



**REPUBLIC OF SRPSKA
MINISTRY OF FINANCE**

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Date: May 17, 2016

Under the Law on Borrowing, Debt and Guarantees of the Republika Srpska ("Official Gazette of the Republic of Srpska", number: 71/12 and 52/14), and in accordance with the Decision on the Republika Srpska Long-term Borrowing for 2016 ("Official Gazette of Republic of Srpska", number: 110/15) and the Decision on the sixteenth Republika Srpska Bonds Issue by Public Offering ("Official Gazette of Republic of Srpska", number: 37/16), the Republika Srpska Ministry of Finance hereby announces the following:

**PUBLIC INVITATION
FOR SUBSCRIPTION AND PAYMENT OF THE REPUBLIKA SRPSKA
SIXTEENTH BONDS ISSUE BY PUBLIC OFFERING**

For all domestic and foreign legal entities and individuals

1. All interested legal entities and individuals are kindly invited to participate in the public offering of the Republika Srpska bonds.
2. Pursuant to the decision of the Republika Srpska Government - Decision on the Republika Srpska sixteenth Bonds Issue by Public Offering, number: 04/1-012-2-972/16 dated May 05, 2016, basic elements of the issue are defined as follows:
 - Issuer: Republika Srpska;
 - Issue Description: issue of long-term bonds by public offering;
 - Total Number of Bonds Offered: 60.000;
 - Currency: BAM;
 - Currency Clause: Euro;
 - Bonds Face Value: 1.000 BAM;
 - Issue Volume: 60.000.000,00 BAM;
 - ISIN Number: BA100RSBDOR0;
 - Auction Date: June 01, 2016;
 - Interest Rate: fixed rate of 5 per cent. per annum;
 - Principal Repayment: once at maturity date (after a period of ten years counting from the date of issuance registration with the Central Registry of Securities);
 - Interest Payment: interest will accrue on the principal amount of the bond and will be payable once a year (counting from the date of issuance registration).
3. Entering purchase orders:
 - Recording Date: June 01, 2016 from 8:30 a.m. to 11:30 a.m. + "random time" (randomly chosen time of 0 to 300 seconds);
 - Subscription Place: subscription shall take place with authorized stockbrokers at the Banja Luka Stock Exchange.

4. Entering sale orders and closing deals:
 - The Ministry of Finance shall enter sale orders on June 01, 2016 from 11:30 a.m. + "random time" to 12:00 p.m.;
 - Deals shall be closed on June 01, 2016 at 12:00 p.m. at uniform equilibrium price.
5. After auction period:
 - This phase exists only if the bonds are not sold out in the public offering on June 01, 2016;
 - Purchase orders shall be entered on June 02, 2016 from 8:30 a.m. to 12:00 p.m. Deals shall be closed at the uniform equilibrium price achieved on June 01, 2016;
 - Deals shall be automatically closed by entering purchase orders and the public offering shall be open until the bonds are sold out or the public offering expires on June 02, 2016 at 12:00 p.m.
6. Payment and subscription:
 - Payment Date: until 10:00 a.m. on June 03, 2016;
 - Payment Account: UniCredit Bank a.d. Banja Luka, Marije Bursac 7, 78 000 Banja Luka, number: **551-790-22205350-32**;
 - Subscription Date: June 03, 2016, after the payments are made and a registration request is submitted to the Central Registry of Securities, but not later than 4:00 p.m.
7. Maturity:
 - Maturity: ten years;
 - Maturity Date: June 03, 2026.
8. Early redemption:
 - The Ministry of Finance can, in accordance with a special decision of the Republika Srpska Government, perform an early redemption and organize regular repo auctions.
9. Other information:
 - Public invitation will be announced on May 18, 2016 in a daily newspaper, on the Republika Srpska Government's website: www.vladars.net, the Ministry of Finance segment, and the Banja Luka Stock Exchange's website: www.blberza.com;
 - Information for investors can be found on the Republika Srpska Government's website: www.vladars.net, the Ministry of Finance segment. The prospectus will be available at the the Banja Luka Stock Exchange's website: www.blberza.com and Republika Srpska Government's website: www.vladars.net, the Ministry of Finance segment.
 - Person authorized for administering the bond issue is the Republika Srpska Minister of Finance, Mr. Zoran Tegeltija PhD;
 - For further information on the Republika Srpska bonds, please contact the Republika Srpska Ministry of Finance, Trg Republike Srpske 1, 78000 Banja Luka, Phone: +387 51 339 135 and +387 51 339 126 or email: m.cendic@mf.vladars.net and b.smiljic@mf.vladars.net.

Ministry of Finance
Zoran Tegeltija, PhD