



The Republic of Serbia Becomes Full Member and Shareholder of Europa Re

13 January 2012 – On 13 January 2012, Mirko Cvetkovic, the Minister of Finance of the Republic of Serbia, signed Europa Re shareholders agreement. The signing was followed by the disbursement of the country's membership contribution of \$5 million towards the capitalization of Europa Re, thus bringing the company one step closer toward the fulfillment of the minimum capital requirement for a reinsurance license under the Swiss Law. The company expects to fulfill the minimum capital requirement of CHF10 million upon receipt of the Macedonian equity contribution.

Participation in Europa Re will allow the country to: (i) considerably increase the level of catastrophe insurance penetration among homeowners, SMEs and farmers, and hence, reduce government fiscal exposure to natural disasters; (ii) reduce systemic risk to the insurance and banking industries posed by natural disasters to their balance-sheets in disaster prone economies; and (iii) facilitate the development of the local insurance market by jump-starting a new line of property insurance business.

Europa Re welcomes the Republic of Serbia as shareholder and full member of the Facility.