



REPUBLIC OF SRPSKA
MINISTRY OF FINANCE

Trg Republike Srpske 1, Banja Luka, phone: +387 51 339 768, fax: +387 51 339 645, www.vladars.net, E-mail: mf@mf.vladars.net

No: 06.01/404-10/2020.

Date: 10th of January 2020.

Republika Srpska (RS)

Bosnia & Herzegovina (BiH)

represented by

the Ministry of Finance of Republika Srpska

is pleased to send you this Request for Proposal (RfP)

to act as

Lead Manager or Joint Lead Manager

for an

Inaugural Benchmark Eurobond issuance by Republika Srpska

Dear Sir / Madam,

Republic of Srpska is considering accessing international debt capital markets to raise EUR 300-500 million. This project has been approved by Prime Minister Radovan Višković and Minister of Finance of Republic of Srpska Zora Vidović under their constitutional and legal ability to do so under the laws of RS and BiH as well.

In line with this objective, we are pleased to invite you to submit a proposal to act as a Lead Manager or Joint Lead Manager for this potential upcoming bond issuance.

In order for us to be able to make an informed choice, please provide us with the following detailed requirements for your proposal:



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Scope of the RfP

1. **Financing Recommendations:** Terms and conditions for the issuance, regulative environment (Reg S and/or 144a), maturity and indicative pricing. Please include a detailed pricing rationale highlighting relevant comparables and offer spreads.
2. **Execution Strategy:** marketing and distribution strategy that aims to optimize investor demand.
3. **Capabilities and Credentials:** describe your institution's credentials in arranging Emerging Market sovereign issuances, particularly for comparable regional sovereigns. Please include a detailed description of your institution's capabilities in successfully marketing and distributing sovereign credits globally and in particular sovereigns from our region.
4. **Market Outlook and suggested Issuance Timing:** Views on current market conditions, prospects and recommendations on ideal market timing for launching the transaction. Include an indicative execution schedule with an action plan for closing the transaction by the end of H1 2020.
5. **Legal Counsels suggestions:** please outline through your experience relevant law firms with experience with regional EM issuers.
6. **Team Credentials:** please provide us with short biographies and relevant work experience of the team that will directly work on the execution of the transaction. Include a responsibility diagram or description (i.e. decision making capacity and functions or each team member).

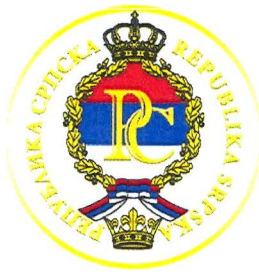
Fees and Expenses

Please indicate your proposed gross fees as the selected Lead Manager. Present recent relevant historical fees paid by sovereigns in our region. Explain the difference, if any, justifying these differences. Also,

- List your expected costs for this process. If possible provide a cap.
- List and describe all-in costs borne by other similar sovereign issuers from mandate to settlement date of the bond issue so that we can approximately budget them.

Presentation in Banja Luka

As you know we plan to host presentations in Banja Luka on 4th and 5th of February 2020. If you decide to respond to our RfP, please inform us, independently of your formal



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response/proposal of your preferred date, time slot and presentation duration so that we can include you into our schedule. We will confirm time slots on first come first served basis.

Timetable

Please submit your response to this RfP electronically to b.vasiljevic@mf.vladars.net and md.pajic@mf.vladars.net by 31st of January 2020.

We invite you to familiarize yourselves with the following EU documents describing the complex constitutional and institutional frameworks of BiH and its Entities and in particular that of Republic of Srpska.

<https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-bosnia-and-herzegovina-analytical-report.pdf>

<https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-bosnia-and-herzegovina-opinion.pdf>

Thank for considering our RfP. We look forward to receiving your responses and to possibly partner-up for this exciting project.

Sincerely,

MINISTER:
Zora Midović