional Definitions with regard to the Index*)
Index Disruption Event:	If the Final Index Valuation Date occurs on a day in respect of which the Calculation Agent determines that an Index Disruption Event has occurred or is continuing, the Calculation Agent will delay calculating the Final Index Level as set forth in Term 20 of the Final Terms (*Postponement due to Index Disruption Events*) An Index Disruption Event means the non-publication, for any reason, of the Index on the Final Index Valuation Date. See Term 21 of the Final Terms (*Additional Definitions with regard to the Index*)
Dealer:	Société Générale
Calculation Agent:	Société Générale
Clearing Systems:	Euroclear/Clearstream
Rank:	The Notes constitute direct, unsecured obligations of the Issuer ranking *pari passu*, without any preference among themselves, with all its other obligations that are unsecured and unsubordinated. The Notes are not obligations of any government
Applicable law:	English law
Notes intended to be held only by Index Advisor or accounts managed by Index Advisor only; Purchaser Acknowledgement:	The amount of the Note Return Amount, if any, to be payable in respect of the Notes will be based on the performance of the Index. The performance of the Index, in turn, will be based on the periodic selections of the Index Advisor made under the terms of the Index Advisory Agreement (as defined in the Final Terms). Therefore, the Notes are intended to be purchased and held by the Index Advisor and by discretionary accounts managed by the Index Advisor. Each purchaser and holder of the Notes from time to time, through its acquisition of the Notes, will be deemed to have acknowledged that the Notes are intended to be instruments held by the Index Advisor and by discretionary accounts managed by the Index Advisor and to have acknowledged that the Index has been developed by the Index Advisor and the Index Sponsor solely for the purposes of determining the Note Return Amount in respect of the Notes. Neither IBRD nor the Global Agent will have any responsibility for the contents of the Index Rules and the Index Advisory Agreement, and none of IBRD and the Global Agent shall have any responsibility or liability for

	the choices and allocations made by the Index Advisor thereunder with respect to the Index See also Term 29 of the Final Terms below (*Other final terms: Disclaimer of Liabilities and Representations by Prospective Investors of the Notes*)
Risk factors:	Noteholders should consider carefully the factors set out under "Additional Risk Factors" in this document and under "Risk Factors" in the Prospectus before reaching a decision to buy the Notes

ADDITIONAL RISK FACTORS

An investment in the Notes is subject to the risks described below, as well as the risks described under "Risk Factors" in the Prospectus. The Notes are a riskier investment than ordinary fixed rate notes or floating rate notes. Prospective investors should carefully consider whether the Notes are suited to their particular circumstances. Accordingly, prospective investors should consult their financial, legal and tax advisers as to the risks entailed by an investment in the Notes and the suitability of the Notes in light of their particular circumstances.

The performance of the Index will be based on the assets which are comprised in the Index (which are referred to as "Index Components", as defined in the Index Rules), which are chosen and rebalanced periodically by the Index Advisor. Therefore, the return on the Index will be dependent in large part on the allocation selections made by the Index Advisor. The Notes are intended to be purchased and held by the Index Advisor and by discretionary accounts managed by the Index Advisor. ***Neither IBRD nor the Global Agent will have any responsibility for the contents of the Index Advisory Agreement or for the choices and allocations made by the Index Advisor thereunder.***

Terms used in this section and not otherwise defined shall have the meanings set forth elsewhere in this document.

The following list of risk factors does not purport to be a complete enumeration or explanation of all the risks associated with the Notes, the Index and/or the Index Components.

GENERAL RISKS

No tax gross-up on payments

Repayment of all or any part of the Notes and payment at maturity of any additional amount due under the terms of the Notes 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 Notes in the event that any taxes are levied on such repayment or payment.

Non-U.S. Holders - Additional Tax Consideration

Investors that are not "United States persons" as defined in the U.S. Internal Revenue Code (the "**Code**") may be subject to a 30% withholding tax on "dividend equivalent" payments on financial instruments that reference one or more U.S. equities. Any payment, including proceeds from a sale or other disposition, or at maturity, of a financial instrument may be treated as a dividend equivalent. As of the Issue Date, IBRD has determined that the Notes are not transactions that are subject to withholding under the "dividend equivalent" rules. Certain events, however, including a reconstitution or rebalancing of the basket or reference components of the Index, could cause the Notes to be treated as reissued, and subject to withholding after such deemed reissuance. It is also possible that withholding could apply if a Noteholder enters, or has entered, into certain other transactions in respect of the relevant underlying equity or the Notes. Withholding tax may apply even where holders do not receive a concurrent payment on the Notes. If withholding applies, the rate of any withholding may not be reduced even if the Noteholder is otherwise eligible for a reduction under an applicable treaty. Noteholders that are entitled to a lower rate of withholding under a tax treaty may be able to claim a refund for any excess amounts withheld by filing a U.S. tax return. However, Noteholders may not receive the necessary information to properly claim a refund for any withholding in excess of the applicable treaty-based amount. In addition, the US Internal Revenue Service ("**IRS**") may not credit a Noteholder with withholding taxes remitted for purposes of claiming a refund. No additional amounts will be payable for amounts withheld.

The determination as to whether the Notes are subject to withholding under section 871(m) generally is binding on Noteholders, but is not binding on the IRS. The IRS may successfully argue that the Notes are subject to withholding. Noteholders should consult their tax advisors regarding the U.S. federal income tax consequences of these rules and an investment in the Notes.

MXN related FX Disruption Events and Index Disruption Events may operate to postpone Maturity Date

In the event that the Final MXN Valuation Date is postponed beyond the Scheduled Final MXN Valuation Date or the Final Index Valuation Date is postponed beyond the Scheduled Final Index Valuation Date 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 Final MXN Valuation Date or the Final Index Valuation Date is postponed, and therefore may be postponed by (i) a number of Business Days up to the number of Business Days occurring during the period of 30 calendar days after the Scheduled Final MXN Valuation Date (in respect of an FX Disruption) or (ii) ten Business Days after the Scheduled Final Index Valuation Date (in respect of an Index Disruption Event). No interest or other payment will be payable because of any such postponement of the Maturity Date.

Possible Amendment Event

As set out in Term 22 of the Final Terms (*Amendment Event*), in the event of the occurrence of an Amendment Event, the Issuer will make a payment equal to the Amendment Amount (which may be as low as zero) as soon as practicable after the Mandatory Amendment Date. As a result, the Noteholders will not benefit from any appreciation in the Index as of the Accelerated Final Index Determination Date. On the Maturity Date (or, if later, the day on which the above Amendment Amount is paid), the Issuer will also pay to the Noteholders the USD Principal Amount in full and final redemption of the Notes.

An Amendment Event includes an Index Cancellation, an Index Modification, an Index Advisory Agreement Termination, an Index Disruption Event that continues for a certain number of days and an event which results in early termination of the Associated Swap Transaction by the Swap Counterparty (including as a result of an Additional Disruption Event) or the Issuer. An Index Cancellation, an Index Modification, an Index Advisory Agreement Termination or a continuing Index Disruption Event may occur due to a broad range of events beyond the control of the Issuer, including by decision of the Index Calculation Agent, the Index Sponsor or the Index Advisor. An Additional Disruption Event, following which the Associated Swap Transaction may be terminated by the Swap Counterparty, consists of a Change in Law, a Hedging Disruption or an Increased Cost of Hedging. A Change in Law could occur in response to the enactment of new laws or the implementation of existing laws, including laws relating to the functioning of commodity markets, such as position limit and prohibited transaction rules, tax laws and financial system regulations, including implementation of the "Volcker Rule" regarding limitations on the sponsorship of certain investment vehicles. A Hedging Disruption could occur if the Swap Counterparty was unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transactions or assets that it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the Associated Swap Transaction or (ii) realize, recover or remit the proceeds of any such transactions or assets. An Increased Cost of Hedging could occur if the Swap Counterparty would incur a materially increased amount of taxes or costs in dealing in any transactions it deems necessary to hedge the price risk of performing its obligations under the Associated Swap Transaction. These could occur due to changes in legal or tax regimes.

Payments are subject to the exchange risk of the Mexican Peso vs. U.S. Dollar

Payment of principal upon maturity will be in USD and is based in part on the exchange rate of MXN to USD. Changes in the exchange rate of MXN to USD may result in a decrease in the effective yield of the Notes. For example, if, on the Final MXN Valuation Date, MXN has appreciated in value against USD, the payment in USD will be higher. Conversely, a depreciation in value of MXN against USD will have the opposite impact, and an investor could lose a substantial amount of its investment in the Notes. Furthermore, since the Noteholders will receive payments on the Notes only on the Maturity Date, the Noteholders will not benefit from favorable changes in exchange rates at any other time during the term of the Notes before the Final MXN Valuation Date. Currency exchange rates may be volatile and are the result of numerous factors. A Noteholder's net exposure will depend on the extent to which the payment currency (USD) strengthens or weakens against the denominated currency (MXN).

In addition, the Noteholders whose financial activities are denominated principally in a currency (the "**Investor's Currency**") other than any of the Specified Currencies will also be exposed to currency exchange rate risk that are not associated with a similar investment in a security denominated or paid in that Investor's Currency. For more information, please see "Risk Factors—Notes are subject to exchange rate and exchange control risks if the investor's currency is different from the Specified Currency" on pages 13 and 14 of the Prospectus.

Payment at maturity depends on interplay of the USD/MXN FX Rate and the performance of the Index

The payment that the Noteholder will receive at maturity will depend on both the change in the rate of exchange between MXN and USD and the Index Return. 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. A relatively positive Index Return may be offset by a decline in the value of MXN in USD terms. MXN 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.

The Notes are subject to market risks

The price at which Noteholders will be able to sell their Notes prior to maturity may be at a substantial discount from the principal amount of the Notes, even in cases where the level of the Index has increased since the Trade Date. Embedded costs, including expected profit and costs of hedging, in the original Issue Price will likely be reflected in a diminution in any repurchase price of the Notes relative to their original Issue Price. 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 Swap Counterparty's obligations, which includes an estimated profit component. IBRD's Swap Counterparty is Société Générale. Noteholders should not expect the price at which the Issuer or the Dealer is willing to repurchase the Notes to vary in proportion to changes in the level of the 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. It is expected that, generally, the level of the 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 Index; the time to maturity of the Notes; dividend or distribution rates on the exchange-traded funds held in the synthetic portfolio tracked by the Index from time to time; the interest and yield rates in the market; the economic, financial, political, regulatory or judicial events that affect the various components represented by the Index from time to time, as well as stock, commodity, bond and futures markets generally and which may affect the Index Level for the Final Index Valuation Date; and the creditworthiness of the Issuer. The USD/MXN fixing rate as well as the illiquidity of the instruments used to hedge the Issuer into USD will also have an effect on secondary market valuations.

The Notes are intended to be a hold-to-maturity instrument. Noteholders will receive at least 100% of the nominal amount of the Notes (expressed in MXN only) if they hold their Notes to maturity. If Noteholders sell their Notes prior to maturity, however, they will not receive principal protection or any minimum total return (in each case, determined without regard to conversion into USD) on the portion of their Notes sold. Noteholders should be willing to hold their Notes until maturity.

The future performance of the Index cannot be predicted based on the historical performance of the Index. Past performance is not an indication of future results.

The Notes are not liquid instruments

The Notes will not be actively traded in any financial market and there may exist at times only a very limited, if any, market for the Notes, resulting in low or non-existent volumes of trading in the Notes. Therefore an investment in the Notes will be characterized by a lack of liquidity and price volatility. Although the Issuer or the Dealer, at its respective sole discretion, may provide a repurchase bid price for the Notes if requested, neither the Issuer nor the Dealer is under any obligation to do so and, in any event, as a result of market conditions may be unwilling or unable to provide a repurchase bid price if requested. Because liquidity in the Notes may be effectively limited to Issuer repurchase, an investment in the Notes is intended for Noteholders that intend to hold the Notes to maturity.

The Index Calculation Agent and the Index Sponsor may adjust the Index in a way that affects its level, and the Index Calculation Agent and the Index Sponsor have no obligation to consider the interests of the Noteholders when doing so.

As of the date of the Final Terms, the Index Sponsor has appointed S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) as the Index Calculation Agent, which will be responsible for calculating the Index and making certain determinations regarding the Index. The Index Sponsor will have authority over the guidelines and policies governing the Index. It is entitled to exercise discretion in relation to the published level of the Index, including but not limited to circumstances in which the calculation of the Index Level is disrupted due to the occurrence of market disruption events and/or extraordinary events (each as described more fully in the Index Rules). Changes in the published Index Level of the Index will affect the Final Index Level for purposes of the Notes, and, in turn, the Note Return Amount, if any, payable on the Notes. Policies and judgments for which the Index Calculation Agent is responsible could have an impact, positive or negative, on the Index Level of the Index and thus the Final Index Level and thus, the return (if any) on, and value of, the Notes. The Index Sponsor may also amend the Index Rules governing the Index in its discretion.

Although judgments, policies and determinations concerning the Index are made by the Index Sponsor and the Index Calculation Agent, these entities have no obligation to consider the interests of the Noteholders in taking any actions that might affect the return on, and value of, the Notes. Furthermore, the inclusion of the Index Components (as defined in the Index Rules) in the Index is not an investment recommendation by the Index Sponsor or the Index Calculation Agent of those Index Components, or of any index, commodity or security tracked by an Index Component, securities referenced or contained in an Index Component or futures contract underlying or tracking an Index Component.

The selections of the Index Advisor will be the most important factor influencing the return on the Index.

The initial selection of the Index Components to be included in the Index, and their relative weightings, will be made by the Index Advisor (as defined below in the Final Terms), and the Index Advisor will be charged with revising these selections and weights on scheduled dates for the rebalancing of the Index, as well as on additional rebalancing dates chosen on a discretionary basis by the Index Advisor. Although the Index's formula includes weighting constraints, apart from such constraints and certain constraints linked to the Index Sponsor's compliance with applicable laws, rules, regulations and internal policies, the Index Advisor will have total discretion over its selections and weightings. Selections that run counter to market trends will result in the Index Level (as defined in the Index Rules) declining or not increasing in line with market benchmarks. The Index allows the Index Advisor to select components for the synthetic portfolio tracked by the Index from an extensive and diverse set of Index Components. The Index Advisor may select a bullish position on a few market sectors and concentrate synthetic investments in those sectors. Such concentrations may run counter to market trends and result in losses.

As a result, the success of the Index will depend largely upon the abilities of the Index Advisor and certain key individuals employed by the Index Advisor. There can be no assurance that the Index Advisor will be successful in the rebalancing of the Index and the loss of one or more such key individuals may have a material adverse impact on the performance of the Index. The Notes are therefore intended to be held only by the Index Advisor and by discretionary accounts managed by the Index Advisor.

The Index Advisor will have no duties under the Notes to any third parties

The Index Advisor does not have any obligations or duties to the investors in the Notes under the terms of the Notes. The Notes are therefore intended to be held only by the Index Advisor and by discretionary accounts managed by the Index Advisor, to whom the Index Advisor may have duties under law or contract. It is also not expected that any instrument, other than the Notes, will reference the performance of the Index. The Index is intended to be personal to the selections and expertise of the Index Advisor.

The termination of República AFAP, S.A. as Index Advisor could adversely affect the Notes

Upon the termination of República AFAP, S.A. as Index Advisor in accordance with the provisions of the Index Advisory Agreement, no successor Index Advisor will be appointed and the Index shall cease to exist. This may have an adverse effect on anyone who has taken economic exposure to the Index by investing in any product that references it. In addition, in the event the Index ceases to exist, an Amendment Event shall be deemed to exist with the risks set forth above under "*Possible Amendment Event*".

The Index Advisor would cease to serve as such in the event of the termination of the Index Advisory Agreement. A termination could occur for a variety of reasons, including by discretionary choice of the Index Advisor or the Index Sponsor, as well as due to events that could bear negatively on the reputation of either party, due to non-performance by either party or due to a change in business on the part of the Index Advisor. For more information, please consult the Index Rules.

The Index may not achieve its target volatility, which could adversely affect the performance of the Index.

Although the Index is calculated based on a formula that potentially reduces exposure to the selected synthetic portfolio of Index Components in order to conform to a retrospectively-based 10% target volatility observation constraint, there can be no assurance that the Index's actual volatility will not exceed the target level. The Index's volatility constraint mechanism is based on an analysis of backward-looking data over a finite period, and such data may understate or overstate current or future volatility and will likely be unable to avoid exposure to severe volatility in the event of brief, pronounced market swings. Higher than expected volatility exposes the Index to potentially large losses and lower than expected volatility could limit gains by limiting the Index's exposure to the synthetic portfolio during periods of market upswings.

The Index's volatility control mechanism could reduce the Index's exposure to the selected synthetic portfolio of Index Components.

The Index's calculation formula employs a volatility constraint mechanism that functions by reducing the Index's exposure to the synthetic portfolio of Index Components selected by the Index Advisor. Exposure to the synthetic portfolio will never exceed 150% and may be substantially lower based on historical volatility experienced by the selected portfolio. Because of this constraint, the selections of the Index Advisor may not be fully reflected by the Index's performance.

Even if the market value of the Index Components changes, the market value of the Index or the Notes may not change in the same manner.

Owning the Notes is not the same as owning each of the Index Components composing the Index. Accordingly, changes in the market value of the Index Components may not result in a comparable change in the market value of the Index or the Notes.

The Index comprises notional assets and liabilities.

The exposures to the Index Components are purely notional and will exist solely in the records maintained by the Index Calculation Agent. There is no actual portfolio of assets to which any person is entitled or in which any person has any ownership interest. Consequently, a Noteholder will not have any claim against any of the reference assets which comprise the Index. The Index is a statistical measure of the performance of a systematic model that aims to provide an exposure to the performance of a dynamic multi-asset basket of indices and funds with a volatility control mechanism; it is not an investment fund, pool or any other investment vehicle. The strategy tracks the excess returns of a notional dynamic basket of assets over cash investment (as represented by the Index Component Rate).

The Index is new and will perform based on the selections of the Index Advisor, and thus its performance cannot be anticipated.

The Index has no performance history, and thus there is no historical record available to evaluate its past performance. Moreover, the Index will be weighted and rebalanced based on the Index Advisor's discretionary choices over time. No assurance can be given that the selection methodologies employed by the Index Advisor in relation to selecting the Index Component Weights will result in the Index matching or outperforming any market benchmark, and the Index could lag such benchmarks, including by experiencing long-term declines.

The Index Level will be significantly reduced (and therefore the return on the Notes materially adversely affected) due to the impact of certain adjustments and the only partial recognition of distributions received from certain Index Components), together with (indirectly) costs and expenses deducted from other indices which are Index Components

The Index Level will be reduced each day by application of some adjustments included in the calculation formula. These adjustments will be based on (i) the change in exposure to the Index Components included in the synthetic portfolio tracked by the Index on the relevant Calculation Date (as defined in the Index Rules); (ii) the Index Component Weight (as defined in the Index Rules) assigned to each such Index Component within the selected synthetic portfolio of Index Components tracked by the Index; (iii) the Fixed Transaction Cost, the Fixed Replication Cost Long and the Fixed Replication Cost Short (each as defined in the Index Rules) associated with that Index Component; (iv) the Forex, the Index Component Rate and the Index Component Base Rate (as defined in the Index Rules) associated with that Index Component and (v) the Index Level (as defined in the Index Rules). The Index Rules set out (i) the Fixed Transaction Cost associated with each Index Component, ranging from 0% to 0.30%, (ii) the Fixed Replication Cost Long associated with each Index Component, ranging from 0% to 0.92%, and (iii) the Fixed Replication Cost Short associated with each Index Component, ranging from -1.35% to 0.75%. These adjustments will be calculated and applied on a daily basis on the Index Level.

The Index Return will be further reduced because the Index calculation formula takes into account for synthetic reinvestment net cash dividends after the deduction of a theoretical withholding tax, rather than 100% of the value of distributions made by Index Components whose Index Component Return Type (as defined in the Index Rules) is PR and held in the synthetic portfolio tracked by the Index. These adjustments and reduction will reduce the performance of the Index, relative to that which would have been realized if they had not been made. The aggregate amount of the adjustments and reduction cannot be predicted in advance but will depend on the selections made by the Index Advisor because certain Index Components are subject to a higher cost subtraction than others, and because selections of Index Components whose Index Component Return Type is PR and that make distributions will be subject to larger potential reduction due to the application of a theoretical withholding tax.

Finally, investors should be aware that Index Components may include from time to time indices which are sponsored by the Dealer. These indices may also deduct certain fees and expenses, for the benefit of the Dealer, which deductions will also act as a material drag on the performance of each such Index, and therefore may have a material adverse impact on the Index Level and the return on the Notes.

The Index Components comprising the Index may be changed in the event of the occurrence of certain extraordinary events.

Following the occurrence of certain extraordinary events with respect to an Index Component as provided in the Index Rules, the affected Index Component may be either replaced by a substitute or removed from the Index. A replacement Index Component would be chosen by the Index Sponsor or the Index Scientific Committee (as defined in the Index Rules), exercising discretion. If no replacement is deemed available, the Index may continue without the removed Index Component or any replacement.

The changing or removal of an Index Component may affect the performance of the Index, and therefore, the return on the Notes, as the replacement Index Component may perform significantly better or worse than the affected Index Component. Circumstances in which such a replacement may occur include the replacement by an Index Component by a successor, a failure by the relevant sponsor of the Index Component to calculate its value for an extended period, the cancellation of an Index Component, a material change in the composition or calculation of an Index Component or the occurrence of an extraordinary currency event with respect to a currency relevant to the Index Component. For more information, please consult the Index Rules. No assurance can be provided that one of such events may occur to one or more of the initial Index Components.

Correlation of performances among the Index Components may reduce the performance of the Notes.

Performances amongst the Index Components may become highly correlated from time to time during the term of the Notes, including, but not limited to, a period in which there is a substantial decline in a particular sector or asset type represented by the selected synthetic portfolio of Index Components tracked by the Index and which has a higher weighting in the Index relative to any of the other sectors or asset types, as determined by the Index Advisor's selection. High correlation during periods of negative returns among Index Components representing any one sector or asset type which have a substantial percentage weighting in the Index could limit any return on the Notes.

Furthermore, the Index may not be equally weighted among the Index Components. Decreases in the value of a more heavily weighted Index Component could moderate or wholly offset increases in the values of the less heavily weighted Index Component.

The Index is an excess return index that tracks the return of the synthetic portfolio of Index Components over the return from a short-term cash investment.

The Index is an excess return index that tracks the return of the synthetic portfolio of Index Components over the return from a short-term cash investment. As an "excess return" index, the Index calculates the return from an investment in the synthetic portfolio of Index Components in excess of the return from an equal investment in a short-term cash investment (as represented by the Index Component Rate), noting that some of the Index Components are in themselves excess return indices. Thus the return of the Index will be based on the return of the Index Components less the return from the Index Component Rate. Accordingly, the Index will underperform another index that tracks the return of the same synthetic portfolio but does not deduct the return of a short-term cash investment.

The Notes will be subject to currency exchange risk.

Because the prices of some or all of the securities, futures contracts or assets included in some of the Index Components of the Index (the "**Component Securities**") are converted into USD for the purposes of calculating the value of the Index, Noteholders will be exposed to currency exchange rate risk with respect to each Index Component Currency and Index Component Base Currency in which the Component Securities trade. An investor's net exposure will depend on the extent to which such currencies strengthen or weaken against the USD and the relative weight of the Component Securities in the relevant Index Components denominated in each such currency. If, taking into account such weighting, the USD strengthens against such currencies, the value of the relevant Index Components will be adversely affected and the Note Return Amount, if any, due under the Notes may be reduced.

Suspension or disruptions of market trading in the commodity and related futures markets may adversely affect the level of Index Components that are Commodity Instruments (as defined in the Index Rules) and therefore the return on, and value of, the Notes.

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices that may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, no trades may be made at a different price. Limit prices have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at disadvantageous times or prices. These circumstances could adversely affect the levels of the Index Components that are Commodity Instruments and therefore, the level of the Index and return on, and the value of, the Notes.

The commodity futures contracts underlying Index Components that are Commodity Instruments (as defined in the Index Rules) are subject to legal and regulatory regimes that may change in ways that could have an adverse effect on the level of the Index and/or could lead to the early redemption of the Notes.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), which effected substantial changes to the regulation of the futures and over-the-counter (OTC) derivatives markets, was enacted in July 2010. Dodd-Frank requires regulators, including the Commodity Futures Trading Commission ("**CFTC**"), to adopt regulations to implement many of the requirements of the legislation. While the CFTC has adopted many of the required regulations, a number of them have only recently become effective, and certain requirements remain to be finalized. The ultimate impact of the regulatory scheme, therefore, cannot yet be fully determined. Under Dodd-Frank, the CFTC approved a final rule to impose limits on the size of positions that can be held by market participants in futures and over-the-counter ("**OTC**") derivatives on physical commodities. Those rules were challenged in federal court by industry groups and were vacated by a decision of the court in 2012. While the CFTC subsequently proposed new rules that have not yet been adopted governing position limits and has recently adopted final rules governing the aggregation of positions by market participants under common control and by trading managers, their ultimate scope and impact, as well as the content, scope or impact of other CFTC rules, cannot be conclusively determined at present, and these limits could restrict the ability of certain market participants to participate in the commodities, futures and swap markets and markets for other OTC derivatives on physical commodities to the extent and at the levels that they have in the past. These factors may also have the effect of reducing liquidity and increasing costs in these markets as well as affecting the structure of the markets in other ways.

In addition, these legislative and regulatory changes have increased, and will continue to increase, the level of regulation of markets and market participants, and therefore the costs of participating in the commodities, futures and OTC derivatives markets. Without limitation, these changes require many OTC derivatives transactions to be executed on regulated exchanges or trading platforms and cleared through regulated clearing houses. Swap dealers (as defined by the CFTC) are also required to be registered and are subject to various regulatory requirements, including, but not limited to, margin, recordkeeping, reporting and various business conduct requirements, as well as proposed minimum financial capital requirements. These legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and increases in market volatility. In addition, transaction costs incurred by market participants are likely to be higher than in the past, reflecting the costs of compliance with the new regulations. These consequences could adversely affect the level of the Index or underlying commodity, which could in turn adversely affect the return on and value of your Notes.

In addition, other regulatory bodies have passed or proposed, or may propose in the future, legislation similar to that proposed by Dodd-Frank or other legislation containing other restrictions that could adversely impact the liquidity of and increase costs of participating in the commodities markets. For example, the European Union ("**EU**") Markets in Financial Instruments Directive (Directive 2014/65/EU) and Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014) (together "**MiFID II**"), which has applied since January 3, 2018, governs the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. In particular, MiFID II requires EU Member States to apply position limits to the size of a net position which a person can hold at any time in commodity derivatives traded on trading EU trading venues and in "economically equivalent" OTC contracts.

By way of further example, the European Market Infrastructure Regulation (Regulation (EU) No 648/2012) ("**EMIR**") introduced certain requirements in respect of OTC derivatives including: (i) the mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts, including the mandatory margining of uncleared OTC derivative contracts; and (iii) reporting and recordkeeping requirements in respect of all derivative contracts. In the event that the requirements under EMIR and MiFID II apply, these are expected to increase the cost of transacting derivatives.

Futures contracts and options on futures contracts markets, including those future contracts underlying Index Components that are Commodity Instruments (as defined in the Index Rules), are subject to extensive statutes, regulations, and margin requirements. The CFTC and the exchanges on which such futures contracts trade, are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily limits and the suspension of trading. Furthermore, certain exchanges have regulations that limit the amount of fluctuations in futures contract prices which may occur during a single five-minute trading period. These limits could adversely affect the market prices of relevant futures contracts and forward contracts. The regulation of commodity transactions in the U.S. is subject to ongoing modification by government and judicial action. In addition, various national governments have expressed concern regarding the disruptive effects of speculative trading in the commodity markets and the need to regulate the derivative markets in general. The effects of any future regulatory change on the value of the Notes is impossible to predict, but could be substantial and adverse to the interests of Noteholders.

The above-mentioned rules may interfere with an entity's ability to enter into or maintain hedge positions in respect of Index Components that are Commodity Instruments available for selection in the synthetic portfolio tracked by the Index. Upon the occurrence of legal or regulatory changes having such an effect, a determination may be made by the Calculation Agent under the Notes that a Change in Law or a Hedging Disruption has occurred and an Amendment Event with respect to the Notes may be triggered under Term 22 of the Final Terms (*Amendment Event*). Any such Amendment Event could limit or eliminate the potential for a positive return on the Notes.

Commodity prices may change unpredictably, affecting the level of the Index Components that are

Commodity Instruments and therefore the return on, and value of, the Notes in unforeseeable ways.

Trading in futures contracts underlying the Index Components that are Commodity Instruments is speculative and can be extremely volatile. A decrease in the price of any of the commodities upon which the futures contracts that compose an Index Component that is a Commodity Instrument are based may have a material adverse effect on the return on, and value of, the Notes. Market prices of the commodities on which such futures contracts are based may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships; governmental programs and policies, national and international political and economic events, changes in interest and exchange rates, speculation and trading activities in commodities and related contracts, general weather conditions, and trade, fiscal, monetary and exchange control policies; agriculture; trade; disease; and technological developments. Many commodities are also highly cyclical. These factors, some of which are specific to the market for each such commodity may cause the value of the different commodities upon which the futures contracts that compose such Index Components that are Commodity Instruments are based, as well as the futures contracts themselves, to move in inconsistent directions at inconsistent rates. This, in turn, will affect the return on, and value of, the Notes. It is not possible to predict the aggregate effect of all or any combination of these factors.

Higher future prices of the futures contracts constituting certain of the Index Components (the "Futures Based Index Components") relative to their current prices may decrease the amount payable at maturity.

The Futures Based Index Components are composed of futures contracts on various underlyings such as physical commodities, government bonds and equity indices (the "**Reference Underlyings**"). Unlike equities, which typically entitle the holder to a continuing stake in a corporation, futures contracts normally specify a certain date for delivery of the Reference Underlyings. As the exchange traded futures contracts that compose the Futures Based Index Components approach expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October is replaced by a contract for delivery in November. This process is referred to as "rolling". If the market for these contracts is (putting aside other considerations) in "backwardation," that is where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a "roll yield." While some futures contracts have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Moreover, certain Reference Underlyings, such as gold, have historically traded in "contango" markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The presence of contango could result in negative "roll yields," which could adversely affect the level of the Futures Based Index Components and, therefore, the level of the Index and the return on, and value of, the Notes.

The Futures Based Index Components may underperform a cash purchase of the Reference Underlyings, potentially by a significant amount.

Because the Futures Based Index Components are made up of futures contracts, there will be a cost to "rolling" the contracts forward as the index sells the current contracts and then adds the next month's contracts. As some futures contracts tend to have positively sloping forward curves, commonly known as "contango", the Futures Based Index Components' returns experience a negative drag when they sell cheaper contracts and purchases more expensive contracts. As a result, it is likely that the Futures Based Index Components will underperform a direct investment in a similarly weighted basket of Reference Underlyings over the life of the Notes.

The sponsors of the Index Components that are indices (each a "Component Index") may adjust each Component Index in a way that affects its level, and such sponsor has no obligation to consider the interests of the Noteholders.

The sponsor of a Component Index is responsible for calculating and maintaining such Component Index. Such sponsor can add, delete or substitute the securities underlying such Component Index or make other methodological changes that could change the level of such Component Index. Noteholders should realize that the changing of securities included in such Component Index may affect such Component Index, as a newly added security may perform significantly better or worse than the security or securities it replaces. Additionally, such sponsor may alter, discontinue or suspend calculation or dissemination of such Component Index. Any of these actions could adversely affect the return on, and value of, the Notes. The sponsor of a Component Index has no obligation to consider the interests of Noteholders in calculating or revising such Component Index.

Certain of the Component Indices are sponsored by the Index Sponsor. All decisions made by the Index Sponsor with respect to such Component Indices (including, without limitation, any additions, deletions, substitutions, methodological changes or the cancellation of any such Component Index) will be made without regard to any effect on the Index or the interests of the Noteholders.

The Notes are subject to significant risks associated with fixed-income securities, including interest rate-related risks.

Certain of the Index Components that are Debt Instruments (as defined in the Index Rules), which are collectively referred to as the "Debt Instrument Component Indices", are underlyings that attempt to track the performance of indices composed of fixed income securities. Investing in the Notes linked indirectly to these Debt Instrument Component Indices differs significantly from investing directly in bonds to be held to maturity as the values of the Debt Instrument Component Indices change, at times significantly, during each trading day based upon the current market prices of their underlying bonds. The market prices of these bonds are volatile and significantly influenced by a number of factors, particularly the yields on these bonds as compared to current market interest rates and the actual or perceived credit quality of the issuer of these bonds.

The Notes are subject to significant risks associated with fixed-income securities, including credit risk.

The prices of the Debt Instrument Component Indices which may be selected from time to time for inclusion in the synthetic portfolio tracked by the Index may be significantly influenced by the creditworthiness of the issuers of the bonds included or referenced in such indices. The bonds underlying the Debt Instrument Component Indices may have their credit ratings downgraded, including a downgrade from investment grade to noninvestment grade status, or have their credit spreads widen significantly. Following a ratings downgrade or the widening of credit spreads, some or all of the underlying bonds may suffer significant and rapid price declines. These events may affect only a few or a large number of the underlying bonds.

The price of gold is volatile and is affected by numerous factors.

The value of the SPDR® Gold Shares US (which is one of the Index Components available for selection within the Index) is closely related to the price of gold. A decrease in the price of gold may have a material adverse effect on the value of the Notes and the return on investment in the Notes. Gold is subject to the effect of numerous factors. The following describes some of the factors affecting gold.

The price of gold is primarily affected by the global demand for and supply of gold. The market for gold bullion is global, and gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors, including macroeconomic factors such as the structure of and confidence in the global monetary system, expectations regarding the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is usually quoted), interest rates, gold borrowing and lending rates, and global or regional economic, financial, political, regulatory, judicial or other events. Gold prices may be affected by industry factors such as industrial and jewelry demand as well as lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions that hold gold. Additionally, gold prices may be affected by levels of gold production, production costs and short-term changes in supply and demand due to trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

An investment in the Notes is subject to risks associated with non-U.S. securities markets, including emerging markets.

Some or all of the equity securities that are held by or comprise the Index Components have been issued by non-U.S. issuers. Investments in securities linked to the value of non-U.S. securities involve risks associated with the securities markets in those countries, including risks of volatility in those markets, governmental intervention in those markets and cross shareholdings in companies in certain countries. Also, there is generally less publicly available information about companies in some of these jurisdictions than about U.S. companies that are subject to the reporting requirements of the Securities and Exchange Commission (the "**SEC**"), and generally non-U.S. companies are subject to accounting, auditing and financial reporting standards and requirements and securities trading rules different from those applicable to U.S. reporting companies.

The prices of equity securities and government bonds in non-U.S. markets may be affected by political, economic, financial and social factors in such markets, including changes in a country's government, economic and fiscal policies, currency exchange laws or other laws or restrictions. Moreover, the economies of these countries may differ favorably or unfavorably from the economy of the United States in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency. These countries may be subjected to different and, in some cases, more adverse economic environments.

The economies of emerging market countries in particular face several concerns, including relatively unstable governments that may present the risks of nationalization of businesses, restrictions on foreign ownership and prohibitions on the repatriation of assets, and which may have less protection of property rights than more developed countries. These economies may also be based on only a few industries, be highly vulnerable to changes in local and global trade conditions and may suffer from extreme and volatile debt burdens or inflation rates. In addition, local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times.

Certain of the "developed market" equity markets represented by the Index Components, including Italy and Spain, also carry risks relating to the European Union's current monetary and economic instability, which could adversely affect the values of the represented equities.

The Index Components also include an exchange-traded fund that is intended to track the value of Russian equities. Instability in geo-political relations involving Russia could adversely affect the value of the represented equities and could limit the availability of an exchange traded fund to track Russian equities, or for the Index to include or value such an exchange traded fund, if, for example, a sanctions regime, constrained the accessibility of Russian equities.

Some or all of these factors may influence the value of the relevant Index Components, and therefore, the Index. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors. Investors cannot predict the future performance of such Index Components based on their historical performance. The value of any such Index Component may decrease, resulting in a decrease in the level of the Index, which may adversely affect the value of the Notes.

Risks Relating to Index Components that are Exchange Traded Funds

The Index Components include exchange-traded funds (or "**ETFs**"). An investment in securities linked to shares of ETFs (or in securities linked to an index which includes one or more ETFs as components) entails significant risks in addition to those associated with investments in securities and with investments in a conventional debt security.

The ETF may not perform as anticipated

An ETF may seek to track the performance of an index, a basket of assets or specific single assets (each, a "**fund underlying benchmark**"). The performance of an ETF may be dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, and company-specific factors such as earnings position, market position, risk situation, market liquidity of the shares comprising the fund underlying benchmark, or the shareholder structure and dividend policy relating to the issuers of underlying shares of the fund underlying benchmark. As these factors are beyond the control of the management company, sponsor or trustee of the ETF, there can be no assurance that the management company, sponsor or trustee will achieve the investment objectives of the ETF.

The policies of the management company of each ETF concerning the calculation of the applicable ETF's net asset value, additions, deletions or substitutions of securities in the applicable ETF and manner in which changes affecting the applicable index tracked by the applicable ETF are reflected in such ETF could affect the trading price of the ETF's shares, and therefore, the level of the Index. The share prices of an ETF could also be affected if the ETF's management company were to change its policies, for example, by changing the manner in which it calculates net asset value, or by discontinuing or suspending calculation or publication of net asset value.

An ETF may in accordance with its fund rules concentrate its assets with a focus on certain countries, regions or industry sectors while replicating the fund underlying benchmark. This can result in the ETF being subject to a higher volatility as compared to funds with a broader diversification as regards countries, regions or industry sectors. The value of investments in certain sectors, countries or regions may be subject to strong volatility within short periods of time. This also applies to ETFs focusing their investments on certain asset classes such as commodities. ETFs investing their assets in less regulated, small and exotic markets, are subject to certain further risks. Such risks may include the risk of government interventions resulting in a total or partial loss of assets or of the ability to acquire or sell them at the management company's discretion. Such markets may not be regulated in a manner typically expected from more developed markets. If an ETF concentrates its assets in emerging markets, this may involve a higher degree of risk as exchanges and markets in these emerging market countries may be subject to stronger volatility than exchanges and markets in more developed countries. Political changes, foreign currency exchange restrictions, foreign exchange controls, taxes, restrictions on foreign investments and repatriation of invested capital can have a negative impact on the investment result and therefore the value of shares of the ETF.

The net asset value of a share of an ETF may be calculated from the prices of underlying shares relating to the fund underlying benchmark, without taking into account the value of dividends paid on the shares of the fund underlying benchmark. Therefore, an investment in securities which are linked to a share of an ETF is not the same as a direct investment in the fund underlying benchmark and may therefore result in a lower yield than a direct investment in such index or shares.

<u>The performance of an ETF may not correlate with the performance of its fund underlying benchmark</u>

An ETF may not fully replicate its fund underlying benchmark and may hold securities different from those included in its fund underlying benchmark. Also, the performance of an ETF will in most cases reflect additional transaction costs and/or fees that are not included in the calculation of the level of its fund underlying benchmark. Further, corporate actions with respect to the equity securities underlying an ETF (such as mergers and spin-offs) may lead to variance between the performance of such ETF and that of its fund underlying benchmark. Any or all of these factors may lead to a lack of correlation between the performance of an ETF and that of its fund underlying benchmark.

<u>There are additional risks in relation to synthetic ETFs</u>

Typically, synthetic ETFs follow a strategy of investing in swaps and derivative instruments with an aim to replicate the performance of a fund underlying benchmark. Although synthetic ETFs track the fund underlying benchmark, there is a risk that discrepancy occurs between the value of the synthetic ETF and the value of the fund underlying benchmark. This could be the results of a failure of the tracking strategy of the synthetic ETF, currency differences between the ETF and/or the fund underlying benchmark, fees and expenses charged in connection with the synthetic ETF. In addition, investors are exposed to credit risk of counterparties which have issued the swaps or derivative instruments that underlie synthetic ETFs ("**Derivatives Issuers**"). As Derivatives Issuers are predominantly international financial institutions there is a risk that the failure of one Derivatives Issuer could have a "knock-on" effect and lead to the insolvency of other Derivatives Issuers. Although Derivatives Issuers may have collateralized their obligations under the relevant derivative instruments, there is a residual risk that the market value of the collateral posted could have fallen substantially when the synthetic ETFs seeks to realize the collateral and could worth less than the outstanding obligations under the relevant derivative instruments.

<u>Investors will have no claim against the management company, sponsor or trustee of an ETF or recourse to the shares of an ETF</u>

Securities linked to shares of an ETF do not represent a claim against or an investment in any management company, sponsor or trustee of the ETF and you will not have any right of recourse under the Securities to any such company, sponsor or trustee or the shares of the ETF. None of the Notes or the Index is in any way sponsored, endorsed or promoted by any management company, sponsor or trustee of any ETF which is a component of the Index and such entities have no obligation to take into account the consequences of their actions on Noteholders. Accordingly, the management company, sponsor or trustee of an ETF may take any actions in respect of shares of the ETF without regard to your interests as a Noteholder, and any of these actions could adversely affect the level of the Index and the market value of the Notes.

Potential conflicts of interest

There is a potential for conflicts of interest in the structure and operation of the Index and by virtue of the normal business activities of the Index Sponsor, the Calculation Agent for the Notes, the Calculation Agent for the Associated Swap Transaction, the Index Calculation Agent, the Index Advisor and any of their affiliates or any of its or its affiliates' respective directors, officers, employees or agents.

The Index Advisor, the Index Calculation Agent, Index Sponsor and their respective affiliates are acting or may act in a number of capacities in connection with the Index. The Index Advisor, the Index Calculation Agent, and the Index Sponsor (and, as applicable, their respective affiliates) acting in such capacities each shall have only the duties and responsibilities expressly set out for such entity in the Index Rules and shall not, by virtue of its or any of its respective affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity.

Various potential and actual conflicts of interest may arise from the overall investment activity of the Index Advisor, the Calculation Agent for the Notes, the Calculation Agent for the Associated Swap Transaction, the Index Calculation Agent, the Index Sponsor and their respective affiliates. The Index Advisor, the Calculation Agent for the Notes, the Calculation Agent for the Associated Swap Transaction, the Index Calculation Agent, the Index Sponsor and their respective affiliates and/or their directors, officers and employees may each have, or may each have had, interests or positions, or may buy, sell or otherwise trade positions, in or relating to the Index and/or Index Components, or may have invested, or may engage in transactions relating to any Index Components, either for its own account or the account of others, may publish research reports or otherwise express views with respect to such transactions or regarding expected movements in price or volatility of the Index Components (which may or may not be consistent with any decision by the Index Advisor to include a particular Component Index in the Index). The Index Advisor, the Calculation Agent for the Notes, the Calculation Agent for the Associated Swap Transaction, the Index Calculation Agent, the Index Sponsor and their respective affiliates may act with respect to such transactions in the same manner as if the Index did not exist and without regard to whether any such action might have an adverse effect on the Index. Such transactions may or may not be different from the transactions referenced by the Index and may involve events or circumstances which result in a need for the Index Sponsor or any of its affiliates to exercise its or their discretion under the Index Rules, for example, in relation to Extraordinary Events (as defined in the Index Rules). Such activity may, or may not, affect the value of the Index Components, but those considering taking any economic exposure by reference to the Index should be aware that a conflict may arise.

The Index Sponsor and its affiliates expect to engage in trading activities related to the securities, futures contracts or forward contracts underlying the Index Components, the instruments underlying such futures contracts and forward contracts, and/or other derivative instruments with returns linked to the performance of such securities, instruments, futures contracts or forward contracts, or the Index Components, for their accounts and for other accounts under their management. Any of these trading activities could adversely affect the prices of the Index Components, securities, futures contracts or forward contracts underlying the Index Components, or the instruments underlying such futures contracts and forward contracts, may limit or affect relevant arbitrage opportunities, and may adversely affect the level of the Index Components and the performance of the Index.

The positions taken by the Index Sponsor and its affiliates may also be adverse to the positions reflected in the Index, which may affect the value of such positions.

The Index Sponsor or its affiliates may also publish research reports or otherwise express views or provide recommendations about the positions reflected in the Index, which may be inconsistent with the positions reflected in the Index.

With respect to any of the activities described above, neither the Index Sponsor nor any of its affiliates have any obligation to take the interests of any buyer, seller or holder of the Notes into consideration. Additionally, the Index Advisor, the Calculation Agent for the Notes, the Calculation Agent for the Associated Swap Transaction, the Index Calculation Agent, the Index Sponsor and their respective affiliates may serve as agent or underwriter for other issuances of potential Index Components and are or may be engaged in trading, brokerage and financing activities, as well as providing investment banking and financial advisory services.

Investors should note that, although certain amounts under the Conditions of the Notes are determined by reference to the value of certain components of the Associated Swap Transaction, the Notes do not represent a claim against the Swap Counterparty and investors will have no recourse to the Swap Counterparty under the Associated Swap Transaction. However, a termination of the Associated Swap Transaction (including by reason of the occurrence of an Event of Default (as defined in the ISDA Master Agreement) by the Swap Counterparty) will result in an Amendment Event and investors are therefore exposed to the credit of the Swap Counterparty (as defined in Term 22 of the Final Terms (*Amendment Event*)).

Final Terms dated May 14, 2018

International Bank for Reconstruction and Development
Issue of MXN 780,976,000 Notes linked to the SGI Cross Asset Dynamic Allocation 2 Index due May 24, 2028 (payable in United States Dollars)
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 under "Additional Risk Factors" above.

SUMMARY OF THE NOTES

1.	Issuer:	International Bank for Reconstruction and Development ("**IBRD**")
2.	(i) Series Number:	100371
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies (Condition 1(d)):	Mexican Peso ("**MXN**") provided that all payments in respect of the Notes will be made in United States Dollars ("**USD**")
4.	Aggregate Nominal Amount:	
	(i) Series:	MXN 780,976,000
	(ii) Tranche:	MXN 780,976,000
5.	(i) Issue Price:	100 per cent. of the Aggregate Nominal Amount (payable in USD as set out in Term 5(ii) below)
	(ii) Net Proceeds:	USD 40,000,000 (being equal to the Aggregate Nominal Amount divided by the Initial USD/MXN FX Rate, as defined in Term 19 (*Additional Definitions with regard to the USD/MXN FX Rate*))
6.	Specified Denomination(s) (Condition 1(b)):	MXN 1,952,440 If after the Trade Date and on or before the Maturity Date, Mexico has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Trade Date (the "**Original Currency**"), then for purposes of the Specified Denomination and the Aggregate Nominal Amount set forth herein, such Original Currency amounts will be converted to the successor currency (the "**Successor Currency**") by the Calculation Agent by multiplying the amount of the Original Currency by a ratio of the Successor Currency to the Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by Mexico for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place (the "**Conversion Rate**"). If there is more than one such date, the

		date closest to the Maturity Date will be selected by the Calculation Agent for the purposes of determining the Conversion Rate
7.	Issue Date:	May 23, 2018
8.	Maturity Date (Condition 6(a)):	May 24, 2028 (the "**Scheduled Maturity Date**"), unless the Final MXN Valuation Date is postponed beyond the Scheduled Final MXN Valuation Date pursuant to Term 18 (*MXN Related FX Disruption and Disruption Fallbacks*) and/or the Final Index Valuation Date is postponed beyond the Scheduled Final Index Valuation Date pursuant to Term 20 (*Postponement due to Index Disruption Events*), in which case the Maturity Date shall be postponed as described therein For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Scheduled Maturity Date is postponed due to postponement of the Final MXN Valuation Date beyond the Scheduled Final MXN Valuation Date due to the operation of Term 18 (*MXN Related FX Disruption and Disruption Fallbacks*) or the postponement of the Final Index Valuation Date beyond the Scheduled Final Index Valuation Date due to the operation of Term 20 (*Postponement due to Index Disruption Events*)
9.	Interest Basis (Condition 5):	Zero Coupon. The Notes do not bear or pay any interest
10.	Redemption/Payment Basis (Condition 6):	Currency-linked redemption and Index-linked redemption as set out in Term 17 (*Final Redemption Amount of each Note (Condition 6)*)
11.	Change of Interest or Redemption/Payment Basis:	*Change of Redemption/Payment Basis*: Upon the occurrence of an Amendment Event, as set out in Term 22 (*Amendment Event*)
12.	Call/Put Options (Condition 6):	Not Applicable
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 for the purposes of Condition 5(c) only, provided that the Early Redemption Amount shall be determined in accordance with Term 24 (*Early Redemption Amount (Condition 6(c))*)
	(i) Amortisation Yield (Condition 6(c)(ii)):	Solely for the purposes of calculating the Rate of Interest for any overdue principal for the purposes of Condition 5(c), the Amortisation Yield shall be 3.1 per cent. per annum
	(ii) Day Count Fraction (Condition 5(l)):	Solely for the purposes of calculating the Rate of Interest for any overdue principal for the purposes of Condition 5(c), the Day Count Fraction will

		be 30/360
(iii)	Any other formula/ basis of determining amount payable:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17.	Final Redemption Amount of each Note (Condition 6):	If no Amendment Event has occurred, the Final Redemption Amount, calculated per Specified Denomination, payable on the Maturity Date shall be an amount in USD calculated by the Calculation Agent in accordance with the following: ***USD Principal Amount + Note Return Amount*** If an Amendment Event has occurred, the Final Redemption Amount, calculated per Specified Denomination, shall be an amount in USD equal to the USD Principal Amount, and shall be payable on the later of (i) the day when the Amendment Amount is paid and (ii) the Maturity Date Whereby: "**Amendment Event**" has the meaning given to it in Term 22 (*Amendment Event*); "**Index**" means the SGI Cross Asset Dynamic Allocation 2 Index (Bloomberg Ticker Symbol: IND1CAD2 <Index>); "**Index Return**" means the performance of the 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; "**Participation Rate**" means 473%; "**Note Return Amount**" means an amount in USD, calculated per Specified Denomination, equal to the product of (a) the USD Calculation Amount, (b) the greater of (x) the Index Return and (y) zero and (c) the Participation Rate; "**USD Calculation Amount**" means an amount in USD, calculated per Specified Denomination, equal to the Specified Denomination divided by the Initial USD/MXN FX Rate; and "**USD Principal Amount**" means an amount in USD, calculated per Specified Denomination, equal to (i) the Specified Denomination divided by (ii) the Final USD/MXN FX Rate See Term 19 (*Additional Definitions with regard to the USD/MXN FX Rate*) and Term 21 (*Additional Definitions with regard to the Index*) for additional definitions
18.	MXN Related FX	In the event of the occurrence of an FX Disruption or an Unscheduled

Disruption and Disruption Fallbacks:	Holiday on any Scheduled MXN Valuation Date, the Calculation Agent shall apply each of the following paragraphs (each a "**Disruption Fallback**") for the determination of the USD/MXN FX Rate for such MXN Valuation Date, in the order set out below, until the USD/MXN FX Rate for such MXN Valuation Date can be determined in accordance with this Term 18

(1) *Valuation Postponement*: the relevant MXN Valuation Date shall be postponed beyond the Scheduled MXN Valuation Date (a) following the occurrence of an FX Disruption, to the Business Day which is not an Unscheduled Holiday first following the day on which the FX Disruption ceases to exist or (b) following the occurrence of an Unscheduled Holiday where no FX Disruption has occurred, to the Business Day which is not an Unscheduled Holiday first following such Scheduled MXN Valuation Date, as applicable, and such day shall be such MXN Valuation Date. If such MXN Valuation Date has not occurred on or before the 30th consecutive calendar day after the Scheduled MXN Valuation Date (such period being the "**Deferral Period**"), such MXN Valuation Date shall be the next day after the Deferral Period that is a Business Day or would have been a Business Day but for the occurrence of an Unscheduled Holiday (the "**Postponed MXN Valuation Date**") and the USD/MXN FX Rate for such MXN Valuation Date will be determined on such Postponed MXN Valuation Date in accordance with the next applicable Disruption Fallback;

(2) *Fallback Reference Price*: the USD/MXN FX Rate for such MXN Valuation Date will be determined by the Calculation Agent on such Postponed MXN Valuation Date pursuant to the Dealer Poll. If the USD/MXN FX Rate for such MXN Valuation Date cannot be determined pursuant to the Dealer Poll, then the USD/MXN FX Rate for such MXN Valuation Date will be determined in accordance with the next applicable Disruption Fallback; and

(3) *Calculation Agent Determination*: the USD/MXN FX Rate for such MXN Valuation Date (or a method for determining such USD/MXN FX Rate) will be determined by the Calculation Agent on such Postponed MXN Valuation Date taking into consideration all available information that it deems relevant

The Calculation Agent shall notify the Issuer as soon as reasonably practicable if the USD/MXN FX Rate for such MXN Valuation Date is to be determined as specified in this Term 18

In the event that the Final MXN Valuation Date is postponed beyond the Scheduled Final MXN Valuation Date as set forth above, the Maturity Date shall be postponed by one Business Day for each Business Day that the Final MXN Valuation Date is postponed, provided that (i) any such postponement will be concurrent with any postponement of the Maturity Date caused by operation of Term 20 (*Postponement due to Index Disruption Events*), and (ii) and (for the avoidance of doubt) the Maturity Date shall be the later of such dates as postponed by operation of Term 20 (*Postponement due to Index Disruption Events*) and this Term 18

For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Maturity Date is postponed due to postponement of the Final MXN Valuation Date beyond the Scheduled Final MXN Valuation Date due to the operation of this Term 18

19. Additional Definitions with regard to the USD/MXN FX Rate:

"**Dealer Poll**" means that the USD/MXN FX Rate in respect of the relevant Postponed MXN Valuation Date will be the USD/MXN fixing rate, expressed as the amount of MXN per one USD, as determined by the Calculation Agent on the basis of quotations provided by the Reference Dealers on such date

The Calculation Agent will request each Reference Dealer to provide a firm quotation of the USD/MXN fixing rate. If four quotations are provided, the USD/MXN FX Rate for such Postponed MXN Valuation Date will be the arithmetic mean of such quotations without regard to the highest and lowest such quotations. For this purpose, if more than one quotation has the same highest and lowest value, then only one of such quotations shall be disregarded. If two or three quotations are provided, the USD/MXN FX Rate for such Postponed MXN Valuation Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, it will be deemed that the USD/MXN FX Rate for such Postponed MXN Valuation Date cannot be determined pursuant to the Dealer Poll;

"**Reference Dealers**" means the Mexico City office of each of BBVA Bancomer S.A., Banco Santander S.A., JPMorgan Chase Bank, N.A. and Morgan Stanley. In the event that any of the Reference Dealers shall cease to operate in Mexico, such Reference Dealer shall be substituted by the Calculation Agent for purposes of completing the Dealer Poll;

"**Final USD/MXN FX Rate**" means the USD/MXN FX Rate in respect of the Final MXN Valuation Date;

"**Final MXN Valuation Date**" means the Business Day falling 10 Business Days prior to the Scheduled Maturity Date, expected to be May 10, 2028 (the "**Scheduled Final MXN Valuation Date**"), subject to postponement in accordance with the provisions set forth in Term 18 (*MXN Related FX Disruption and Disruption Fallbacks*) if an FX Disruption or an Unscheduled Holiday occurs on such date;

"**FX Disruption**" means, in the determination of the Calculation Agent, any action, event or circumstance whatsoever which, from a legal or practical perspective makes it impracticable for the Calculation Agent to obtain the USD/MXN FX Rate on any MXN Valuation Date;

"**Initial USD/MXN FX Rate**" means 19.5244, being the USD/MXN FX Rate in respect of the Initial MXN Valuation Date;

"**Initial MXN Valuation Date**" means the Trade Date, being May 9, 2018 (the "**Scheduled Initial MXN Valuation Date**"), subject to postponement in accordance with the provisions set forth in Term 18 (*MXN Related FX Disruption and Disruption Fallbacks*) if an FX Disruption or an Unscheduled Holiday occurs on such date;

"**Mexico City Business Day**" means a day (other than a Saturday or a Sunday) 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 Mexico City;

"**MXN Valuation Date**" means each of the Initial MXN Valuation Date and the Final MXN Valuation Date (or either, as applicable);

"**Scheduled MXN Valuation Date**" means each of the Scheduled Initial MXN Valuation Date and the Scheduled Final MXN Valuation Date (or either, as applicable);

"**Trade Date**" means May 9, 2018;

"**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., Mexico City time, two Mexico City Business Days prior to any Scheduled MXN Valuation Date; and

"**USD/MXN FX Rate**" means, for any MXN Valuation Date, the USD/MXN fixing rate, expressed as the amount of MXN per one USD, which is determined by the Calculation Agent by reference to the closing mid spot rate displayed on Bloomberg Page "BFIX" at approximately 4:00 p.m., London time, for any applicable date. If Bloomberg Page "BFIX" no longer reports such rate and has not been replaced by any other page or services as determined by the Calculation Agent, the Calculation Agent shall be entitled to obtain such rate from any other screen or information source that it deems appropriate

20. Postponement due to Index Disruption Events: If the Scheduled Final Index Valuation Date occurs on a day in respect of which the Calculation Agent has determined that an Index Disruption Event (as defined in Term 21 below (*Additional Definitions with regard to the Index*)) has occurred or is continuing, then the Final Index Valuation Date will be postponed until the next succeeding Index Business Day in respect of which the Calculation Agent determines that an Index Disruption Event has neither occurred nor is continuing; *provided* that if the Final Index Valuation Date has not occurred on or before the tenth Business Day following the Scheduled Final Index Valuation Date (the "**Valuation Cut-off Date**"), an Amendment Event shall be deemed to have occurred and the provisions set out in Term 22

(*Amendment Event*) below shall apply

In the event that the Final Index Valuation Date is postponed beyond the Scheduled Final Index Valuation Date as set forth above, the Maturity Date shall be postponed by one Business Day for each Business Day that the Final Index Valuation Date is postponed as set forth above, provided that (i) any such postponement will be concurrent with any postponement of the Maturity Date caused by operation of Term 18 *(MXN Related FX Disruption and Disruption Fallbacks)* above, and (ii) and (for the avoidance of doubt) the Maturity Date shall be the later of such dates as postponed by operation of Term 18 (*MXN Related FX Disruption and Disruption Fallbacks*) and this Term 20

For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Maturity Date is postponed due to the postponement of the Final Index Valuation Date beyond the Scheduled Final Index Valuation Date due to the operation of this Term 20

21. Additional Definitions with regard to the Index:

"**Final Index Level**" means the Index Level in respect of the Final Index Valuation Date as determined by the Calculation Agent

In the event that the Index Level for the Final Index Valuation Date is corrected by the Index Calculation Agent on or prior to the date falling three Business Days after the Final Index Valuation Date, such corrected value will be the Final Index Level;

"**Final Index Valuation Date**" means May 10, 2028 or, if such date is not an Index Business Day, the immediately succeeding Index Business Day (the "**Scheduled Final Index Valuation Date**"), subject to postponement pursuant to the provisions set forth under Term 20 (*Postponement due to Index Disruption Events*);

"**Index Business Day**" means a day on which the Index Calculation Agent is scheduled to calculate and publish the level of the Index;

"**Index Calculation Agent**" means S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC), or any successor thereto designated as such pursuant to the Index Rules;

"**Index Disruption Event**" means the non-publication, for any reason, of the Index on the Final Index Valuation Date;

"**Index Level**" on any Index Business Day will equal the official level of the Index published by the Index Calculation Agent in respect of that Index Business Day on Bloomberg Page: IND1CAD2 <Index>;

"**Index Rules**" means the SGI Cross Asset Dynamic Allocation 2 Index (USD – Excess Return) Index Rules, as in effect from time to time. A copy of the Index Rules as constituted as of the date hereof is set out in Schedule 2;

"**Index Sponsor**" means Société Générale;

"**Initial Index Level**" means 100 (being the Index Level for the Initial Index Valuation Date). In the event that the Index Level on the Initial Index Valuation Date is corrected by the Index Calculation Agent on or prior to the date falling three Business Days after the Initial Index Valuation Date, such corrected value will be the Initial Index Level; and

"**Initial Index Valuation Date**" means the Trade Date, being May 10, 2018

22. Amendment Event:

In the event of the occurrence of an Amendment Event, the Issuer shall pay an amount (which may be zero) as soon as practicable after the Mandatory Amendment Date, calculated per Specified Denomination, equal to the Amendment Amount calculated as of the Accelerated Final Index Determination Date

In the event of the occurrence of an Amendment Event, the Issuer shall pay the USD Principal Amount on the later of (i) the time the Amendment Amount is paid and (ii) the Maturity Date

The term "**Amendment Event**" means the occurrence of any of the following events on or before the Scheduled Final Index Valuation Date:

(i) an Index Cancellation;

(ii) an Index Modification;

(iii) an Index Advisory Agreement Termination;

(iv) the occurrence or continuance of an Index Disruption Event, by reason of which the Final Index Valuation Date has not occurred on or before the Valuation Cut-off Date pursuant to the provisions of Term 20 (*Postponement due to Index Disruption Events*) above;

(v) the Associated Swap Transaction is terminated under the terms of the ISDA Master Agreement pursuant to which such Associated Swap Transaction was entered into as the result of the occurrence of an "Event of Default" or "Credit Event Upon Merger" or "Additional Termination Event" thereunder with respect to which the Swap Counterparty is the sole "Defaulting Party" or "Affected Party", as applicable;

(vi) the Associated Swap Transaction is terminated by the Swap Counterparty as a result of an Additional Disruption Event; or

(vii) the Associated Swap Transaction is terminated under the terms of the ISDA Master Agreement pursuant to which such Associated Swap Transaction was entered into, other than under the circumstances set forth in paragraph (v) or (vi) above

Upon the occurrence of an Amendment Event:

(i) in the event that the relevant Amendment Event is an event described in paragraph (i), (ii), (iii), (iv), (vi) or (vii) thereof, the

Calculation Agent; or

(ii) in the event that the Amendment Event is an event described in paragraph (v) thereof, the Issuer,

shall forthwith give a notice (the "**Mandatory Amendment Notice**") to the Issuer (where applicable), the Global Agent and the Noteholders of the occurrence of an Amendment Event and the Amendment Amount shall be determined as set out below

The "**Amendment Amount**" per Specified Denomination shall be an amount in USD, equal to the greater of (i) the value of the equity option embedded in each Note (the "**Equity Component**") per Specified Denomination of the Notes expressed in USD, as determined by the Determining Person, and (ii) zero. For the calculation of the value of the Equity Component, the Determining Person: (i) will take into account (a) the observed Index Level as of the Accelerated Final Index Determination Date or the most recent Index Business Day preceding such date, (b) the Initial Index Level, and (c) an implied volatility of 10%, an implied dividend yield of 0% and interest rates of 0%; and (ii) may take into account prevailing market prices and/or proprietary pricing models (including the cost to the Issuer of unwinding any hedging arrangements related to such embedded equity option, as determined by the Determining Person in its sole and absolute discretion) as of the Accelerated Final Index Determination Date, or where these pricing models may not yield a commercially reasonable result, such estimates as at which it may arrive in a commercially reasonable manner and the Associated Costs as of the Accelerated Final Index Determination Date

The Determining Person will make the determinations set forth in the previous paragraphs in good faith and in a commercially reasonable manner

In addition, the following terms shall have the following meanings:

"**Accelerated Final Index Determination Date**" means in the event that the relevant Amendment Event consists of an event set forth in:

(A) paragraphs (i), (ii), (iii) and (iv) of the definition of Amendment Event, the date on which such Amendment Event occurred, as determined by the Determining Person;

(B) paragraphs (vi) and (vii) of the definition of Amendment Event, the date on which such Amendment Event is effective; and

(C) paragraph (v) of the definition of Amendment Event, the last Business Day of the month that precedes the month in which such Amendment Event occurs;

"**Additional Disruption Event**" means each of a Change in Law, a Hedging Disruption or an Increased Cost of Hedging;

"**Associated Cost**" means an amount determined by the Calculation Agent in its reasonable discretion equal to the sum of (without duplication) all costs (including, without limitation, cost of funding), losses, expenses, tax and duties incurred by the Issuer in connection with the termination and liquidation of any hedging arrangements related to the Equity Component;

"**Associated Swap Transaction**" means the swap transaction entered into in connection with the issue of the Notes between the Issuer and the Swap Counterparty and documented under the ISDA Master Agreement dated as of March 20, 1996 (as amended from time to time) between Société Générale and the Issuer (the "**ISDA Master Agreement**");

"**Change in Law**" means that, the Calculation Agent determines in good faith that on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including, without limitation, as implemented by the U.S. Commodity Futures Trading Commission or exchange or trading facility or any action taken by a taxing authority), it is (or will be prior to the Maturity Date) contrary to such law, rule, regulation or order for the Swap Counterparty or any affiliate thereof (individually or collectively, and including their respective successors) to hold, acquire or dispose of any relevant asset it deems necessary to hedge the price risk associated with the Associated Swap Transaction (in whole or in part) including (without limitation) if such assets (in whole or in part) are (or, but for the consequent disposal thereof, would otherwise be) in excess of any allowable position limit(s) in relation to any particular exchange(s) or other trading facility;

The term "**Determining Person**" means (x) in respect of an Amendment Event that consists of a termination of the Associated Swap Transaction set forth in paragraph (v) of the definition of Amendment Event, the Issuer, and (y) in respect of any other Amendment Event, the Calculation Agent;

"**Hedging Disruption**" means that the Calculation Agent determines that the Swap Counterparty or any affiliate thereof is unable, after using commercially reasonable efforts to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) that it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the Associated Swap Transaction; or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s);

"**Index Advisor**" means the entity designated as such under the Index

Advisory Agreement, initially República AFAP, S.A.;

"**Index Advisory Agreement**" means the agreement between República AFAP, S.A. and Société Générale relating to the Index dated as of April 30, 2018 under the terms of which the Index Advisor independently provides certain selections in accordance with the terms of the Index Rules in connection with the Index Advisor's investment management activities and strategy for itself or for certain accounts managed by it;

"**Index Advisory Agreement Termination**" means the Index Advisory Agreement is terminated for any reason;

"**Index Cancellation**" means the Index Sponsor permanently cancels the Index for any reason;

"**Increased Cost of Hedging**" means that the Calculation Agent determines that the Swap Counterparty or any affiliate thereof would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the Associated Swap Transaction, or (B) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Swap Counterparty or such affiliate shall not be deemed an Increased Cost of Hedging;

"**Index Modification**" means the Index Sponsor announces that it will make a change in the formula for or the method of calculating the Index which the Calculation Agent determines is material or, in the determination of the Calculation Agent, in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in its constituents and other routine events);

"**Mandatory Amendment Date**" means either:

(A) if the Amendment Event consists of a termination of the Associated Swap Transaction set forth in paragraph (v) of the definition of Amendment Event, the 5th Business Day after the date upon which the Amendment Event has occurred; or

(B) if the Amendment Event consists of any other Amendment Event, the 10th Business Day after the date on which the Mandatory Amendment Notice (as defined above) is received or deemed received by the Issuer and Global Agent (whatever date is later); and

"**Swap Counterparty**" means Société Générale

23.	Additional Definitions – General:	"**Business Day**" means a day (other than a Saturday or a Sunday) 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 London, New York and Mexico City; and "**Calculation Agent**" means Société Générale.
24.	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 taking into account the value of the USD Principal Amount component thereof and (except where the Notes are redeemed early as provided in Condition 9 after the occurrence of an Amendment Event) the value of the Equity Component thereof. The value of the USD Principal Amount component of the Notes will be priced by taking into account prevailing interest rate or amortisation yields of zero coupon securities denominated in MXN having terms similar to the terms of the Notes (but disregarding for such purposes the Note Return Amount component of the Notes) as well as the prevailing USD/MXN exchange rate. The value of the Equity Component of the Notes will be determined based on the methodology specified under the definition of "Amendment Amount" in Term 22 (*Amendment Event*) except that the residual value of the Equity Component shall be based on relevant prevailing rates as of the last Business Day of the month that precedes the month in which the relevant default occurs

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	Form of Notes (Condition 1(a)):	Registered Notes: Global Registered Certificate available on the Issue Date
26.	New Global Note:	No
27.	Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)):	London, New York and Mexico City
28.	Governing law (Condition 14):	English
29.	Other final terms: Disclaimer of Liabilities and Representations by Prospective Investors of the Notes:	*Determinations*: The Issuer and the Calculation Agent shall make determinations in respect of the Notes in good faith and in a commercially reasonable manner *Disclaimers*: (i) The Index Rules are attached to these Final Terms as the Schedule.

All information contained in these Final Terms regarding the Index, including, without limitation, the information set forth in the Schedule, its make-up, method of calculation and changes in its components, is derived from, and based solely upon, information provided by the Index Sponsor and is for informational purposes only and should not be relied upon by the Noteholder or any prospective investor. As such, neither the Issuer nor the Global Agent assumes any responsibility for the accuracy or completeness of such information, or for such information being up to date. In addition, neither Issuer nor the Global Agent accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Index. Neither IBRD nor the Global Agent will have any responsibility for errors or omissions in calculating or disseminating information regarding the Index or as to modifications, adjustments or calculations by the Index Sponsor, Index Calculation Agent or Index Advisor in order to arrive at the value of the Index. The most recent version of the Index Rules is published by the Index Sponsor and accessible upon request by contacting the SGI team at sgindex@sgcib.com

(ii) Neither IBRD nor the Global Agent will have any responsibility for the contents of the Index Advisory Agreement or for the choices and allocations made by the Index Advisor thereunder

(iii) By investing in the Notes each investor of the Notes 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 Index Sponsor, 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, the Index Sponsor 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 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;

(c) it has fully considered the market risk associated with an investment linked to the Index, and it:

(i) understands that none of the Issuer, the Calculation Agent, the Dealer, the Index Sponsor or the Index Calculation Agent purports to be a source of information on market risks with respect to the Index;

(ii) confirms that it has read and understood the Index Rules;

(iii) understands that the Index Rules are (A) only up to date as of the date of these Final Terms, and (B) may be amended from time to time hereafter; and

(iv) acknowledges and agrees that the Index Rules have been provided for information purposes only and are not to be used or reproduced for any other purpose or used or considered as any advice or recommendation with respect to the Index; and

(d) it understands and acknowledges that the performance of the Index is based on the periodic selections of the Index Advisor and hence the Notes are intended to be purchased and held only by the Index Advisor and by discretionary accounts managed by the Index Advisor

DISTRIBUTION

30.	(i) If syndicated, names of Managers and underwriting commitments:	Not Applicable
	(ii) Stabilizing Manager(s) (if any):	Not Applicable
31.	If non-syndicated, name of Dealer:	Société Générale
32.	Total commission and concession:	Not Applicable

OPERATIONAL INFORMATION

33.	ISIN Code:	XS1807512204
34.	Common Code:	180751220
35.	Any clearing system(s)	Not Applicable

	other than Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme* and The Depository Trust Company and the relevant identification number(s):	
36.	Delivery:	Delivery against payment
37.	Registrar and Transfer Agent (if any):	Citibank, N.A., London Branch
38.	Additional Paying Agent(s) (if any):	Not Applicable
39.	Intended to be held in a manner which would allow Eurosystem eligibility:	No

GENERAL INFORMATION

IBRD's most recent Information Statement was issued on September 19, 2017.

CONFLICT OF INTEREST

Société Générale will serve as the Index Sponsor of the Index. As a result, the determinations made by Société Générale in its discretion as Index Sponsor may affect the level of the Index and, in turn, amounts payable under the Notes. Neither Société Générale nor any of its affiliates has any obligation to consider the Noteholders' interests in taking any action or making any determination that might adversely affect the level of the Index or the Notes.

Société Générale will be the Calculation Agent under the Notes and will also be IBRD's counterparty in the Associated Swap Transaction entered into by IBRD in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for Société Générale creates possible conflicts of interest. For example, the amounts payable by Société Générale to IBRD under the Associated 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 Société Générale in its discretion as Calculation Agent for the Notes may affect the amounts payable by Société Générale under the Associated Swap Transaction, and, in making such determinations, Société Générale may have economic interests adverse to those of the Noteholders. The Noteholder understands that although IBRD will enter into the Associated Swap Transaction with Société Générale as swap counterparty in order to hedge its obligations under the Notes, IBRD's rights and obligations under the Associated Swap Transaction will be independent of its rights and obligations under the Notes, and Noteholders will have no interest in the Associated Swap Transaction or any payment to which IBRD may be entitled thereunder.

USE OF PROCEEDS

Supporting sustainable development in IBRD’s member countries

The net proceeds from the sale of the Notes will be used by IBRD to finance sustainable development projects and programs in IBRD’s member countries (without being committed or earmarked for lending to, or financing of, any particular projects or programs). IBRD’s financing is made available solely to middle-income and creditworthy lower-income member countries who are working in partnership with IBRD to eliminate extreme poverty and boost shared prosperity, so that they can achieve equitable and sustainable economic growth in their national economies and find sustainable solutions to pressing regional and global economic and environmental problems. Projects and programs supported by IBRD are designed to achieve a positive social impact and undergo a rigorous review and internal approval process aimed at safeguarding equitable and sustainable economic growth.

IBRD integrates five cross cutting themes into its lending activities helping its borrowing members create sustainable development solutions: climate change; gender; jobs; public-private partnerships; and fragility, conflict and violence.

IBRD's administrative and operating expenses are covered entirely by IBRD's various sources of revenue (net income) consisting primarily of interest margin, equity contribution and investment income (as more fully described in the Information Statement).

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 the International Bank for Reconstruction and Development.

RESPONSIBILITY

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

Signed on behalf of IBRD:

By:

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Name:
Title:

Duly authorized