



Press release

Belgrade, April 28th 2015.

The beginning of sale of municipal bonds of the Municipality Stara Pazova announced

Municipality of Stara Pazova, with the support of the Standing Conference of Towns and Municipalities (SKGO), officially begins public issuance of municipal bonds, which will be implemented under the auspices of UniCredit Bank, stated at a conference that was organized on April 28th in Belgrade.

The public offer provides all interested investors, domestic and foreign legal and physical entities to buy municipal bonds. The offer implies the placement of 12,500 bonds individually worth RSD 10,000, or in total value of RSD 125 million, with an interest rate of 6% per annum. With this issuance, Stara Pazova will provide funds for the arrangement of centre of Nova Pazova, construction of sports hall with a bowling alley in Golubinci and construction of the kindergarten in Belegiš.

Dorđe Staničić, General Secretary of SKGO, stated at the conference: "Standing Conference of Towns and Municipalities provided through European Union's Exchange program support to all cities and municipalities that have been issuing municipal bonds, by public or private placement. The procedure for registration of bonds is very simple - it is enough for all interested parties to visit any UniCredit Bank branch with an ID card. It is important to point out that with the payment of principal and interest, which would annually amount 6%, it will be taken into consideration the changes in exchange rates which will occur during the period from the time of the bond issue until the date of payment. It is also important to point out that the revenue which is generated on the basis of bonds fully exempt from paying taxes."

Dorđe Radinović, President of Municipality Stara Pazova in regards to the beginning of public issuance of bonds stated: „Thanks to the exceptional cooperation that we have with the Standing Conference of Towns and Municipalities, some time ago, we came to the idea to invest in our local projects via placement of municipal bonds. We believe that this will prove as a great idea because it will allow citizens, physical and legal entities to assist, through their Municipality, in implementing of projects of vital importance to the daily life in their neighbourhood with more favourable conditions than currently available by savings in banks. „ "

Enrico Verdoscia, member of Management Board of UniCredit Bank Serbia in charge for Corporate and Investment Banking stated: „We are very proud that UniCredit Bank was chosen as a partner in this financial project which has substantial importance for Stara Pazova. We are particularly proud to be recognized as a Bank to be looked up to when innovation and community development come together. This bond issuance, one of the very first in Serbia, will give Stara Pazova the opportunity to offer to citizen the possibility to directly participate in the financing of earmarked projects, while providing a good return. The facilitate the development of this important financing alternative, UniCredit will not charge, on issuance any commission in the subscription phase."

Sale precisely the period of registration and payment, of municipal bonds starts May 4th and will last until May 19th.