

November 3, 2020

# News Release

## UBS Announces Mandatory Redemption of Two ETRACS ETNs and Suspends Further Sales of the ETRACS ETNs

November 3, 2020 – UBS AG announced today that it will redeem all of the outstanding securities in each of the series set forth in the following table (collectively, the “Securities”). UBS expects to deliver redemption notices with respect to each of the Securities to holders of the applicable Securities with Call Settlement Dates as set forth in the table below.

**Table-1**

ETN Ticker	ETN Name and Prospectus Supplement*	CUSIP	Call Settlement Date
BDCY	<a href="#">ETRACS 2xMonthly Leveraged Wells Fargo® Diversified Business Development Company Index ETN Series B* due October 21, 2049</a>	90269A112	12/10/2020
LMLB	<a href="#">ETRACS Monthly Pay 2xLeveragedWells Fargo MLP Ex-Energy ETN Series B due October 21, 2049</a>	90269A476	12/10/2020

\* The table above provides a hyperlink to the relevant prospectus supplement for each of the Securities, which are identified by their names. Each of the above Securities are part of UBS AG’s Medium Term Notes, Series B, on which UBS AG is the sole obligor. Capitalized terms used but not defined in this press release shall have the meanings ascribed to such terms in the relevant prospectus supplement for the Securities.

With respect to each of the Securities, the Call Settlement Amount payable on the Call Settlement Date will be calculated as specified in the relevant prospectus supplement. UBS will pay the applicable Call Settlement Amount to investors holding the Securities on the applicable Call Settlement Date.

Additional details regarding the redemption dates and measurement periods are included in Table-2 below.

**Table-2**

ETN Ticker	Call Measurement Period	Call Measurement Period Start Date	Call Measurement Period End Date	Call Settlement Date
BDCY	1 business day	12/7/2020	12/7/2020	12/10/2020
LMLB	1 business day	12/7/2020	12/7/2020	12/10/2020

### ***Suspension of Future Sales***

UBS AG announced today that it has also suspended further sales from inventory of each series of the Securities listed in Table-1 above (Tickers: BDCY and LMLB). UBS AG has also announced the waiver of the minimum early redemption size for each series of the Securities. Prior to the waiver, holders of the ETNs were required to redeem at least 50,000 ETNs at one time in order to exercise their right to redeem the Securities directly with the Issuer.

As disclosed in more detail in the prospectus supplements for each series of the Securities, the market value of the Securities may be influenced by, among other things, supply and demand for the Securities. There is a substantial possibility that the suspension of any further sales of these Securities by UBS AG, as described above, may influence the market value of the Securities and the liquidity of the market for the Securities, potentially leading to insufficient supply and causing the Securities to trade at a premium above their closing or intraday indicative value. Any such premium may subsequently decrease at any time and for any reason without warning, resulting in financial loss to investors who paid this premium when they acquired their Securities. In addition, on the applicable redemption date, holders will receive the Call Settlement Amount as described in each applicable prospectus supplement but will not receive any premium thereto. Accordingly, investors who purchase the Securities at any time prior to the Call Settlement Date for an amount that is greater than the Call Settlement Amount (including paying any premium to the indicative value of the Securities) will suffer a loss on their investment if they hold their Securities until the Call Settlement Date.

If investors elect to redeem their Securities prior to the Call Settlement Date, any redemption will be at the redemption value set forth in the applicable prospectus supplement and will not include any premium above that value. Investors should always consult their financial advisors and compare the intraday indicative value of the Securities with the Securities' then-prevailing market price before purchasing or selling the Securities, especially Securities with premium characteristics.

This announcement does not affect the terms of the outstanding Securities, including the right of holders to require UBS AG to redeem their Securities on the terms and at the redemption price set forth in the applicable prospectus supplement. This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

UBS has also filed a Registration Statement on Form F-3 (Registration No. 333-225551) including a prospectus and supplements thereto with the Securities and Exchange Commission ("SEC") for the general offering of the Securities and other exchange-traded securities. Before you invest, you should read the prospectus, along with the applicable prospectus supplements to understand fully the terms of the securities and other considerations that are important in making a decision about investing in the Securities. For more information regarding the Securities, the prospectus supplement for each of the Securities can be accessed on EDGAR, the SEC's website, at [www.sec.gov](http://www.sec.gov), and the prospectus supplements are also available at the links included in Table-1 above.

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<sup>1</sup> Individual investors should instruct their broker/advisor/custodian to call us or should call together with their broker/advisor/custodian.

## CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Information set forth in this news release contains forward-looking statements that are subject to risks and uncertainties, and actual results may differ materially. A discussion of factors that may affect future results is contained in UBS AG's filings with the Securities and Exchange Commission and in the Registration Statement related to the Securities and there is no assurance that UBS AG will actually complete the redemptions of the Securities. UBS disclaims any obligation to update or revise statements contained in this news release based on new information or otherwise.

### About ETRACS

ETRACS ETNs are senior unsecured notes issued by UBS AG, are traded on NYSE Arca, and can be bought and sold through a broker or financial advisor. **An investment in ETRACS ETNs is subject to a number of risks, including the risk of loss of some or all of the investor's principal, and is subject to the creditworthiness of UBS AG. Investors are not guaranteed any coupon or distribution amount under the ETNs. Prior to making an investment in the ETRACS ETNs, investors should take into account whether or not the market price is tracking the intraday indicative value of the ETNs. We urge you to read the more detailed explanation of risks described under "Risk Factors" in the applicable prospectus supplement, or product supplement and pricing supplement, for the ETRACS ETN.**

### About UBS

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS's strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in more than 50 regions and locations, with about 31% of its employees working in the Americas, 32% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 18% in Asia Pacific. UBS Group AG employs over 67,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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