

Information Memorandum dated 15 December 2017



Council of Europe Development Bank

€5,000,000,000

Euro-Commercial Paper Programme

As at the date of this Information Memorandum, this Programme is rated by Standard & Poor's Credit Market Services Europe Limited and Moody's Deutschland GmbH

Arranger

UBS INVESTMENT BANK

Dealers

BoFA MERRILL LYNCH
CITIGROUP
GOLDMAN SACHS INTERNATIONAL
RABOBANK

BARCLAYS
CRÉDIT AGRICOLE CIB
ING
UBS INVESTMENT BANK

IMPORTANT NOTICE

This Information Memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the “**Information Memorandum**”) contains summary information provided by Council of Europe Development Bank (the “**Issuer**”) in connection with a euro-commercial paper programme (the “**Programme**”) under which the Issuer may issue and have outstanding at any time euro-commercial paper notes (the “**Notes**”) up to a maximum aggregate amount of €5,000,000,000 or its equivalent in alternative currencies. Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S (“**Regulation S**”) of the United States Securities Act of 1933 (the “**Securities Act**”). The Issuer has pursuant to a dealer agreement dated 15 December 2017 (the “**Dealer Agreement**”) appointed UBS Limited as arranger of the Programme (the “**Arranger**”), and Bank of America Merrill Lynch International Limited, Barclays Bank PLC, Citigroup Global Markets Limited, Coöperatieve Rabobank U.A., Crédit Agricole Corporate and Investment Bank, Goldman Sachs International, ING Bank N.V. and UBS Limited as dealers in respect of the Notes (together with any further dealers appointed under the Programme pursuant to the Dealer Agreement from time to time, the “**Dealers**”) and has authorised and requested the Dealers to circulate this Information Memorandum in connection with the Programme on its behalf to purchasers or potential purchasers of the Notes.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")) ("U.S. PERSONS") UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.

In accordance with the Short-Term European Paper (“**STEP**”) Initiative, this Programme has been submitted to the STEP Secretariat in order to apply for the STEP label in respect of Notes to be issued with a maturity of not more than 364 days from (and including) the date of issue to (but excluding) the maturity date. The status of STEP compliance of this Programme can be determined from the STEP Market website (www.stepmarket.org).

The Issuer has confirmed to the Arranger and the Dealers that, as at the date hereof, (i) the information contained or incorporated by reference in this Information Memorandum, is in all material respects true, accurate and not misleading; and (ii) that there are no other facts the omission of which makes this Information Memorandum as a whole or any such information contained or incorporated by reference herein misleading in any material respect.

Neither this Information Memorandum nor any of the Issuer’s financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Information Memorandum or any of the Issuer’s financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Information Memorandum as supplemented from time to

time and any decision made by it to purchase Notes should be based upon its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Notes as it deems necessary and it must base any investment decision upon such independent assessment and investigation and not on this Information Memorandum (which only contains a summary description of the business of the Issuer).

None of the Dealers or the Arranger undertakes to review the business, financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

This Information Memorandum contains references to ratings. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

None of the Issuer, the Arranger and the Dealers accepts any responsibility, express or implied, for updating this Information Memorandum and neither the delivery of this Information Memorandum nor any offer or sale made on the basis of the information in this Information Memorandum shall under any circumstances create any implication that this Information Memorandum is accurate at any time subsequent to the date hereof or that there has been no change in the business, financial condition or affairs of the Issuer since the date hereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in this Information Memorandum and any information or representation not contained herein must not be relied upon as having been authorised.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of, or otherwise in relation to, this Information Memorandum or its distribution by any other person or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

This Information Memorandum does not, and is not intended to, constitute an offer or invitation to any person to purchase Notes. The distribution of this Information Memorandum and the offering for sale of Notes in certain jurisdictions may be restricted by law. Persons obtaining this Information Memorandum or any Notes are required by the Issuer, the Arranger and the Dealers to inform themselves about, and to observe, any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes and the Issuer set out under “**Selling Restrictions**” below. A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

No application will be made at any time to list the Notes on any stock exchange.

MIFID II PROFESSIONALS ONLY/ELIGIBLE COUNTERPARTIES-ONLY

Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels).

For the avoidance of doubt, a determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), the relevant Dealer subscribing for the relevant Notes is a manufacturer in

respect of such Notes, but that, otherwise, neither the Issuer, the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

TAX

No comment is made, and no advice is given, by the Issuer, the Arranger or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional adviser.

The Notes and any interest hereon will not be exempt from taxation generally. Under the Third Protocol dated 6 March 1959 to the General Agreement on Privileges and Immunities of the Council of Europe of 2 September 1949 (the “**Third Protocol**”), no tax of any kind shall be levied by the member states of the Issuer on Notes issued by the Issuer (or any interest thereon) (a) which discriminates against such Note solely because it is issued by the Issuer or (b) if the sole legal basis for such taxation is the place or currency in which such Note is issued, made payable or paid, or the location of the headquarters or of any office or place of business maintained by the Issuer. If any taxation does apply to payments due on the Notes, notwithstanding the provisions of the Third Protocol, neither the Issuer nor any paying agent will make any additional payment in the event of any deduction or withholding being required in respect of such taxation and neither the Issuer nor any paying agent shall be liable to any holder of the Notes or to any other person for any commissions, costs, losses or expenses in relation to or resulting from such withholding or payment.

INTERPRETATION

In this Information Memorandum, all references to “**euro**”, “**EUR**” and “**€**” are to the lawful currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time, references to “**United States dollars**”, “**U.S. Dollars**” and “**USD**” are to the currency of the United States of America, references to “**Swiss Francs**” and “**CHF**” are to the lawful currency of the Swiss Confederation, references to “**Yen**”, “**JPY**” and “**¥**” are to the lawful currency of Japan, references to “**£**”, “**GBP**” and “**Sterling**” are to the lawful currency of the United Kingdom, references to “**Australian Dollar**” and “**AUD**” are to the lawful currency of Australia, references to “**Canadian Dollar**” and “**CAD**” are to the lawful currency of Canada, references to “**Danish Krone**” and “**DKK**” are to the lawful currency of the Kingdom of Denmark, references to “**New Zealand Dollar**” and “**NZD**” are to the lawful currency of New Zealand, references to “**Norwegian Krone**” and “**NOK**” are to the lawful currency of the Kingdom of Norway and references to “**Swedish Krona**” and “**SEK**” are to the lawful currency of the Kingdom of Sweden.

DOCUMENTS INCORPORATED BY REFERENCE

The most recently published audited financial statements of the Issuer and any subsequently published interim financial statements of the Issuer (whether audited or unaudited) shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

Any statement contained in a document incorporated by reference into this Information Memorandum or contained in any supplementary information memorandum or in any document incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the website of the Issuer and / or on the STEP Market website, is incorporated by reference into this Information Memorandum.

Each Dealer will, following receipt from the Issuer of the documents incorporated herein by reference, provide to each person to whom a copy of this Information Memorandum has been delivered, upon request of such person, a copy of any or all the documents incorporated herein by reference unless such documents have

been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Dealer at its office as set out at the end of this Information Memorandum.

TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME	7
DESCRIPTION OF THE ISSUER.....	11
INFORMATION CONCERNING THE ISSUER’S REQUEST FOR A STEP LABEL.....	16
APPENDIX 1 FORM OF MULTICURRENCY BEARER PERMANENT GLOBAL NOTE.....	17
APPENDIX 2 SELLING RESTRICTIONS.....	29

SUMMARY OF THE PROGRAMME

Name of the Programme:	Council of Europe Development Bank Euro-Commercial Paper Programme
Type of Programme:	Euro-Commercial Paper Programme
Name of the Issuer:	Council of Europe Development Bank
Type of Issuer:	Supranational / International Organisation
Purpose of the Programme:	To finance the general operations of the Issuer.
Programme Size:	The outstanding principal amount of Notes at any time will not exceed €5,000,000,000 (or its equivalent in other currencies) (the “ Maximum Amount ”). The Maximum Amount may be increased from time to time in accordance with the Dealer Agreement.
Characteristics and Form of the Notes:	<p>The Notes will be in bearer form. The Notes will initially be in global form (“Global Notes”). Global Notes will be exchangeable into definitive Notes only in the limited circumstances specified in the Global Notes.</p> <p>On or before the issue date in respect of any Notes, if the relevant Global Note indicates that it is intended to be a New Global Note (“NGN”), the Global Note will be delivered to a Common Safekeeper (as defined below) for the Relevant Clearing Systems (as defined below). If the relevant Global Note indicates that it is not an NGN, the Global Note will be deposited with a common depository for the Relevant Clearing Systems. The interests of individual holders in each Global Note that is an NGN will be represented by the records of the Relevant Clearing Systems.</p> <p>“Common Safekeeper” means, in respect of any Global Note which is an NGN, the common safekeeper which is appointed by the Relevant Clearing Systems in respect of such NGN or, if such Global Note is an NGN intended to be held in a manner that would allow eligibility for collateral purposes in credit operations of the central banking system for the euro (the “Eurosystem”), the common safekeeper which is appointed for the Issuer and eligible to hold such Global Note for the purpose of the requirements relating to collateral for Eurosystem monetary and intra-day credit operations. If the Common Safekeeper as at the relevant Issue Date ceases to be so eligible after the relevant Issue Date, the relevant Notes will no longer qualify for Eurosystem eligibility unless a new common safekeeper is appointed who is so eligible.</p>
Yield Basis:	The Notes may be issued at a discount or at a premium or may bear fixed or floating rate interest.
Currencies of issue of the Notes:	Notes may be denominated in any currency including, but not limited to, EUR, USD, GBP, CHF, JPY, AUD, CAD, NZD, NOK, DKK and SEK subject to compliance with all applicable

	legal and regulatory requirements.
Maturity of the Notes:	The tenor of the Notes shall not be less than one day or more than 364 days from (and including) the date of issue to (but excluding) the maturity date, subject to compliance with any applicable legal and regulatory requirements.
Minimum Issuance Amount:	At least €150,000 (or equivalent for non-euro issuances) and subject to the initial minimum denominations of Notes set out herein.
Minimum Denomination of the Notes:	<p>The initial minimum denominations are:</p> <ul style="list-style-type: none"> • EUR 500,000 if the Notes are denominated in EUR; • USD 500,000 if the Notes are denominated in USD; • GBP 100,000 if the Notes are denominated in GBP; • CHF 500,000 if the Notes are denominated in CHF; • JPY 100,000,000 if the Notes are denominated in JPY; • AUD 1,000,000 if the Notes are denominated in AUD; • CAD 500,000 if the Notes are denominated in CAD; • NZD 1,000,000 if the Notes are denominated in NZD; • NOK 1,000,000 if the Notes are denominated in NOK; • DKK 1,000,000 if the Notes are denominated in DKK; • SEK 1,000,000 if the Notes are denominated in SEK or, <p>if the Notes are denominated in other currencies, the equivalent in that currency of €500,000, such amount to be determined by the rate of exchange at the date of issuance. Minimum denominations may be changed from time to time subject in each case to compliance with all applicable legal and regulatory requirements.</p>
Status of the Notes:	The Issuer's payment obligations under the Notes constitute and at all times shall constitute unsecured obligations of the Issuer ranking at least <i>pari passu</i> with all other unsecured and unsubordinated indebtedness for borrowed money of the Issuer represented by notes, bonds or other securities.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law, to the extent that the application of English law does not derogate from the Third Protocol to the General Agreement on Privileges and Immunities of the Council of Europe adopted on 6 March 1959 or from the Articles of Agreement of the Issuer.
Listing:	The Notes will not be listed on any stock exchange.
Settlement Systems:	<p>Euroclear Bank SA/NV ("Euroclear") or Clearstream Banking S.A. ("Clearstream, Luxembourg") and/or such other securities clearance and/or settlement system(s) which:</p> <p>(i) complies, as of the relevant issue date, with the Market Convention on Short-Term European Paper</p>

dated 19 May 2015 and adopted by the ACI - The Financial Markets Association and the European Money Markets Institute (as amended from time to time) (the “**STEP Market Convention**”); and

- (ii) provided such Global Note is intended to be held in a manner that would allow Eurosystem eligibility, is authorised to hold securities as eligible collateral for Eurosystem monetary policy and intra-day credit operations,

in each case as agreed between the Issuer and the relevant Dealer(s) (together, the “**Relevant Clearing Systems**”).

If after the relevant date of issue any such system ceases (i) to comply with the STEP Market Convention; and/or (ii) (in the case of a Global Note to be held in a manner which allowed Eurosystem eligibility) to be so authorised, the Issuer and the relevant Dealer(s) may agree that the relevant Notes may be settled through such other system(s) as is/are so authorised.

Programme Ratings:

As of the date of this Information Memorandum, the Programme, and the Notes issued under the Programme, have been assigned ratings by Moody’s Deutschland GmbH (<https://www.moody.com/>) and Standard & Poor’s Credit Market Services Europe Limited (https://www.standardandpoors.com/en_US/web/guest/home).

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

Guarantor(s):

None.

Issue Agent and Principal Paying Agent:

Deutsche Bank AG, London Branch

Arranger:

UBS Limited

Dealers:

- Bank of America Merrill Lynch International Limited
- Barclays Bank PLC
- Citigroup Global Market Limited
- Coöperatieve Rabobank U.A.
- Crédit Agricole Corporate and Investment Bank
- Goldman Sachs International
- ING Bank N.V.
- UBS Limited

Selling Restrictions:

The offering and sale of the Notes and the distribution of this Information Memorandum and other information relating to the Issuer and Notes are subject to certain restrictions, details of which are set out under “**Selling Restrictions**” below.

Taxation:

Payments in respect of the Notes will be without gross-up for any present or future taxes, duties, assessments or governmental charges whatsoever. See “Important Notice - Tax” and paragraph 4 of the “Form of Multicurrency Bearer

	Permanent Global Note” for further details.
Contact Details of the Issuer:	Address: 55 avenue Kléber 75116 Paris France
	Telephone: +33 147 55 55 00
	Fax: +33 147 55 37 51
	Email: backoffice@coebank.org
	Attention: Settlements & Payments
Additional Information on the Programme:	Accountholders in the Relevant Clearing Systems will, in respect of Global Notes, have the benefit of a Deed of Covenant dated 15 December 2017 (the “ Deed of Covenant ”), copies of which may be inspected during normal business hours at the specified office of the Issue Agent and Principal Paying Agent.
Independent Auditors of the Issuer in 2017:	KPMG Audit Immeuble le Palatin 1 Cours Valmy 92923 Paris La Défense Cedex France

DESCRIPTION OF THE ISSUER

Legal Name

COUNCIL OF EUROPE DEVELOPMENT BANK

Legal Form / Status

The Issuer is attached to the Council of Europe and administered under its supreme authority but is legally separate and financially autonomous from it. The Issuer is solely responsible for its own indebtedness. The Issuer possesses its own juridical personality and, in particular, the capacity to enter into contracts, acquire and dispose of immovable and movable property, institute legal proceedings and carry out any transaction related to its statutory purposes.

The operations, acts and contracts of the Issuer are governed by the Third Protocol, by the Articles of Agreement of the Issuer and regulations issued pursuant thereto. The Third Protocol provides the Issuer a range of privileges and immunities considered necessary for the performance by the Issuer of its tasks and other functions.

In addition to the above, a national law may be applied to the operations, acts and contracts of the Issuer in a particular case, provided that the Issuer expressly agrees thereto and that such law does not derogate from the Third Protocol or from the Articles of Agreement.

Pursuant to the Third Protocol the Issuer is, notwithstanding certain exceptions, subject to the jurisdiction of the courts of its Member States and of those states where the Issuer has contracted or guaranteed loans.

Date of Incorporation / Establishment

The Issuer, an international organisation, was established on 16 April 1956 by the adoption of its Articles of Agreement by the Committee of Ministers of the Council of Europe, the decision-making body of the Council of Europe. The Issuer has its origins in a Partial Agreement originally entered into between eight Council of Europe member states. As at 31 December 2016, 41 European states are Member States of the Issuer.

The duration of the Issuer's activities is not limited.

Registered Office

The Issuer's administrative headquarters are located at 55, avenue Kléber, 75116 Paris, France.

Registration Details

Not applicable.

Issuer's Mission

The Issuer is a multilateral development bank with a social vocation. It is a key financial instrument of the Council of Europe's solidarity policy in Europe. All of the Issuer's activities are focused on reinforcing social cohesion within Europe and they complement the activities of the other intergovernmental financial institutions.

Brief Description of Current Activities

The Issuer was founded with the objective of financing social programmes related to the resettlement of refugees migrating to and between European countries in the aftermath of the Second World War. Since its foundation, the Issuer has adapted to changes in social priorities in Europe and has extended the scope of its activities, which now comprise three lines of action: (i) sustainable and inclusive growth (with emphasis on socially oriented components and particularly on public infrastructure with a social vocation, job creation and preservation, access to the labour market, housing and integration of vulnerable groups); (ii) integration of refugees, displaced persons and migrants; and (iii) climate action (developing mitigation and adaptation measures).

In order to finance projects serving these purposes, the Issuer grants or guarantees long-term loans to its Member States or institutions approved by them. Furthermore, it manages several special accounts for receiving voluntary contributions from states, the Issuer, the Council of Europe, the European Union and other international organisations. These contributions are used to subsidise loans and to make grants, as the case may be.

Loans are granted in accordance with criteria that are precisely defined in the CEB's Loan Regulations, its Loan and Project Financing Policy and its Handbook for the Preparation and Implementation of Projects, which are all publicly available on the Issuer's website.

Statutory priority is given to projects which "help in solving the social problems with which European countries are or may be faced as a result of the presence of refugees, displaced persons or migrants consequent upon movements of refugees or other forced movements of populations and as a result of the presence of victims of natural or ecological disasters" (Article II of the Articles of Agreement of the Issuer).

Capitalisation

The Issuer's subscribed capital and accumulated reserves constitute the basis for its operations, since it does not receive any regular contributions from its Member States. It raises funds on the capital markets essentially by way of public issues and private placements of notes.

Established in 1956 with a subscribed capital of euro 5.7 million, the Issuer had a subscribed capital of euro 5.47 billion as at 31 December 2016.

Membership / List of Main Shareholders

In accordance with the Articles of Agreement, Members of the Issuer may include:

- (a) any member state of the Council of Europe;
- (b) a European state which is not a member of the Council of Europe upon authorisation by the Issuer's Governing Board; and
- (c) international institutions with a European focus upon authorisation by the Issuer's Governing Board.

Membership is acquired by accepting the Articles of Agreement and subscribing to the participating certificates; such certificates are issued in denominations of euro 1,000 each. Each Member of the Issuer has one vote in the Governing Board and in the Administrative Council for each participating certificate held by it.

Members of the Issuer are not liable to third parties for any of the Issuer's obligations.

Any Member of the Issuer may withdraw from the Issuer by giving notice of six months prior to the end of the then current calendar year on conditions laid down by the Governing Board.

Capital as at 31 December 2016

Member State	Percentage of subscribed capital
FRANCE	16.735%
GERMANY	16.735%
ITALY	16.735%
SPAIN	10.914%
TURKEY	7.096%
NETHERLANDS	3.633%
BELGIUM	3.003%
GREECE	3.003%
PORTUGAL	2.543%
SWEDEN	2.543%
POLAND	2.344%
DENMARK	1.639%
FINLAND	1.275%
NORWAY	1.275%
BULGARIA	1.141%
ROMANIA	1.095%
SWITZERLAND	0.984%
IRELAND	0.883%
HUNGARY	0.818%
CZECH REPUBLIC	0.786%
LUXEMBOURG	0.635%
SERBIA	0.472%
CROATIA	0.391%
CYPRUS	0.363%
SLOVAK REPUBLIC	0.346%
ALBANIA	0.245%
LATVIA	0.234%

ESTONIA	0.233%
“the FORMER YUGOSLAV REPUBLIC OF MACEDONIA”	0.233%
LITHUANIA	0.230%
SLOVENIA	0.225%
ICELAND	0.185%
MALTA	0.185%
GEORGIA	0.180%
BOSNIA AND HERZEGOVINA	0.177%
KOSOVO	0.120%
MONTENEGRO	0.120%
MOLDOVA (Republic of)	0.100%
SAN MARINO	0.089%
LIECHTENSTEIN	0.053%
HOLY SEE	0.003%
TOTAL	100%

Listing of Shares

Not applicable.

Management / Composition of Governing Bodies and Supervisory Bodies

The Issuer is organised, administered and supervised by the following organs:

- the Governing Board, comprising a Chairman and one representative per Member State;
- the Administrative Council, also comprising a Chairman and one representative per Member State;
- the Governor, Mr Rolf Wenzel, who is assisted by one or more Vice-Governors; and
- the Auditing Board, which has three members appointed by the Governing Board, chosen from among the Member States on a rotating basis.

As at the date of this Information Memorandum (except as otherwise indicated), the members of the Governing Board are as follows:

Dominique Lamiot (Chairman), Alma Kasa, Gerhard Küntzle, Gilles Heyvaert, Predrag Grgić, Katya Todorova, Spyros Attas, Miroslav Papa, Klavs A. Holm, Javier Gil Catalina, Katrin Kivi, Satu Mattila-Budich, Jean-Baptiste Mattei, Irakli Giviashvili, Stelios Perrakis, Ágnes Kertész, Keith McBean, Kristján Andri Stefánsson, Marco Marsilli, Edon Cana, Petar Pop-Arsov, Ivars Pundurs, Daniel Ospelt, Laima Jurevičienė, Stephan Müller, Joseph Filletti, Corina Călugăru, Božidarka Krunić, Elisabeth Walaas, Roeland

Böcker, Janusz Stańczyk, João Maria Cabral, Marek Eštok, Emil Ruffer, Razvan Rusu, Paolo Rudelli, Aleksandra Djurović, Eva Tomič, Tornbjörn Haak, Markus Börlin and Erdoğan Işcan.

As at the date of this Information Memorandum, the members of the Administrative Council are as follows:

Miglė Tuskienė (Chairman), Erjon Luçi, Christof Harzer, Ronald de Swert, Ljerka Marić, Gergana Beremska, Christos Patsalides, Željko Tufekčić, Steen Ryd Larsen, Isabel Riaño, Riina Laigo, Tuuli Juurikkala, Shanti Bobin, Nikoloz Gagaa, Haris Simopoulos, Endre Török, Des O'Leary, Ólafur Sigurðsson, Gelsomina Vigliotti, Fatmir Plakiqi, Dejan Nikolovski, Inta Vasaraudze, Daniel Ospelt, Darius Trakelis, Arsène Jacoby, Joseph Licari, Octavian Armaşu, Nikola Vukićević, Bente Weisser, Jan Heidsma, Piotr Nowak, José Moreno, Martina Kobilicová, Petr Pavelek, Boni Cucu, Nicola Ceccaroli, John Baptist Itaruma, Zoran Ćirović, Martin Zdovc, Anders Wahlberg, Daniel Birchmeier and Kemal Çağatay İmirgi.

As at the date of this Information Memorandum, the members of the Auditing Board are Toomas Vapper, Szilvia Sramkó and Viktor Gjorchev.

Accounting Method

Accounts are prepared in accordance with the International Financial Reporting Standards (IFRS).

Accounting Year

Starting on 1 January, ending on 31 December.

Fiscal Year

Starting on 1 January, ending on 31 December.

Other Short Term Programmes of the Issuer

None.

Ratings of the Issuer

As at the date of this Information Memorandum, the Programme has been assigned ratings by Moody's Deutschland GmbH and Standard & Poor's Credit Market Services Europe Limited.

Additional Information on the Issuer

Further information on the Issuer can be found on its website: www.coebank.org.

INFORMATION CONCERNING THE ISSUER'S REQUEST FOR A STEP LABEL

An application for a STEP label for this Programme will be made to the STEP Secretariat in relation to the Notes eligible under the STEP Market Convention. Information as to whether the STEP label has been granted for this Programme in relation to such Notes may be made available on the STEP market website (initially www.stepmarket.org). This website is not sponsored by the Issuer and the Issuer is not responsible for its content or availability.

Unless otherwise specified in this Information Memorandum, the expressions “STEP”, “STEP Market Convention”, “STEP label”, “STEP Secretariat”, and “STEP market website” shall have the meanings assigned to them in the Market Convention on Short-Term European Paper dated 19 May 2015 and adopted by the ACI – The Financial Markets Association and the European Money Markets Institute (as amended from time to time).

APPENDIX 1
FORM OF MULTICURRENCY BEARER PERMANENT GLOBAL NOTE

(Interest Bearing/Discounted¹)

THE SECURITIES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE TRANCHE OF WHICH THIS SECURITY FORMS PART.

COUNCIL OF EUROPE DEVELOPMENT BANK

ISIN: _____

Issue Date: _____

Maturity Date:² _____

Specified Currency: _____

Nominal Amount: _____

(words and figures if a Sterling Note)

Reference Rate: _____ month

Interest Payment Date(s):

LIBOR/EURIBOR[/OTHER]³: _____

Reference Rate Screen Page:⁴ _____

Interest Determination Date:⁵ _____

Relevant Time:⁶ _____

Day Count Fraction:⁷ _____

Fixed Interest Rate:⁸ _____ % per annum

Margin:⁹ _____ %

Calculation Agent:¹⁰ _____

¹ Delete as appropriate.

² Not to be more than 364 days from (and including) the Issue Date to (but excluding) the Maturity Date.

³ Complete/delete as appropriate.

⁴ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in paragraph 11.

⁵ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in paragraph 11.

⁶ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in paragraph 11.

⁷ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in paragraph 11.

⁸ Complete for fixed rate interest bearing Notes only.

⁹ Complete for floating rate interest bearing Notes only.

¹⁰ Complete for floating rate interest bearing Notes only.

New Global Note Form:

New Global Note intended to be held in a manner which would allow Eurosystem eligibility¹¹:

[Yes. Note that the designation “**yes**” simply means that the Notes are intended upon issue to be deposited with Euroclear Bank SA/NV or Clearstream Banking, S.A. as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during its life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “**no**” at the issue date of this Global Note, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the Relevant Clearing Systems as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

- 1 For value received, COUNCIL OF EUROPE DEVELOPMENT BANK (the “**Issuer**”) promises to pay to the bearer of this Global Note on the Maturity Date the Nominal Amount, together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an amended and restated agency agreement dated 15 December 2017 between the Issuer and Deutsche Bank AG, London Branch (the “**Issue Agent**” and “**Principal Paying Agent**”) (such agreement, as amended and restated from time to time, the “**Agency Agreement**”), a copy of which is available for inspection at the office of the Issue Agent and Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note to or to the order of a Paying Agent (as defined in the Agency Agreement) referred to above by transfer to an account denominated in the Specified Currency maintained by the bearer with (i) a bank in the principal financial centre in the country of the Specified Currency or, (ii) if this Global Note is denominated or payable in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union. If this Global Note

¹¹ Insert “Not Applicable”, “Yes” or “No” as relevant.

indicates that it is intended to be issued in NGN form, the Issue Agent and/or the Principal Paying Agent, as applicable, shall procure that details of each such payment shall be entered *pro rata* in the records of the Relevant Clearing Systems (as defined below) and in the case of any payment of principal and upon any such entry being made, the nominal amount of the Notes recorded in the records of the Relevant Clearing Systems and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed.

Notwithstanding the foregoing, presentation and surrender of this Global Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Global Note denominated in U.S. Dollars, payments shall be made by transfer to an account denominated in U.S. Dollars in the principal financial centre of any country outside of the United States that the Issuer or Issue Agent and/or the Principal Paying Agent, as applicable, so chooses.

- 2 If this Global Note indicates that it is intended to be issued in NGN form, the nominal amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of each of Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or any such other securities clearance and/or settlement system which is compliant, as of the Issue Date, with the Market Convention on Short-Term European Paper (“**STEP**”) dated 19 May 2015 and adopted by the ACI - The Financial Markets Association and the European Money Markets Institute (as amended from time to time) and, if this Global Note indicates that it is intended to be held in a manner which would allow Eurosystem eligibility, authorised to hold, and then currently holding, this Global Note as eligible collateral for Eurosystem monetary policy and intra-day credit operations, in each case as agreed between the Issuer and the relevant Dealer(s) (each a “**Relevant Clearing System**” and together, the “**Relevant Clearing Systems**”). The records of the Relevant Clearing Systems (which expression in this Global Note means the records that each Relevant Clearing System holds for its customers which reflect the amount of such customer’s interest in the Notes (but excluding any interest in the Notes of one clearing system shown in the records of the other clearing systems)) shall be conclusive evidence of the nominal amount of Notes represented by this Global Note and, for these purposes, a statement issued by a Relevant Clearing System (which statement shall be made available to the bearer of this Global Note upon request) stating the nominal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of such Relevant Clearing System at that time.

If this Global Note indicates that it is not intended to be issued in NGN form, the nominal amount of the Notes represented by this Global Note shall be the amount stated as the Nominal Amount.

- 3 The payment obligation of the Issuer represented by this Global Note constitutes and at all times shall constitute an unsecured obligation of the Issuer ranking at least *pari passu* with all unsecured and unsubordinated indebtedness for borrowed money of the Issuer represented by notes, bonds or other securities.
- 4 This Global Note and any interest hereon will not be exempt from taxation generally. If any taxation does apply to payments due on this Global Note, notwithstanding the provisions of the Third Protocol dated 6 March 1959 to the General Agreement on Privileges and Immunities of the Council of Europe of 2 September 1949 (the “Third Protocol”), neither the Issuer nor any paying agent will make any additional payment in the event of any deduction or withholding being required in respect of such taxation and neither the Issuer nor any paying agent shall be liable to any holder of the Notes or to any other person for any commissions, costs, losses or expenses in relation to or resulting from such withholding or payment.
- 5 If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the

Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Global Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

“**Payment Business Day**” means any day other than a Saturday or Sunday which is either (i) if the above-mentioned Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland respectively) or (ii) if the Specified Currency is euro, a day which is a TARGET Business Day; and

“**TARGET Business Day**” means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System, which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

Provided that if the Principal Paying Agent determines with the agreement of the Issuer that the market practice in respect of euro denominated internationally offered securities is different from that specified above, the above shall be deemed to be amended so as to comply with such market practice and the Principal Paying Agent shall procure that a notice of such amendment is published in accordance with paragraph 11(g) not less than 15 days prior to the date on which any payment in euro falls due to be made in such manner as the Principal Paying Agent may determine.

- 6 This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof free and clear of any equity, set-off or counterclaim on the part of the Issuer against any previous bearer hereof.
- 7 This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date):
 - (a) if one or both of Euroclear and Clearstream, Luxembourg or any other relevant clearing system(s) in which this Global Note is held at the relevant time is closed for business for a continuous period of 14 days or more (other than by reason of weekends or public holidays, statutory or otherwise) or if any such clearing system announces an intention to, or does in fact permanently cease to do business; or
 - (b) if default is made in the payment of any amount payable in respect of this Global Note.

Upon presentation and surrender of this Global Note during normal business hours to or to the order of the Issue Agent and/or the Principal Paying Agent, as applicable, (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer) on behalf of the Issuer, the Issue Agent and/or the Principal Paying Agent, as applicable, shall authenticate and deliver, in exchange for this Global Note, bearer definitive notes denominated in the Specified Currency in an aggregate nominal amount equal to the Nominal Amount of this Global Note.

- 8 If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other

person may have under a Deed of Covenant dated 15 December 2017 (as amended, re-stated or supplemented as of the date of issue of the Notes) entered into by the Issuer).

9 If this is an interest bearing Global Note, then:

- 9.1 notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, the Nominal Amount shall be payable on such fifteenth day;
- 9.2 upon each payment of interest (if any) prior to the Maturity Date in respect of this Global Note:
 - (a) if this Global Note indicates that it is intended to be issued in NGN form, details of such payment shall be entered *pro rata* in the records of the Relevant Clearing Systems; or
 - (b) if this Global Note indicates that it is not intended to be issued in NGN form, Schedule 1 hereto shall be duly completed by the Issue Agent and/or the Principal Paying Agent, as applicable, to reflect such payment;
 - (c) payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligation in respect thereof. Any failure to make the entries referred to in this paragraph 9.2 shall not affect such discharge; and
 - (d) if no Interest Payment Dates are specified on this Global Note, the Interest Payment Date shall be the Maturity Date.

10 If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

- 10.1 interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
- 10.2 the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an "**Interest Period**" for the purposes of paragraphs 10 and 11.

11 If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

- (a) in the case of a Global Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days.

As used in this Global Note:

“**LIBOR**” shall be equal to the rate defined as “**LIBOR-BBA**”¹² in respect of the Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note, (the “**ISDA Definitions**”)) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a “**LIBOR Interest Determination Date**”) as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate; and

“**London Banking Day**” shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

- (b) in the case of a Global Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note, “**EURIBOR**” shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a “**EURIBOR Interest Determination Date**”), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate;

- (c) in the case of a Global Note which specifies any other Reference Rate on its face, the Rate of Interest will be the aggregate of such Reference Rate and the Margin (if any) above or below such Reference Rate. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction specified hereon. As used in this Global Note, the Reference Rate shall be equal to the Reference Rate which appears on the relevant Screen Page as at the Relevant Time on the Interest Determination Date as each such term is specified hereon;
- (d) if the Rate of Interest cannot be determined in accordance with paragraphs (a), (b) or (c) as applicable, the Rate of Interest shall be determined by the Calculation Agent as at the last preceding LIBOR Interest Determination Date, EURIBOR Interest Determination Date or Interest Determination Date (as the case may be);
- (e) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date, 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or at the Relevant Time on each other specified Interest Determination Date (as the case may be), determine the Rate of Interest, calculate the amount of interest payable (the “**Amount of Interest**”) for the relevant Interest Period and inform the Principal Paying Agent and the Issuer thereof. The Amount of Interest payable per Note shall be calculated by applying the Rate of Interest to the Nominal Amount, multiplying such product by the actual number of days in the

¹² It is possible that the name "LIBOR-BBA" and/or the definition of "LIBOR-BBA" set out in the ISDA Definitions may change further to the review of LIBOR by the LIBOR Oversight Committee and the appointment of ICE Benchmark Administrator as the new administrator of the rate as of 1 February 2014.

Interest Period concerned divided by 360, or, if this Global Note is denominated in Sterling, divided by 365, or, if a different Day Count Fraction is specified on the face of this Global Note, multiplying such product by the Day Count Fraction, and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

- (f) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof; and
 - (g) the Calculation Agent, after consultation with the Issuer, will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be delivered to the holders of the relevant Notes or published, as the case may be, as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Global Note is held at the relevant time for delivery to the holders of the Notes or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 7, delivered to the bearer of the relevant definitive Note and, if the Principal Paying Agent informs the Issuer that the notice cannot be delivered to the bearers of the relevant definitive Notes, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
- 12** On any purchase and cancellation of any of the Notes represented by this Global Note, the Principal Paying Agent shall procure that:
- (a) if this Global Note indicates that it is intended to be issued in NGN form, details of such purchase and cancellation shall be entered in the records of each Relevant Clearing System and, upon any such entry being made in the case of a purchase and cancellation, the issue outstanding amount of the Notes recorded in the records of the Relevant Clearing System and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so purchased and cancelled; or
 - (b) if this Global Note indicates that it is not intended to be issued in NGN form, details of such purchase and cancellation shall be entered by or on behalf of the Issuer in Schedule 2 hereto (such entry being *prima facie* evidence that the payment or, as the case may be, relevant purchase and cancellation in question has been made) and the relevant notation in Schedule 2 hereto recording any such purchase and cancellation shall be signed by or on behalf of the Issuer. Upon any such purchase and cancellation, the nominal amount of the Notes represented by this Global Note shall be reduced by the nominal amount of the Notes so purchased and cancelled.
- 13** If the proceeds of this Global Note are accepted in the United Kingdom, the Nominal Amount shall not be less than £100,000 (or the equivalent in any other currency).
- 14** Instructions for payment must be received at the offices of the Principal Paying Agent referred to above together with this Global Note as follows:
- 14.1 if this Global Note is denominated in Australian dollars, Danish Krone, New Zealand dollars, Norwegian Krone, Swedish Krona or Japanese Yen, at least two Business Days prior to the relevant payment date;
 - 14.2 if this Global Note is denominated in United States dollars, Canadian dollars, Swiss francs, euro or Sterling, at least one Business Day prior to the relevant payment date; and
 - 14.3 in all other cases, at least two Business Days prior to the relevant payment date.

As used in this paragraph, “**Business Day**” means:

- 14.3.1 a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
 - 14.3.2 in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.
- 15** This Global Note shall not be validly issued unless manually authenticated by Deutsche Bank AG, London Branch as Issue Agent, and (i) if this Global Note indicates that it is intended to be issued in NGN form and (ii) if it is intended to be held in a manner that would allow Eurosystem eligibility, and/or if it is delivered by Deutsche Bank AG, London Branch as Issue Agent to the entity appointed as common safekeeper for the Relevant Clearing System(s) (the “**Common Safekeeper**”) by electronic means, effectuated by the Common Safekeeper.
- 16** This Global Note and any non-contractual obligations arising out of or in connection with it are governed by, and construed in accordance with, English law to the extent that the application of English law does not derogate from the Third Protocol or from the Articles of Agreement of the Issuer or from regulations issued pursuant to the said Articles of Agreement.
- 17** In relation to any legal action or proceedings arising out of or in connection with this Global Note (the “**Proceedings**”) the Issuer submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts whether on the grounds that the Proceedings have been brought in an inconvenient forum or otherwise. This submission is made for the benefit of the bearer of this Global Note and shall not affect the right of it to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the bearer of this Global Note from taking Proceedings in any other court of competent jurisdiction (whether concurrently or not).

The Issuer hereby irrevocably waives any immunity from such Proceedings or with respect to its assets and revenues to the full extent permitted by all applicable laws and the Third Protocol.

The Issuer hereby designates, appoints and empowers Law Debenture Corporate Services Limited, at its office in London for the time being, presently at Fifth Floor, 100 Wood Street, London EC2V 7EX to receive, for and on behalf of it, service of process in England in any such Proceedings with respect to this Global Note (which service shall be deemed complete ten days after delivery thereof). If for any reason such process agent ceases to be able to act as such or ceases to have an address in London, the Issuer agrees to appoint a substitute agent within 30 days. The Issuer hereby further consents to the service by registered post of any process issued in England. Any person serving process on the Issuer through the process agent must also send copies of the documents delivered to the process agent effecting service of process on the Issuer to the office of the Issuer at 55 avenue Kléber, 75116 Paris, France, marked for the attention of the Governor, but failure to send or receive such copies shall not invalidate service of process on the Issuer effected through the process agent.

The Issuer consents to the issue of any process in connection with any Proceedings and further agrees that any judgment obtained against it with respect to this Global Note may be enforced to the full extent permitted by all applicable laws and the Third Protocol in any jurisdiction in which any assets of the Issuer may be situated and hereby submits to and accepts, irrevocably and unconditionally, for the purposes of such enforcement, each such jurisdiction and hereby irrevocably waives any immunity from any action or proceedings, from attachment of its property after judgment, and from execution or enforcement of judgment in each jurisdiction to the full extent permitted by all applicable laws and the Third Protocol.

- 18** No person shall have any right to enforce any provision of this Global Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

AUTHENTICATED by
DEUTSCHE BANK AG, LONDON BRANCH
without recourse, warranty or liability and for
authentication purposes only

By: _____
(*Authorised Signatory*)

Signed on behalf of
**COUNCIL OF EUROPE
DEVELOPMENT BANK**

By: _____
(*Authorised Signatory*)

[EFFECTUATED by or on behalf of the
Common Safekeeper

[**COMMON SAFEKEEPER**]
as Common Safekeeper

By: _____
(*Authorised Signatory*)

(For the purposes of effectuation only.)]

SCHEDULE 1

FIXED RATE INTEREST PAYMENTS

The following payments of interest in respect of this Global Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of the Issue Agent and/or the Principal Paying Agent
.....
.....
.....
.....
.....

FLOATING RATE INTEREST PAYMENTS

(First two columns to be completed at time of issue.)

Period From	To	Date of Payment	Rate of Interest per annum	Amount of Interest	Notation on behalf of the Issue Agent and/or the Principal Paying Agent
.....
.....
.....
.....
.....

SCHEDULE 2

PRINCIPAL AMOUNT OF THIS GLOBAL NOTE

Reductions in the principal amount of this Global Note following redemption or the purchase and cancellation of Notes are entered in the second and third columns below:

Date	Reason for the reduction in the principal amount of this Global Note*	Amount of such reduction	Principal amount of this Global Note following such reduction	Notation on behalf of the relevant paying agent

*State whether reduction following (1) redemption of Notes or (2) purchase and cancellation of Notes

APPENDIX 2 SELLING RESTRICTIONS

1 General

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, reoffer or deliver Notes or distribute this Information Memorandum, any other document delivered by the Issuer to such Dealer which the Issuer has expressly authorised in writing to be distributed to actual or potential purchasers of the Notes, or any circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2 The United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S. Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States or to non-U.S. persons except in accordance with Rule 903 of Regulation S.

Each Dealer has also represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has offered and sold the Notes, and will offer and sell the Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date (the "**distribution compliance period**"), only in accordance with Rule 903 of Regulation S.

Each Dealer has also agreed (and each further Dealer appointed under the Programme will be required to agree) that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it, nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S.

Terms used above have the meanings given to them by Regulation S.

3 The United Kingdom

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme is required to represent and agree) that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

4 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed (and each further Dealer appointed under the Programme is required to represent and agree) that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

5 France

Each of the Dealers has represented and agreed (and each further Dealer appointed under the Programme is required to represent and agree) that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Information Memorandum or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), and/or (c) a limited circle of investors (*cercle restreint*), acting for their own account as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

ISSUER

Council of Europe Development Bank

55 avenue Kléber
75116 Paris
France
Tel: +33 1 47 55 55 00
Fax: +33 1 47 55 37 51
Contact: Settlements & Payments

DEALERS

Bank of America Merrill Lynch International Limited

2 King Edward Street
London EC1A 1HQ
Tel: +44 20 7996 8904
Fax: +44 20 7995 0048
Contact: ECP Desk

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom
Tel: +44 20 7773 5757
Email: ecpdesk@barclays.com
Contact: ECP Trading Desk

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom
Tel: +44 20 7986 9070
Fax: +44 20 7986 6837
Contact: Short-Term Fixed Income Desk

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands
Tel: +31 31 216 9750
Contact: WRR STIR Trading – Commercial Paper Desk

Crédit Agricole Corporate and Investment Bank

12, Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France
Tel: +33 1 41 89 56 78
Contact: CP Desk

Goldman Sachs International

Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom
Tel: +44 (0)20 7774 1000
Fax: +44 (0)20 7774 5711
Contact: Euro Medium Term Note Desk

ING Bank N.V.

Foppingadreef 7
1102 Amsterdam
The Netherlands
Tel: +31 20 563 8181
Fax: +31 20 501 3888
Contact: ECP Desk TRC 00.114

UBS Limited

5 Broadgate
London EC2M 2QS
United Kingdom
Tel: +44 20 7567 2324
Contact: ECP Desk

ISSUE AGENT AND PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

Winchester House

1 Great Winchester Street

London EC2N 2DB

United Kingdom

Tel: +44 20 7545 8000

Fax: +44 20 7547 6149

Contact: Trust and Agency Services