

**UK MiFIR product governance / Professional investors and ECPs target market only:**

*Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.*

For the purposes of this provision, the expression "**manufacturer**" means the Dealer.

European Bank for Reconstruction and Development (the "**Issuer**") does not fall under the scope of application of UK MiFIR. Consequently, the Issuer does not qualify as an "investment firm", "manufacturer" or "distributor" for the purposes of UK MiFIR.

16 May 2022

**PRICING SUPPLEMENT**

**European Bank for Reconstruction and Development  
BRL 137,362,500 Notes linked to the AFAP SURA Dynamic Multi-Asset (Third Series) Index  
due 18 May 2034 (payable in United States Dollars) (the "Notes")  
issued pursuant to the European Bank for Reconstruction and Development  
EUR 45,000,000,000 Global Medium Term Note Programme for the issue of Notes.**

## IMPORTANT INFORMATION

Prospective investors should read this Pricing Supplement together with the Offering Circular (as defined below) of the European Bank for Reconstruction and Development (the "Issuer" or "EBRD") before making an investment decision in respect of the Notes. Investing in the Notes involves risks. See "Additional Risk Factors" beginning on page 25 of this Pricing Supplement, and "Risk Factors" beginning on page 10 of the Offering Circular

The return on, and the value of, the Notes is based on the performance of the Index and on the exchange rate of BRL to USD. The performance of the Index, in turn, will be based on the periodic discretionary selections of the Index Allocator. Therefore, the return on the Index will be dependent in large part on the selections made by the Index Allocator. **THE NOTES ARE INTENDED TO BE PURCHASED AND HELD ONLY BY THE INDEX ALLOCATOR OR BY DISCRETIONARY ACCOUNTS MANAGED BY THE INDEX ALLOCATOR.**

Investors should note that the terms and conditions (the "Terms and Conditions") of the Notes are separate from, and do not incorporate by reference, the Index Conditions. The Index Conditions can be modified by the Index Sponsor (without the consent of the Issuer) from time to time without requiring an amendment of the Terms and Conditions of the Notes. In the event of the occurrence of any Index Disruption Event or the occurrence of any Amendment Event relating to the Index, the fallback provisions set out in the Terms and Conditions of the Notes, not the Index Conditions, will determine the relevant action to be taken. The Index Conditions are available upon request from UBS Securities LLC at [OL-Americas-Structuring@ubs.com](mailto:OL-Americas-Structuring@ubs.com) or the Index Sponsor at [OL-Alpha-Rebal@ubs.com](mailto:OL-Alpha-Rebal@ubs.com). Each purchaser of Notes will be deemed to have obtained a copy of the Index Conditions and read and understood them. The Issuer has derived all information contained in this Pricing Supplement regarding the Index, the Index Conditions and the Index Allocation Agreement from information provided by the Index Sponsor, and the Issuer has not participated in the preparation of, or verified, such Index Conditions or Index Allocation Agreement. Neither EBRD nor the Agent will have any responsibility for the contents of the Index Conditions and the Index Allocation Agreement, and none of EBRD and the Agent shall have any responsibility or liability for the choices and allocations made by the Index Allocator thereunder with respect to the Index.

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 or the Index Calculation Agent and a Noteholder will not have any 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.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 3 July 2012 as supplemented by the Supplementary Offering Circular dated 22 July 2019 (together the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer at One Exchange Square, London, EC2A 2JN, United Kingdom.

### SUMMARY OF THE NOTES

1	Specified Currency:	Brazilian Real (" <b>BRL</b> "), the lawful currency of the Federative Republic of Brazil, provided that all payments in respect of the Notes will be made in United States Dollars (" <b>USD</b> ")
2	Nominal Amount:	BRL 137,362,500 (equivalent to USD 27,500,000 at the Initial BRL Reference Rate (as defined below))
3	Type of Note:	Non-Interest Bearing Indexed Notes
4	Issue Date:	18 May 2022
5	Issue Price:	100 per cent. of the Nominal Amount
6	Maturity Date:	18 May 2034 (the " <b>Scheduled Maturity Date</b> ") subject to the provisions of paragraph 30 ( <i>Postponement due to Index Disruption Events</i> ) and further subject to the provisions of the Annex ( <i>Price Source Disruption Events</i> ) hereto.
7	Fungible with existing Notes:	No

### FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	Specified Denomination(s):	BRL 137,362,500
11	Exchange of Bearer Notes:	Not Applicable
12	(a) Talons for future Coupons to be attached to definitive Bearer Notes:	No
	(b) Date(s) on which the Talons mature:	Not Applicable
13	(a) Depository for and registered holder of Registered Global Note:	Registered Global Note to be deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of Citivic Nominees Limited as nominee for the common depository
	(b) Exchange of Registered Global Note:	Registered Global Note will only be exchangeable for definitive Registered Notes upon 45 days' written notice in the limited circumstances described on page 42 of the Offering Circular

## **PROVISIONS RELATING TO INITIAL PAYMENT**

14 Partly Paid Notes: No

## **PROVISIONS RELATING TO INTEREST**

15 Interest Commencement Date: Not Applicable

### **Fixed Rate Notes**

16 (a) Fixed Rate(s) of Interest: Not Applicable

(b) Fixed Interest Date(s): Not Applicable

(c) Initial Broken Amount per Specified Denomination: Not Applicable

(d) Final Broken Amount per Specified Denomination: Not Applicable

(e) Fixed Day Count Fraction: Not Applicable

(f) Business Day Convention: Not Applicable

(g) Business Day definition if different from that in Condition 4(a)(iii): Not Applicable

(h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: Not Applicable

### **Zero Coupon Notes**

17 (a) Accrual Yield: Not Applicable

(b) Reference Price: Not Applicable

(c) Other formula or basis for determining Amortised Face Amount: Not Applicable

(d) Business Day Convention: Not Applicable

(e) Day Count Fraction in relation to Early Redemption Amounts and late payment: Not Applicable

### **Floating Rate Notes and Indexed Notes**

18 (a) Manner in which Rate of Interest is to be determined: Not Applicable

(b) Margin(s): Not Applicable

(c) Minimum Rate of Interest (if any): Not Applicable

	(d) Maximum Rate of Interest (if any):	Not Applicable
	(e) Floating Day Count Fraction:	Not Applicable
<b>19</b>	If ISDA Determination:	
	(a) Floating Rate Option:	Not Applicable
	(b) Designated Maturity:	Not Applicable
	(c) Reset Date:	Not Applicable
	(d) ISDA Definitions:	Not Applicable
<b>20</b>	If Screen Rate Determination:	
	(a) Reference Rate:	Not Applicable
	(b) Relevant Screen Page:	Not Applicable
	(c) Interest Determination Date:	Not Applicable
<b>21</b>	If Indexed:	See paragraph 28 below and the Annex ( <i>Price Source Disruption Events</i> ) hereto
<b>22</b>	If Rate of Interest not to be determined by ISDA or Screen Rate Determination or by reference to an Index or Formula:	Not Applicable
<b>23</b>	General Provisions for Floating Rate Notes and Indexed Notes:	
	(a) Specified Period (or, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)):	Not Applicable
	(b) Business Day Convention:	Not Applicable
	(c) Business Day definition if different from that in Condition 4(b)(i):	Not Applicable
	(d) Calculation of interest to be adjusted in accordance with Business Day Convention specified above	Not Applicable
	(e) Terms relating to calculation of Interest Amount:	Not Applicable
	(f) Party responsible for calculation of the Interest Amount:	Not Applicable
	(g) Party responsible for making any determinations ancillary to or in connection with the calculation of the Interest Amount, including	Not Applicable

Rate of Interest (if applicable):

- (h) Any amendment to the definition in Condition 4(b)(iii) of Euro-zone: Not Applicable

#### PROVISIONS REGARDING PAYMENTS/DELIVERIES

- 24 Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies, and for the avoidance of doubt, Brazil (as defined in the Annex (*Price Source Disruption Events*) hereto) shall be the principal financial centre, and London and New York City shall be additional business centres, subject to the provisions of paragraph 30 (*Postponement due to Index Disruption Events*) and subject to the provisions of the Annex (*Price Source Disruption Events*) hereto.
- 25 Dual Currency Notes: Not Applicable
- 26 Physically Settled Notes: Not Applicable

#### PROVISIONS REGARDING REDEMPTION/MATURITY

- 27 (a) Redemption at Issuer's option: No
- (b) Redemption at Noteholder's option: No
- 28 (a) Final Redemption Amount for each Note (other than an Indexed or Formula Note where the index or formula applies to the redemption amount): Not Applicable
- (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount:
- Final Redemption Amount – Amendment Event has not occurred:**
- 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*
- Final Redemption Amount – Amendment Event has occurred:**
- 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 Amendment Amount Payment Date and (ii) the Maturity Date.

Whereby:

"**Amendment Amount Payment Date**" has the meaning given to it in paragraph 32 (*Amendment Event*);

"**Amendment Event**" has the meaning given to it in paragraph 32 (*Amendment Event*);

"**Index**" means the AFAP SURA Dynamic Multi-Asset Index (Third Series) (Bloomberg Ticker Symbol: UBCSSDM3 <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:

$$\frac{(\text{Final Index Level} - \text{Initial Index Level})}{\text{Initial Index Level}};$$

"**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;

"**Participation Rate**" means 707%;

"**USD Calculation Amount**" means an amount in USD, calculated per Specified Denomination, equal to the Specified Denomination divided by the Initial BRL Reference Rate which is equal to USD 27,500,000 (and such amount shall be rounded to the nearest whole USD, with USD 0.50 rounded upwards); and

"**USD Principal Amount**" means an amount in USD, calculated per Specified Denomination, equal to (i) the Specified Denomination divided by (ii) the Final BRL Reference Rate (and such amount shall be rounded to the nearest whole USD, with USD 0.50 rounded upwards).

See paragraph 29 (*Additional Definitions with regard to the BRL Reference Rate*), paragraph 31 (*Additional Definitions with regard to the Index*) and the Annex (*Price Source Disruption Events*) hereto for additional definitions.

*For the avoidance of doubt:*

- (1) the determination of the Note Return Amount shall be subject to postponement pursuant to the provisions set forth under paragraph 30 (*Postponement due to Index Disruption Events*);
- (2) the determination of the USD Principal Amount shall be subject to postponement in accordance with the provisions set forth in the Annex (*Price Source Disruption Events*) hereto; and
- (3) each of the determinations and postponements mentioned in (1) and (2) above, as applicable, shall not affect the determination and

postponement of the other determination and postponement. The Final Redemption Amount shall be calculated by the Calculation Agent on the later of (x) the date on which the Note Return Amount is determined and (y) the date on which the USD Principal Amount is determined.

29 Additional Definitions with regard to the BRL Reference Rate:

"**Final BRL Reference Rate**" means the Reference Rate (as defined in the Annex (*Price Source Disruption Events*) hereto) in respect of the Final BRL Valuation Date;

"**Final BRL Valuation Date**" means the Rate Fixing Date (as defined in the Annex (*Price Source Disruption Events*) hereto) in respect of the Maturity Date, subject to postponement in accordance with the provisions set forth in the Annex (*Price Source Disruption Events*) hereto;

"**Initial BRL Reference Rate**" means BRL 4.995 per USD 1.00, being the USD/BRL exchange rate, (expressed as the number of BRL per one USD) on the Trade Date, as determined by the Calculation Agent; and

"**Trade Date**" means 4 May 2022.

See also the Annex (*Price Source Disruption Events*) hereto.

30 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 paragraph 31 (*Additional Definitions with regard to the Index*) below) 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 (10<sup>th</sup>) 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 paragraph 32 (*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 (1) Business Day for each Business Day that the Final Index Valuation Date is postponed as set forth above, provided that (i) (for the avoidance of doubt) if an Amendment Event results from the Final Index Valuation Date not occurring on or before the Valuation Cut-off Date, the Maturity Date shall be the 10<sup>th</sup> Business Day following the Scheduled Maturity Date, (ii) any such postponement will be concurrent with any postponement of the Maturity Date caused by the operation of the Annex (*Price Source Disruption Events*) hereto, and (iii) (for



the avoidance of doubt) the Maturity Date shall be the later of such dates as postponed by operation of the Annex (*Price Source Disruption Events*) hereto and this paragraph 30 (*Postponement due to Index Disruption Events*).

For the avoidance of doubt, no additional amounts shall be payable by the Issuer 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 paragraph 30 (*Postponement due to Index Disruption Events*).

31 Additional Definitions with regard to the Index:

**"Final Index Level"** means the IndexLevel in respect of the Final Index Valuation Date as determined by the Calculation Agent. In the event that the IndexLevel in respect of the Final Index Valuation Date is corrected by the Index Calculation Agent on or prior to the date falling three (3) Business Days after the Final Index Valuation Date, such corrected value will be the Final Index Level;

**"Final Index Valuation Date"** means the date falling ten (10) Business Days prior to the Scheduled Maturity Date 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 paragraph 30 (*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 Solactive A.G., or any other third party replacement index calculation agent as appointed by the Index Sponsor;

**"Index Conditions"** means the index rules in respect of the AFAP SURA Dynamic Multi-Asset Index (Third Series), as in effect from time to time. A copy of the Index Conditions is available upon request from the Index Sponsor or UBS Securities LLC;

**"Index Disruption Event"** means the Index Calculation Agent fails to calculate and announce the Index Level on the Scheduled 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: UBCSSDM3 <Index>;

**"Index Sponsor"** means UBS AG, London Branch;

**"Initial Index Level"** means 100.00 (being the Index Level in respect of the Initial Index Valuation Date). In the event that the Index Level in respect of the Initial Index Valuation Date is corrected by the Index

Calculation Agent on or prior to the date falling three (3) Business Days after the Initial Index Valuation Date, such corrected value will be the Initial Index Level; and

"**Initial Index Valuation Date**" means 4 May 2022.

32 Amendment Event:

In the event of the occurrence of an Amendment Event, the Issuer shall pay an amount (which may be zero) on the fifth (5<sup>th</sup>) Business Day following the Amendment Date (the "**Amendment Amount Payment 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 Final Redemption Amount (being an amount in USD equal to the USD Principal Amount) shall be paid in accordance with paragraph 28(b) (*Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount*) above.

For the avoidance of doubt, an Amendment Amount Payment Date may occur before, on or after 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) a Successor Index Event;
- (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 paragraph 30 (*Postponement due to Index Disruption Events*) above;
- (v) an Additional Disruption Event;
- (vi) an Index Allocation Agreement Termination;
- (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 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; or
- (viii) 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 (vii) above.

Upon the occurrence of an Amendment Event:

- (A) in the event that the relevant Amendment Event is an event described in paragraph (i), (ii), (iii), (iv), (v), (vi) or (viii) thereof, the Calculation Agent; or
- (B) in the event that the Amendment Event is an event described in paragraph (vii) thereof, the Issuer,

shall forthwith give a notice (the "**Amendment Notice**") to the Issuer (where applicable), the 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, if unavailable, 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 0.35% 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 Equity Component, as determined by the Determining Person in its sole and absolute discretion) as of the Accelerated Final Index Determination Date, or where using prevailing market prices or these pricing models do not yield a commercially reasonable result, such estimates as at which it may arrive in a commercially reasonable manner as of the Accelerated Final Index Determination Date. The Amendment Amount will also include the Associated Costs as of the Accelerated Final Index Determination Date. Any Amendment Amount will be determined by the Determining Person acting in good faith and using commercially reasonable procedures in order to produce a commercially reasonable result.

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), (iv), (v) and (vi) of the definition of Amendment Event, the date on which such Amendment Event occurred, as determined by the Determining Person;
- (B) paragraph (vii) of the definition of Amendment Event, the last Business Day of the month that precedes the month in which such Amendment Event occurs; and
- (C) paragraph (viii) of the definition of Amendment Event, the date on which such Amendment Event is effective.

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

**"Amendment Date"** means the 10th Business Day after the date on which the Amendment Notice (as defined above) is received or deemed received by the Issuer and Agent (whichever date is later);

**"Associated Cost"** means an amount determined by the Determining Person 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 27 August 1997 (as amended from time to time) between UBS AG and the Issuer (the **"ISDA Master Agreement"**);

**"Change in Law"** means that, the Calculation Agent determines in good faith and in a commercially reasonable manner 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 tax law), 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 any action taken by a taxing authority), it has become illegal for the Swap Counterparty or any affiliate thereof 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);

**"Determining Person"** means (x) in respect of an Amendment Event that consists of a termination of the Associated Swap Transaction set forth in paragraph (vii) of the definition of Amendment Event, a person appointed by the Issuer (in its sole discretion) or, if no such person is appointed, 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) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

**"Index Allocator"** means AFAP SURA;

**"Index Allocation Agreement"** means the agreement between the Index Allocator and UBS AG, London Branch relating to the Index dated as of 4 May 2022 under the terms of which the Index Allocator independently provides certain selections in accordance with the terms of the Index Conditions in connection with the Index Allocator's investment management activities and strategy for itself or for certain accounts managed by it;

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

**"Index Cancellation"** means the Index Sponsor permanently cancels the Index;

**"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);

**"Successor Index Event"** means either (a) (i) the

Index is not calculated and announced by the Index Calculation Agent or (ii) the Index Sponsor is replaced by a successor Index Sponsor or (b) the Index is replaced by a successor index; and

"Swap Counterparty" means UBS AG, London Branch.

33	Instalment Note:	Not Applicable
34	Early Redemption Amount for each Note payable on an event of default	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 the prevailing USD/BRL exchange rate on the Rate Fixing Date corresponding to the Early Redemption Date. The value of the Equity Component of the Notes will be determined based on the methodology specified under the definition of "Amendment Amount" in paragraph 32 ( <i>Amendment Event</i> ) except that the value of the Equity Component shall be based on relevant prevailing rates as of the date on which the relevant default occurs, provided that, if such day is not an Index Business Day, the determination shall occur as of the preceding Business Day that is also an Index Business Day.

**DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

35	Method of distribution:	Non-syndicated
36	If Syndicated, names and addresses of Managers or, if Non-Syndicated name and address of Dealer:	UBS AG, London Branch 5 Broadgate London EC2M 2QS United Kingdom
37	Date of Syndication Agreement:	None
38	Stabilising Manager(s)	None
39	Additional selling restrictions	<b>The Federative Republic of Brazil:</b> The Dealer acknowledges that the Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. Neither the Issuer of the Notes nor the issuance of the Notes has been registered with the Brazilian Securities and Exchange Commission ( <i>Comissao de Valores Mobiliarios, the CVM</i> ). Therefore, the Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, the Notes in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian legislation.

**The Oriental Republic of Uruguay:**

The sale of the Notes qualifies as a private placement exemption (*oferta privada*) pursuant to Section 2 of Uruguayan Law N° 18,627. The Notes must not be offered or sold to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The Notes are not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay.

40	Details of additional/alternative clearing system approved by the Issuer and the Agent:	Not Applicable
41	Intended to be held in a manner which would allow Eurosystem eligibility:	No
42	Common Code: ISIN Code:	247939741 XS2479397411
43	Listing:	Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Financial Conduct Authority and to be admitted to trading on the Regulated Market of the London Stock Exchange plc.
44	In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominationalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro.	Not Applicable

45	Additional Information:	<p>The provisions set out in the Annex (<i>Price Source Disruption Events</i>) hereto shall apply to the Terms and Conditions in accordance herewith.</p> <p>"<b>Calculation Agent</b>" has the meaning given to it in the Annex (<i>Price Source Disruption Events</i>) hereto.</p> <p>For purposes of Paragraphs 30, 31, 32 and 34, "<b>Business Day</b>" has the meaning given to it in the Annex (<i>Price Source Disruption Events</i>) hereto.</p> <p>By purchasing these Notes, the Noteholder acknowledges, agrees and represents that it is and will remain the sole and final purchaser of the Notes and will not offer, sell, deliver or otherwise transfer the Notes or any beneficial interests in the Notes to any other entity other than the Issuer or the Dealer.</p> <p>Noteholders should also refer to the "Additional Risk Factors" beginning on page 25 of this Pricing Supplement.</p>
46	Total Commissions:	Not Applicable
47	Other final terms: Disclaimer of Liabilities and Representations by Prospective Investors of the Notes:	<p><i>Determinations:</i> The Issuer and the Calculation Agent shall make determinations in respect of the Notes in good faith and in a commercially reasonable manner.</p> <p><i>Disclaimers:</i></p> <p>(i) <b>Investors should note that the Terms and Conditions of the Notes are separate to, and do not incorporate by reference, the Index Conditions.</b> The Index is described in full in the Index Conditions and the Index Conditions are available upon request from the Index Sponsor or UBS Securities LLC. Neither the Issuer nor the Agent will have any responsibility for the contents of the Index Conditions. All information contained in this Pricing Supplement regarding the Index, 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. As such, neither the Issuer nor the Agent assumes any responsibility for the accuracy or completeness of such information, or for such information being up to date. In addition, neither the Issuer nor the Agent accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Index. Neither the Issuer nor the 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 Allocator in order</p>



to arrive at the value of the Index;

- (ii) During the normal course of their businesses, the Issuer, the Agent, the Index Sponsor, the Calculation Agent and each of their respective directors, officers, employees, representatives, delegates or agents (each a "**Relevant Person**") may enter into or promote, offer or sell transactions or investments linked to any of the constituents contained within the Index. In addition, any Relevant Person may have, or may have had, long or short principal positions and/or actively trade, by making markets to its clients, positions in or relating to any of the constituents in the Index, or may invest or engage in transactions with other persons, or on behalf of such persons, relating to any of these items. Relevant Persons may also undertake hedging transactions related to the initiation or termination of financial products or transactions that may adversely affect the market price, rate or other market factor(s) underlying any constituents of the Index. Relevant Persons may have an investment banking or other commercial relationship with and access to information from the issuer(s) of constituents of the Index. Such activity may or may not have an impact on the level of the Index but potential investors and counterparties should be aware that a conflict of interest could arise where anyone is acting in more than one capacity and such conflict may have an impact (either positive or negative) on the level of the Index;
- (iii) Neither the Issuer nor the Agent will have any responsibility for the contents of the Index Allocation Agreement, any description of the Index Allocation Agreement hereunder, or the choices and allocations made by the Index Allocator thereunder;
- (iv) The Index is the exclusive property of the Index Sponsor. The Issuer has a non-exclusive right to use the Index as an underlying for the Notes and the Associated Swap Transaction; and
- (v) 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 this Pricing Supplement (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 obtained a copy of the Index Conditions, and has read and understood the Index Conditions;
  - (III) understands that the Index Conditions obtained by them prior to purchase are (A) only up to date as of the date provided to such investor, and (B) may be amended from time to time hereafter; and
  - (IV) acknowledges and agrees that, on receipt of the Index Conditions, the Index Conditions 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 Allocator and that the Notes are intended to be purchased and held by the Index

Allocator (or by discretionary accounts managed by the Index Allocator) only.

### ***Conflict of Interest***

The Index Sponsor and its affiliates are acting or may act in a number of capacities in connection with the Index. The Index Sponsor and, as applicable, its affiliates, shall each have only the duties and responsibilities expressly set out for such entity in the Index Conditions 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.

The Index Sponsor will be the Issuer's counterparty in the Associated Swap Transaction entered into by the Issuer in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for the Index Sponsor (and its affiliates) creates possible conflicts of interest. For example, the amounts payable by the Index Sponsor to the Issuer under the Associated Swap Transaction are expected, as of the Issue Date, to be calculated on the same basis as the amounts payable by the Issuer under the Notes. As a result, the determinations made by the Index Sponsor in its discretion as Calculation Agent for the Notes may affect the amounts payable by the Index Sponsor under the Associated Swap Transaction, and, in making such determinations, the Index Sponsor may have economic interests adverse to those of the Noteholders.

Although the Issuer will enter into the Associated Swap Transaction with the Index Sponsor as swap counterparty in order to hedge its obligations under the Notes, the Issuer'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 the Issuer may be entitled thereunder, and the Notes do not represent a claim against the Index Sponsor as the swap counterparty and investors will have no recourse to the Index Sponsor as 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 relevant ISDA Master Agreement) by the Index Sponsor as the swap counterparty) will result in an Amendment Event and investors are therefore exposed to the credit of the Swap Counterparty (as defined in paragraph 32 (*Amendment Event*)).

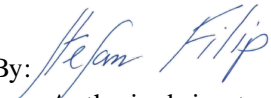
This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the Regulated Market of the London Stock Exchange plc of the Notes described herein pursuant to the Euro 45,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development, as from the Issue Date or as soon as practicable thereafter.

### **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement, other than the information contained under the heading "UK MiFIR product governance / Professional investors and ECPs target market" and other than as described in the next sentence. All information contained in this Pricing Supplement regarding the Index, its make-up, method of calculation, changes in its components and its risk factors, 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 Noteholders; as such, the Issuer accepts no responsibility for the accuracy or completeness of such information, or for such information being up to date.

For and on behalf of

**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By:   
Authorised signatory

## PART B - OTHER INFORMATION

- 1     **LISTING**
- Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the Regulated Market of the London Stock Exchange plc with effect from the Issue Date or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on such date, or, if obtained, that it will be maintained.
- 2     **RATINGS**
- The Issuer and/or its debt obligations have been assigned an AAA credit rating from S&P Global Ratings Europe Limited ("**S&P**"), an Aaa credit rating from Moody's Investors Service Ltd. ("**Moody's**") and an AAA credit rating from Fitch Ratings Ltd. ("**Fitch**").
- As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.
- 3     **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**
- Save as discussed in the section "Subscription and Sale" in the Offering Circular, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."
- 4     **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
- (i) Reasons for the offer
- The net proceeds of the issue of the Notes (which are expected to be BRL 137,362,500 and which, for the avoidance of doubt, will be paid in USD in the amount of USD 27,500,000) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.
- (ii) Estimated net proceeds
- BRL 137,362,500 (which, for the avoidance of doubt, will be paid in USD in the amount of USD 27,500,000)
- (iii) Estimated total expenses:
- USD 10,000
- 5     **YIELD**
- Indication of yield:
- Not Applicable
- 6     **HISTORIC INTEREST RATES**
- Not Applicable
- 7     **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF**

**EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Details of the past performance and volatility of the Index and the Reference Rate may be obtained from Bloomberg. However, past performance is not indicative of future performance.

The Index Conditions of the Index are also available upon request from the Index Sponsor or UBS Securities LLC.

**8 PERFORMANCE OF RATE OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Not Applicable

## ANNEX

### PRICE SOURCE DISRUPTION EVENTS

The Final Redemption Amount and Early Redemption Amount (if any) payable per Specified Denomination on the Maturity Date or the Early Redemption Date (as applicable) will be calculated in accordance with the provisions set out in paragraphs 28 and 34 (respectively) of this Pricing Supplement. The Calculation Agent shall notify the Issuer and the Agent (who will in turn inform the Noteholders) of its determination of the Final Redemption Amount or the Early Redemption Amount (as applicable) payable per Specified Denomination on the Maturity Date or the Early Redemption Date (as applicable), as soon as practicable after such determination.

If the PTAX Rate is not available for any reason on Bloomberg page <USDBRL PTAX> <Currency> or on any successor page or on the website of the Central Bank of Brazil (<https://www.bcb.gov.br/en>) or on any successor website, the Calculation Agent shall determine that a "**Price Source Disruption Event**" has occurred, and shall promptly notify the Issuer and the Agent (who will in turn inform the Noteholders) of such occurrence. Following the determination of the occurrence of a Price Source Disruption Event, the Maturity Date or the Early Redemption Date (as applicable) shall be postponed, and the Noteholders will not be entitled to the Final Redemption Amount or the Early Redemption Amount (as applicable) until:

- A. In the case of the Maturity Date, the later to occur of (1) the earlier of (i) the date falling ten (10) Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the Postponed Maturity Date, and (2) the date to which it is postponed as a result of the operation of paragraph 30 (*Postponement due to Index Disruption Events*) of Part A above.
- B. In the case of the Early Redemption Date, the earlier of (i) the date falling ten (10) Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the Postponed Early Redemption Date.

For the avoidance of doubt, in accordance with paragraph 28(b), if an Amendment Event shall have occurred, the Final Redemption Amount shall be payable on the later of (i) the Amendment Amount Payment Date and (ii) the Maturity Date, as postponed in accordance herewith.

If on the tenth (10<sup>th</sup>) Business Day following a Price Source Disruption Event the PTAX Rate is still unavailable then the Reference Rate shall be the average of such firm quotes (expressed as the number of BRL per one USD) from four Reference Dealers as the Calculation Agent is able to obtain for the sale of BRL and the purchase of USD at or about 1:15 p.m., São Paulo time, on the applicable Rate Fixing Date (following any adjustment) for settlement two (2) Brazil Business Days thereafter, provided, however, that if fewer than four (but at least two) Reference Dealers provide such firm quotes then the average of the quotes actually obtained shall apply. If none, or only one, of the Reference Dealers provides such a firm quote, the Reference Rate for such Rate Fixing Date will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

For the avoidance of doubt, no additional amounts shall be payable by the Issuer in the event that the payment of the Final Redemption Amount or Early Redemption Amount (if any) is postponed due to the operation of this Annex and/or paragraph 30 (*Postponement due to Index Disruption Events*) of Part A above.

For the purpose of these provisions:

"**Brazil**" means any of São Paulo, Rio de Janeiro or Brasilia;

"**Brazil Business Day**" means a day (other than a Saturday and 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 Brazil;

**"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 each of Brazil, London and New York City;

**"Calculation Agent"** means UBS AG ("**UBS**") in accordance with the calculation agency agreement between the European Bank for Reconstruction and Development and UBS, dated 3 September 2003 (as amended and/or supplemented from time to time, the "**Calculation Agency Agreement**"). All references to the Calculation Agent shall include any successors to UBS as Calculation Agent in respect of the Notes. The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent under the Notes and pursuant to the Calculation Agency Agreement shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Issuer and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with the Calculation Agency Agreement. In performing its duties under the Notes, the Calculation Agent shall act in accordance with the Calculation Agency Agreement;

**"Early Redemption Date"** means the date on which the Notes become due and redeemable pursuant to Condition 5 and Condition 9;

**"Postponed Early Redemption Date"** means the tenth (10<sup>th</sup>) Business Day following the Early Redemption Date (if applicable);

**"Postponed Maturity Date"** means the tenth (10<sup>th</sup>) Business Day following the Scheduled Maturity Date;

**"PTAX Rate"** means BRL/USD foreign exchange rate, expressed as the number of BRL per one USD announced by the Banco Central do Brasil by approximately 1:15 p.m., São Paulo time, on the applicable Rate Fixing Date and published on Bloomberg page <USDBRLPTAX> <Currency> or on any successor page or on the website of the Central Bank of Brazil (<https://www.bcb.gov.br/en>) or on any successor website, provided that the PTAX Rate found on the Central Bank website or any successor website shall prevail in case of conflict with the PTAX Rate appearing on Bloomberg page <USDBRLPTAX> <Currency> or any successor page;

**"Rate Fixing Date"** means the date falling ten (10) Business Days prior to the Scheduled Maturity Date or the Early Redemption Date (as applicable). If a Price Source Disruption Event occurs or otherwise subsists on such day, the Rate Fixing Date shall be the earlier of (i) the Business Day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the date falling ten (10) Business Days prior to the Postponed Early Redemption Date (if any) or Postponed Maturity Date, as the case may be;

**"Reference Dealers"** means leading dealers, banks or banking corporations which regularly deal in the USD/BRL exchange market as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner; and

**"Reference Rate"** means the ask side of the PTAX Rate as published, provided that such number (expressed as the number of BRL per one USD) shall be rounded to the nearest four decimal places with 0.00005 being rounded up.



## 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 Offering Circular. The Notes are a riskier investment than ordinary fixed rate notes or floating rate notes. 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 is based on the periodic selections of AFAP SURA (the "Index Allocator") made under the terms of the Index Allocation Agreement. The Notes are intended to be purchased and held by the Index Allocator (or by discretionary accounts managed by the Index Allocator). Neither EBRD nor the Agent have received a copy of or will have any responsibility for the contents of the Index Allocation Agreement and neither the EBRD nor the Agent shall have any responsibility or liability for the choices and allocations made by the Index Allocator thereunder with respect to the Index.*

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 constituents of the Index.

### GENERAL RISKS

#### ***BRL related FX Disruption Events and Index Disruption Events may operate to postpone Maturity Date***

In the event that the Final BRL Valuation Date is postponed beyond the scheduled Final BRL Valuation Date or the Final Index Valuation Date is postponed beyond the Scheduled Final Index Valuation Date, the Maturity Date of the Notes will be postponed by one Business Day for each Business Day that the Final BRL Valuation Date or the Final Index Valuation Date is postponed, and therefore may be postponed by (i) a number of Business Days up to ten Business Days after the scheduled Final BRL 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.

#### ***Brazilian Real vs. U.S. Dollar***

Payment of principal upon maturity will be in USD and is based in part on the exchange rate of BRL to USD. Changes in the exchange rate of BRL to USD may result in a decrease in the return on the Notes. For example, if, on the Final BRL Valuation Date, BRL has appreciated in value against USD, the payment in USD will be higher. Conversely, a depreciation in value of BRL 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 (other than where there has been an Amendment Event or an early redemption), the Noteholders will not benefit from favourable changes in exchange rates at any other time during the term of the Notes before the Final BRL 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 (BRL).

In addition, 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.

#### ***The Notes are subject to significant additional risks associated with various factors that affect the performance of the Index***

The Notes are non-interest bearing Index Linked Notes. An investment in the Notes entails significant risks in addition to those associated with investments in a conventional debt security. Factors affecting the performance of the Index

may adversely affect the value of the Notes. The Index comprises a synthetic portfolio of various assets and, as such, the performance of the Index is dependent upon the macroeconomic factors relating to the components that comprise such Index, which may include interest rates and price levels on the capital markets, currency developments, political factors and (in the case of shares and ETFs) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

The return payable on the Notes may not reflect the return an investor would realise if he or she actually owned the relevant items comprising the components of the Index. Accordingly, investors in the Notes may receive a lower payment upon redemption of such instruments than such investor would have received if he or she had invested in the components of the Index directly.

The Index Sponsor has appointed an Index Calculation Agent. In addition to calculating the level of the Index, the Index Calculation Agent will be responsible for making certain determinations and adjustments in connection with the Index in accordance with the Index Conditions. The Index Sponsor is responsible for developing the rules and policies governing the Index and may modify the methodology in certain circumstances in accordance with the Index Conditions or discontinue the Index without notice. Any of these calculations or determinations may have an impact, positive or negative, on the Index Level. In making these calculations or determinations, each of the Index Calculation Agent and the Index Sponsor, is not acting as an advisor to, and is under no obligation to consider the interests of, the holders of the Notes, and may make determinations that are adverse to those of the holders of the Notes.

The selection of the components to be included in the Index, and their relative weightings, will be made by the Index Allocator, and the Index Allocator may revise these selections and weights on certain scheduled dates on a discretionary basis for the rebalancing of the Index. There can be no assurance that the Index Allocator will make determinations that are beneficial for the investors, and such determinations may have a material adverse impact on the performance of the Index and the market value of, and return on, the Notes.

The Index has only a limited operating history with no proven track record in achieving any stated investment objective in the medium or long term. It is not possible to reliably predict the future performance of the Index.

See also "*Risks relating to the Index*" below.

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

The payment that Noteholders will receive at maturity will depend on both the change in the rate of exchange between BRL 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 positive Index Return may be offset by a decline in the value of BRL in USD terms. BRL 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 occurrence of an Amendment Event may have a material adverse effect on the return on the Notes***

As set out in paragraph 32 (*Amendment Event*) of this Pricing Supplement, in the event of the occurrence of the events described in paragraph 32 (*Amendment Event*) of this Pricing Supplement, the Issuer will be required to make a payment (which may be zero) on the 5<sup>th</sup> Business Day following the Amendment Date. In respect of the Specified Denomination of each Note, such payment will be equal to the Amendment Amount as of the Accelerated Final Index Determination Date. As a result, Noteholders will not benefit from any appreciation in the Index as of the Accelerated Final Index Determination Date.

An Amendment 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 Allocator.

It is possible in certain circumstances for the payment of the Amendment Amount and the USD Principal Amount to occur after the Maturity Date. The Noteholder shall not be entitled to receive any additional amount as a result thereof.

***The Determining Person may be replaced by the Issuer***

In the event that the Associated Swap Transaction is terminated according to its terms as a result 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), the Issuer (in its discretion) may appoint a person to act as the Determining Person or, if it does not appoint such a person, serve as the Determining Person itself.

**RISKS RELATING TO THE INDEX**

The following risk factors have been prepared by the Index Sponsor and have not been independently verified by EBRD or the Agent and neither EBRD nor the Agent has any responsibility for them.

***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 holders of the Notes when doing so***

As of the date of this Pricing Supplement, the Index Sponsor appointed Solactive A.G. as the Index Calculation Agent, which will be responsible for calculating and publishing the Index and, together with the Index Sponsor, making certain determinations and adjustments regarding the Index in accordance with the Index Conditions. The Index Sponsor will have authority over the rules, guidelines and policies governing the Index. It is entitled to exercise residual discretion in relation to the Index, including but not limited to circumstances in which the calculation of the Index Level is suspended or discontinued and cancelled due to the occurrence of certain events (as described more fully in the Index Conditions). Changes in the published Index Level may affect the Final Index Level for purposes of the Notes, and, in turn, the Note Return Amount (or the Amendment Amount) 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 and thus the Final Index Level and thus, the return on, and value of, the Notes. In certain circumstances the Index Sponsor may also modify the Index Conditions in its discretion or discontinue and cancel the Index without notice.

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 and may have economic interests that are adverse to those of the Noteholders. Furthermore, the inclusion of the relevant components in the Index is not an investment recommendation by any person of that component, or of any index, fund, commodity, exchange rate or security tracked by any such component, securities referenced or contained in any such component or futures contract underlying or tracking any such component. See also "*Adjustments and determinations of Index Calculation Agent and Index Sponsor*" below.

***If the market value of the constituents of the Index changes, the 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 constituents composing the Index. Accordingly, changes in the market value of the constituents may not result in a comparable change in the value of the Index or the Notes.

***The constituents comprising the Index may be changed or removed in the event of the occurrence of certain extraordinary events***

Following the occurrence of certain extraordinary events with respect to a constituent of the Index as provided in the Index Conditions, the affected constituent may be either replaced by a substitute or removed from the Index. A

replacement constituent would be chosen by the Index Sponsor, exercising discretion. If no replacement is available, as determined by the Index Sponsor, the affected constituent will be removed from the Index and the Index will continue without such affected Constituent or any replacement.

The changing or removal of a constituent may affect the performance of the Index, and therefore, the return on the Notes, as the replacement constituent may perform significantly better or worse than the affected constituent. Circumstances in which such a replacement or removal may occur include the cancellation of a constituent, a material change in the composition or calculation of a constituent, a change in law or a prolonged market disruption event affecting a constituent and certain specified extraordinary events in relation to constituents that are exchange traded funds and mutual funds, as described more fully in the Index Conditions. No assurance can be provided that one of such events may or may not occur to one or more of the initial constituents.

***Index methodology and performance related risks due to the selection of index constituents at the discretion of the Index Allocator***

The Index has been developed by the Index Sponsor and the Index Allocator solely for the purposes of determining all or part of the redemption amounts payable in respect of the Notes.

The Index is exposed to the performance of a universe of assets including U.S.-listed exchange traded funds (the "**ETF Shares**"), mutual funds registered under the European Undertakings for the Collective Investment of Transferable Securities (UCITS) framework (the "**Mutual Fund Interests**"), equity indices (the "**Equity Indices**"), bond futures tracker indices, equity futures tracker indices, commodity futures tracker indices, FX tracker indices (collectively the "**Tracker Indices**") and cash, all as selected by the Index Allocator from time to time. Investors are exposed to (i) equity risk and interest rate risk through the ETF Shares, Mutual Fund Interests, Equity Indices and Tracker Indices linked to equities, (ii) commodity price risk through the Tracker Indices linked to commodities, (iii) interest rate risk and debt risk through the Tracker Indices linked to bonds, and (iv) foreign exchange rate risk through the Tracker Indices that are linked to FX rates. Investors are therefore subject to the risks of equity investing, currency investing, commodity investing and fixed income investing, and should be familiar with indices, exchange traded funds, mutual funds and exchange-traded derivatives generally. All constituents of the Index are selected by the Index Allocator.

The performance of the Index can (partly) depend on the performance of the certain constituents that are indices (each a "**Constituent Index**" and together, the "**Constituent Indices**"), some of which are UBS AG, London Branch proprietary indices. The risks which exist in respect of an exposure to the Constituent Indices also exist in respect of an exposure to the Index. Consequently, investors should read and understand the index rules, index conditions and/or methodology (as applicable) of the Constituent Indices, including the disclosure and the discussion of the risks which arise in respect of an exposure to the Constituent Indices which are available upon request from UBS AG, London Branch or UBS Securities LLC. The combination of these risks may create additional particular risks which may substantially increase the effect of adverse market movements. As a result, the market value of, and return on, the Notes could be adversely affected.

The weightings of the constituents may be changed at the discretion of the Index Allocator on dates selected on a discretionary basis by the Index Allocator. Exposure to a constituent of the Index may be long or short or zero at any time, as selected by the Index Allocator (subject to pre-determined minimum and maximum weightings for each constituent and subject also to minimum and maximum aggregate weightings by category of asset (such categories being developed market equities, emerging market equities, G10 currencies, emerging market currencies, developed market bonds, emerging market bonds, commodities, mutual funds and cash)).

The performance of the Index may be volatile. The potential performance of the Index should be assessed by each potential investor in the Notes on the basis of the calculations that compose the Index Level. The Index Sponsor makes no representations as to the ability of the Index to perform in a certain manner. The benefits of the Index strategy – as determined by the Index Allocator in its discretion - may only become apparent over a long period.

The Index uses a rules-based methodology which contains fixed parameters. For example, (i) the realized volatility (for the purpose of determining the exposure of the Index to the basket of Constituents) is calculated by reference to the volatility of the basket over 56 and 16 days, (ii) the volatility target of the Index (at 10%) is deemed to be indicative of the limits beyond which the realized volatility of the basket will hinder the performance objective of the Index, and (iii) the maximum exposure of the Index to the basket of constituents is set at 150% (i.e., 1.5 times). The methodology of the Index (as set out in the Index Conditions) assumes that these parameters and the other fixed parameters used in the calculation of the Index are reasonable in the context of the Index. If market conditions change from the conditions prevailing when these assumptions were made, the Index may underperform.

Investors in the Notes should be aware of these limitations in considering their investment decision.

***The Index, and therefore an investment in the Notes, is subject to risks associated with non-U.S., particularly emerging market, securities.***

Some or all of the equity securities that are held by or comprise constituents of the Index 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. Such risks are particularly heightened for emerging market securities.

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.

Some or all of these factors may influence the value of the relevant constituents, 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 constituents based on their historical performance. The value of any such constituents may decrease, resulting in a decrease in the level of the Index, which may adversely affect the value of the Notes.

***Index Allocator role and risks associated with the termination of the Index Allocation Agreement***

The Index Allocator is AFAP SURA, a third party that is not affiliated with UBS AG, London Branch or any of its affiliates. The Index Sponsor has a contractual relationship with the Index Allocator to provide management functions for the purposes of the Index pursuant to the Index Allocation Agreement. However, the Index Allocator is not an agent of the Index Sponsor, acts only as an independent contractor and has not been appointed by the Index Sponsor as a sub-advisor in respect of the Index or the Notes.

The Index Allocator has the right but not an obligation, pursuant to the Index Allocation Agreement, to specify the weightings of any of the Constituents at any time and if it decides not to make any such adjustments, the Index may be adversely affected. If the Index Allocator fails to follow the specified process (including the decision-making and communication process as set out in Exhibit 1 of the Index Allocation Agreement and the Allocation Restrictions as set out in the Index Conditions), the new weightings of the Constituents as proposed by the Index Allocator will not be used and instead the Index will not be rebalanced. This may also have an adverse effect on the Index performance and consequently the return on the Notes.

The Index Allocation Agreement may terminate for a number of reasons, including (i) upon the earlier of (a) the Maturity Date of the Notes and (b) the first day on which no Notes remain outstanding and (ii) if the Index Allocator or UBS AG, London Branch does not comply with its obligations or responsibilities as set out in the Index Allocation Agreement or in the Index Conditions. In taking any such action (or in not taking any such action) in relation to termination neither the Index Allocator nor the Index Sponsor will have any obligation to consider the interests of any investor in the Notes.

If the Index Allocation Agreement is terminated then no replacement Index Allocator will be appointed and the Index will be discontinued. The termination of the Index Allocation Agreement will constitute an Amendment Event. This may have a material adverse effect on the Notes. See also "*The occurrence of an Amendment Event may have a material adverse effect on the return on the Notes*" above.

#### ***Index Allocator discretion in selecting constituents of the Index***

The Index is developed by the Index Sponsor and the Index Allocator. However the Index Allocator is solely responsible for determining the selection of the constituents of the Index and their respective weightings (the 'Specified Weights', as defined in the Index Conditions) to be applied from the rebalancing of the Index on each 'Rebalancing Date', subject to certain constraints, in accordance with the Index Allocation Agreement.

Accordingly, the performance of the Index and the return on the Notes will depend not only on the Index methodology (as set out in the Index Conditions) but also on weighting and rebalancing determinations made by the Index Allocator. Weighting decisions that run counter to market trends will result in the Index Level declining or not increasing in line with market benchmarks. The Index Allocator may select a bullish position in a small number of constituents and concentrate notional investment in those constituents, and such concentrations may run counter to market trends and result in losses for investors in the Notes. There is no guarantee that the Index Allocator will act rationally in its selection and weighting decisions. Therefore, the success or failure of the Index or any constituent of the Index to achieve any investment or hedging objective or any particular performance is solely affected by the abilities of, and determinations made by, the Index Allocator and certain key individuals employed by the Index Allocator.

The Index Sponsor has no responsibility for making any such determinations or monitoring the Index, the constituents or their respective weightings and does not approve, endorse or recommend any rebalancing or adjustment instruction given by the Index Allocator to the Index Sponsor in respect of the Index.

There can be no assurance that the Index Allocator will be successful in its selection of constituents in the Index, selecting and/or adjusting the weightings of the constituents from time to time, rebalancing of the Index or generating positive returns, and the loss of one or more key individuals at the Index Allocator may have a material adverse impact on the performance of the Index and the return on the Notes. Accordingly, the Notes are intended to be held only by AFAP SURA as initial purchaser, which is also acting as Index Allocator in respect of the Index. The Index is not designed for, and is not expected to be used or referenced by, any index-linked product other than the Notes nor is it expected that there will be any holder of the Notes other than AFAP SURA as the initial purchaser, or an affiliate of the initial purchaser, or another person advised by the initial purchaser or an affiliate of such person. The Index is intended to be personal to the selections and expertise of the Index Allocator.

#### ***Index Sponsor right of refusal to implement a rebalancing order***

In certain exceptional circumstances as set out in Exhibit 1 of the Index Allocation Agreement, the Index Sponsor may refuse to implement a rebalancing order submitted by the Index Allocator. Such circumstances include, but are not limited to, (i) the occurrence of market disruption events, and (ii) situations where for compliance, regulatory, force majeure, hedging or other reasons, a hypothetical hedging party in the same position as the Index Sponsor would be unable to, or it would not be reasonably practicable for it to, effect transactions in respect of the rebalancing order. Any such refusal may have a material adverse impact on the value of the Index and the market value of, and return on, the Notes.

### ***Frequency of rebalancing***

The frequency of rebalancing the Index is at the sole discretion of the Index Allocator pursuant to the terms of the Index Allocation Agreement. The weightings of the constituents of the Index are given effect on each 'Rebalancing Date' (as defined in the Index Conditions). A higher frequency of rebalancing will incur greater notional costs, and a lower frequency of rebalancing may mean that the Index Allocator is unable to take advantage of market movements and market trends. Either of these effects may negatively impact the performance of the Index compared to alternatives without discretionary rebalancing. The decisions and expertise of the Index Allocator in this respect will be a significant influencing factor in respect of the performance of the Index.

### ***Risks associated with volatility target and use of leverage***

The exposure of the Index to the basket of constituents of the Index is adjusted, potentially on a daily basis, in accordance with a formula which seeks to maintain an overall specified annualized volatility level as close as practicable to a target level of 10% (the "**Volatility Target**"). The exposure is determined by reference to the recent volatility of the basket of constituents. Although the volatility is determined daily and the exposure of the Index may be adjusted daily, the volatility targeting mechanism used to construct the Index may not be successful in causing the volatility to approximate the Volatility Target and will not prevent a decline in the Index which may have an impact on the market value of, and return on, the Notes. The actual volatility of the Index may be greater or less than the Volatility Target.

Further, the application of the Volatility Target is based on a 16-day and a 56-day measure of historical volatility. This means there may be a significant period of time before the Index reduces exposure to account for any increase in volatility; this could result in a lower Index Level than would prevail if the exposure had been adjusted more quickly.

During periods when the realized volatility of the basket is higher than the Volatility Target, particularly in bull markets, the volatility targeting mechanism may lead the Index to underperform relative to the basket and/or compared with indices that do not use such a mechanism, and the performance of the constituents of the Index and their respective weightings selected by the Index Allocator may not be fully reflected by the Index performance.

There is also no guarantee that the Index will outperform the basket of constituents of the Index or any alternative volatility adjusted index that might be constructed by reference to the constituents.

The Volatility Target may result in the Index having an exposure to the basket of constituents of up to 150% (the maximum exposure). It should be noted that whenever the exposure exceeds 100%, the Index will have a leveraged exposure to the basket of constituents (i.e., the non-volatility weighted version of the Index). In these circumstances, the performance of the basket of Constituents or change in value, either positive or negative, will be magnified at the level of the Index. The use of leverage will magnify the adverse effect on the level of the Index if the basket of Constituents declines in value, which may increase the risk of loss on the Notes.

The Volatility Target may result in the Index having an exposure of substantially less than 100% of the basket of Constituents (i.e., the non-volatility weighted version of the Index), which may limit or reduce gains on any investment linked to the Index. The use of leverage also means that the level of the Index could fall to zero earlier than if there was no leverage.

Therefore the volatility targeting mechanism may have an adverse effect on the performance of the Index and consequently the return on the Notes.

### ***The Index Allocator may take short positions in some constituents of the Index***

The exposure of the Index to certain constituents may be negatively weighted (effectively reflecting a short position), as selected by the Index Allocator, and positive performance of such constituents will have a negative impact on the level of the Index. Unlike long positions, short positions are subject to unlimited risk of loss because there is no limit on the amount by which the price that the relevant asset may appreciate before the short position is closed. It is possible

that any short position included in the Index may appreciate substantially with an adverse impact on the level of the Index and consequently the market value of, and return on, the Notes.

***The Index is subject to foreign exchange risk***

The Index is denominated in U.S. Dollars, and certain of the constituents are denominated in other currencies. For the purposes of determining the Index Level, constituents that are denominated in currencies other than U.S. Dollars will be converted into U.S. Dollars, using the specified exchange rate. This means that an investor in the Notes is subject to exchange rate risk, and the level of the Index may be adversely affected. In particular, if any exchange rate becomes significantly less favourable to the investor, such change in the exchange rate may negate, in whole or in part, any positive performance of a constituent and/or the Index as a whole and therefore may have a negative impact on the market value of, and return on, the Notes.

***Performance risk***

The Index may underperform certain equities, foreign currencies, commodities or fixed income bonds underlying the constituents of the Index, and/or other indices with the same constituents, where those other indices employ a different scheme to rebalance weightings and manage volatility. The Index does not seek to outperform any other equity, foreign currency, commodity or fixed income benchmark in absolute terms and may not outperform at all.

Correlation is the extent to which the values of the constituents increase or decrease to the same degree at the same time. If the correlations among the constituents change, the level of the Index may be adversely affected and therefore may have a negative impact on the market value of, and return on, the Notes.

The Notes, being a product based on the Index, cannot and do not guarantee absolute returns in any situation.

***No physical investment***

The Index reflects the performance of notional positions in the constituents of the Index. 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 constituents that comprise the Index.

The Index is not a substitute for physical equities, commodities or fixed income bonds and returns of the Index may not reflect the returns that could be obtained by owning the components that are included in the Index.

***Effect of notional costs and reduction on the performance of the Index***

An adjustment cost representing notional transaction and cash carry costs in respect of the constituents of the Index is deducted from the performance of the Index Level to account for costs associated with the changes in exposure of the Index to the basket of constituents as a result of the volatility targeting mechanism. In addition, carry costs in respect of all constituents are deducted from the calculation of the basket level of constituents. Also, it should also be noted that the performance of ETF Shares, Mutual Fund Interests and Equity Indices is presented as the 'excess return' above an overnight rate of interest on USD or EUR (as applicable) cash. Similarly, any distributions made in respect of exchange traded funds are notionally reinvested 'net' at 70% to reflect notional withholding taxes (or such other percentage determined by the Index Sponsor, in its sole discretion, due to a change or adoption of applicable tax law, regulation, rule or practice affecting the withholding rate on dividends). Therefore, the Index Level will be lower than if such costs had not been deducted.

Additionally, some of the constituents of the Index may deduct notional fees or replication, roll-over or transaction costs in respect of their own constituents. Such notional costs (if any) are described in the underlying methodologies for the relevant constituents. The deduction of those costs will reduce the respective levels of those constituents.

Investors in the Notes are advised to scrutinize and understand the various notional costs set out in the Index Conditions (and the index rules/methodology of each constituent) because all of them will ultimately serve to act as a drag on the Index Level and will restrict the return available (if any) under the Notes. The cumulative effect of these



notional costs may be significant and will adversely affect the performance of the Index and the return on the Notes. The drag on the Index Level caused by any such deductions may be magnified if the Index assumes a leveraged exposure to its Constituents.

***Limited operating history***

The Index has limited historical information; historical levels of comparable indices should not be taken as an indication of the future performance of the Index over any period. Moreover the Index will be weighted and rebalanced based on the Index Allocator's discretionary choices over time. No assurance can be given that the selection methodology employed by the Index Allocator in relation to selecting the constituents of the Index and/or the weightings of the constituents will result in the Index matching or outperforming any market benchmark and the Index could underperform such benchmarks, including by experiencing long term declines. The Index was launched by the Index Sponsor on the Index Launch Date defined and specified in the Index Conditions and has been calculated by the Index Calculation Agent for the period from the specified Index Base Date (as defined in the Index Conditions). Any back-testing or similar performance analysis performed by any person in respect of the Index must be considered illustrative only and may be based on estimates or assumptions not used by the Index Calculation Agent when determining the Index Level. In addition, back-testing does not reflect the effect on the relevant markets of the launch of the Index and of the delivery of exposures to the Index through the Notes and any other Index-linked products, which may include any hedging by the provider of such Index-linked products. Where the Index has been developed to identify and to monetise a particular opportunity in the relevant markets, it should be noted that corresponding investments made by market participants, including any hedging by the providers of Index-linked products, may erode such an opportunity, and therefore any back-testing may overstate the actual performance of any Index-linked product.

**This list of risk factors in respect of the Index is not intended to be exhaustive. All persons should seek such advice as they consider necessary from their professional advisors, investment, legal, tax or otherwise, without reliance on the Issuer, the Index Sponsor, the Index Calculation Agent, any of their respective affiliates or any of their respective directors, officers, employees, representatives, delegates and agents.**