

Rates Base Prospectus dated 28 June 2013



CITIGROUP INC.
(incorporated in Delaware)

and

CITIGROUP GLOBAL MARKETS FUNDING LUXEMBOURG S.C.A.
(incorporated as a corporate partnership limited by shares (*société en commandite par actions*) under Luxembourg law and registered with the Register of Trade and Companies of Luxembourg under number B169 199)

each an issuer under the
Citi U.S.\$30,000,000,000 Global Medium Term Note Programme

Notes issued by Citigroup Global Markets Funding Luxembourg S.C.A only will be unconditionally and irrevocably guaranteed by
CITIGROUP GLOBAL MARKETS LIMITED
(incorporated in England and Wales)

Under the Global Medium Term Note Programme (the **Programme**) described in this Base Prospectus, each of Citigroup Inc. and Citigroup Global Markets Funding Luxembourg S.C.A. (**CGMFL** and, together with Citigroup Inc., the **Issuers** and each an **Issuer**) may from time to time issue Notes, in each case subject to compliance with all relevant laws, regulations and directives. References herein to the **Issuer** shall be construed as whichever of Citigroup Inc. or CGMFL is the issuer or proposed issuer of the relevant Notes. The aggregate principal amount of securities outstanding under the Programme will not at any time exceed U.S.\$30,000,000,000 (or the equivalent in other currencies), subject to any increase or decrease described herein.

The payment of all amounts due in respect of Notes issued by CGMFL will be unconditionally and irrevocably guaranteed by Citigroup Global Markets Limited (**CGML**) (in such capacity, the **CGMFL Guarantor**) pursuant to a deed of guarantee dated 26 June 2013 (such deed of guarantee as amended and/or supplemented and/or replaced from time to time, the **CGMFL Deed of Guarantee**) executed by the CGMFL Guarantor.

Notes issued by Citigroup Inc. will not be guaranteed by any entity.

Each Issuer and the CGMFL Guarantor has a right of substitution as set out in the Terms and Conditions of the Notes set out herein.

Notes may be issued on a continuing basis to Citigroup Global Markets Limited and/or Citigroup Global Markets Inc. and/or any additional dealer appointed under the Programme from time to time by the Issuers (each a **Dealer** and together the **Dealers**) which appointment may be for a specific issue or on an ongoing basis. In relation to each issue of Notes, the Dealer(s) will be specified in the applicable Issue Terms (as defined below). However, each Issuer reserves the right to sell Notes directly on its own behalf to other entities and to offer Notes in specified jurisdictions directly to the public through distributors, in accordance with all applicable rules and regulations. Notes may be resold at prevailing market prices, or at prices related

thereto, at the time of such resale, as determined by the Issuer or the relevant Dealer. Notes may also be sold by the Issuer through the Dealer(s), acting as agent of the Issuer.

Pursuant to this Base Prospectus, Notes may be issued whose return (in respect of any interest payable on such Notes) is linked to one or more inflation indices (**Inflation Index Linked Notes**) or one or more rates (**Rate Linked Notes**), together, **Underlying Linked Notes**, as more fully described herein.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the relevant Terms and Conditions set out herein, in which event, if the Issuer is Citigroup Inc., a supplement to the Citigroup Inc. Base Prospectus (as defined below) or, if the Issuer is CGMFL, a supplement to the CGMFL Base Prospectus (as defined below), if appropriate, which describes the effect of the agreement reached in relation to such Notes, will be made available.

Each of the Citigroup Inc. Base Prospectus and the CGMFL Base Prospectus has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority (the **Competent Authority**) under Directive 2003/71/EC (the **Prospectus Directive**) as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area). The Central Bank only approves the Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. An electronic copy of this Base Prospectus will be published on the Central Bank's web-site at www.centralbank.ie. Such approval relates only to Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (the **Markets in Financial Instruments Directive**) or which are to be offered to the public in any Member State of the European Economic Area. However, there can be no assurance that such applications will be approved or that, if approved, any such approval will be given within a specified timeframe. Application will be made to the Irish Stock Exchange for the Notes issued during the period of twelve months after the date of this Base Prospectus to be admitted to the official list (the **Official List**) and to trading on its regulated market. Application may be made for Notes issued by Citigroup Inc. to be listed on the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and for any Notes issued under the Programme to be listed on the Italian Stock Exchange and admitted to trading on the electronic "Bond Market" organised and managed by Borsa Italiana S.p.A. (the **MoT**) or any other relevant market organised and managed by Borsa Italiana S.p.A., but there can be no assurance that any such listing will occur on or prior to the date of issue of any Notes, as the case may be, or at all. The Central Bank may, at the request of the Issuer, send to a competent authority of another Member State of the European Economic Area (i) a copy of this Base Prospectus, (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive and (iii) if so required by the relevant Member State, a translation of the Summary set out herein.

The requirement to publish a prospectus under the Prospectus Directive only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). References in this Base Prospectus to **Exempt Notes** are to Notes for which no prospectus is required to be published under the Prospectus Directive. The Central Bank has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

Each Tranche is either subject to a Final Terms document (the **Final Terms** and reference to the **applicable Final Terms** shall be construed accordingly) or, in the case of Exempt Notes, a pricing supplement (the **Pricing Supplement** and references to the **applicable Pricing Supplement** shall be construed accordingly). As used herein, "Issue Terms" means either (i) where the Notes are not Exempt Notes, the applicable Final Terms or (ii) where the Notes are Exempt Notes, the applicable Pricing Supplement, and references should be construed accordingly.

References in this Base Prospectus to Notes being listed (and all related references) shall mean that such Notes are intended to be admitted to trading on the Irish Stock Exchange's regulated market and are intended to be listed on the Official List of the Irish Stock Exchange and/or listed on the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or listed on the Italian Stock Exchange and admitted to trading on the MoT or on any other relevant market organised and managed by Borsa Italiana S.p.A. As specified in the applicable Final Terms, an issue of Notes may or may not be listed or admitted to trading, as the case may be, on the Irish Stock Exchange and/or the Luxembourg Stock Exchange and/or listed on the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or the Italian Stock Exchange and/or any other regulated market for the purpose of the Markets in Financial Instruments Directive as may be agreed between the Issuer and the relevant Dealer. As specified in the applicable Pricing Supplement, an issue of Notes may or may not be listed or admitted to trading, as the case may be, on the Global Exchange Market and/or any other stock exchange or market that is not a regulated market for the purpose of the Markets in Financial Instruments Directive as may be agreed between the Issuer and the relevant Dealer.

Application has been made to the Irish Stock Exchange for the approval of the Citigroup Inc. Base Prospectus and the CGMFL Base Prospectus as Base Listing Particulars (the **Citigroup Inc. Base Listing Particulars** and the **CGMFL Base Listing Particulars**, respectively, and together, the **Base Listing Particulars**). Application will be made to the Irish Stock Exchange for Notes issued during the 12 months from the date of the Base Listing Particulars to be admitted to the Official List and to trading on the global exchange market (the **Global Exchange Market**) which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of the Markets in Financial Instruments Directive. Save where expressly provided or the context otherwise requires, where Notes are to be admitted to trading on the Global Exchange Market references herein to "Base Prospectus", "Citigroup Inc. Base Prospectus" and "CGMFL Base Prospectus" shall be construed to be to "Base Listing Particulars", "Citigroup Inc. Listing Particulars" and "CGMFL Listing Particulars", respectively.

Arthur Cox Listing Services Limited is acting solely in its capacity as Irish listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the official list or to trading on the Main Securities Market of the Irish Stock Exchange for the purposes of the Prospectus Directive or the Global Exchange Market of the Irish Stock Exchange.

The Issue Terms will specify with respect to the issue of Notes to which it relates, *inter alia*, the specific designation of the Notes, the aggregate principal amount and type of the Notes, the date of issue of the Notes, the issue price, the relevant interest provisions (if any), and the redemption amount of the Notes and, as relevant, the underlying inflation index or rate (each an **Underlying**) to which the Notes relate and certain other terms relating to the offering and sale of such Notes. The applicable Final Terms completes the Terms and Conditions of the relevant Notes. The applicable Pricing Supplement supplements the Terms and Conditions of the relevant Notes and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions of the relevant Notes, supplement, replace and/or modify such Terms and Conditions. In respect of Notes to be listed on the Irish Stock Exchange, the applicable Issue Terms will be delivered to the Irish Stock Exchange on or before the date of issue of the Notes of that Tranche. The issue price and amount of the Notes of any Tranche will be determined by the Issuer and the relevant Dealer(s) at the time of the issue of such Tranche in accordance with prevailing market conditions.

AN ISSUE OF NOTES MAY BE OF A SPECIALIST NATURE AND SHOULD ONLY BE BOUGHT AND TRADED BY INVESTORS WHO ARE PARTICULARLY KNOWLEDGEABLE IN INVESTMENT MATTERS. PROSPECTIVE PURCHASERS OF NOTES SHOULD ENSURE THAT THEY UNDERSTAND THE NATURE OF THE RELEVANT NOTES AND THE EXTENT OF THEIR EXPOSURE TO RISKS AND THAT THEY CONSIDER THE SUITABILITY OF THE RELEVANT NOTES AS AN INVESTMENT IN LIGHT OF THEIR OWN CIRCUMSTANCES AND FINANCIAL CONDITION. IT IS THE RESPONSIBILITY OF PROSPECTIVE PURCHASERS TO ENSURE THAT THEY HAVE SUFFICIENT KNOWLEDGE, EXPERIENCE AND

PROFESSIONAL ADVICE TO MAKE THEIR OWN LEGAL, FINANCIAL, TAX, ACCOUNTING AND OTHER BUSINESS EVALUATION OF THE MERITS AND RISKS OF INVESTING IN THE NOTES AND ARE NOT RELYING ON THE ADVICE OF THE ISSUER, THE CGMFL GUARANTOR OR ANY DEALER IN THIS REGARD. NOTES MAY INVOLVE A HIGH DEGREE OF RISK, INCLUDING THE PRINCIPAL NOT BEING PROTECTED. POTENTIAL INVESTORS MAY SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT IN THE NOTES. SEE "RISK FACTORS" SET OUT HEREIN.

The terms and conditions of the Notes will be as set out in "*Terms and Conditions of the Notes*" and in the relevant Schedule(s) thereto.

Subject as provided below in the case of Swedish Notes and Finnish Notes, each Tranche of Notes in bearer form (**Bearer Notes**) will only be issued subject to such immobilisation conditions as are agreed by the Issuer (such that the Notes are treated as issued in registered form for U.S. federal income tax purposes) and will initially be represented by a permanent global note in bearer form (a **permanent Global Note**) or as otherwise agreed with the Issuer.

Any relevant permanent Global Note will: (i) if the relevant permanent Global Note is intended to be issued in new global note (**NGN**) form, as stated in the applicable Issue Terms, be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below) and (ii) if the relevant permanent Global Note is not intended to be issued in NGN form, be delivered on or prior to the original issue date of the relevant Tranche to a common depository for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) or as otherwise agreed between the Issuer and the relevant Dealer.

Interests in a permanent Global Note will be exchangeable for definitive Bearer Notes as described in "*Form of the Notes*" set out herein.

Subject as provided below in the case of Swedish Notes and Finnish Notes, Notes in registered form (**Registered Notes**) will be represented by registered note certificates (**Registered Note Certificates**), one Registered Note Certificate being issued in respect of each holder's entire holding of Registered Notes of one Series. Registered Notes which are held in Euroclear and Clearstream, Luxembourg or DTC, as the case may be, will be represented by a global Registered Note Certificate (a **Global Registered Note Certificate**) registered in the name of a nominee for either Euroclear and Clearstream, Luxembourg or DTC, as the case may be, and the Global Registered Note Certificate will be delivered to the appropriate depository, common safekeeper or custodian, as the case may be. Interests in a Global Registered Note Certificate will be exchangeable for definitive Registered Note Certificates as described under "*Form of the Notes*" set out herein.

In addition, Notes may be accepted for settlement in Euroclear UK and Ireland (**CREST**) via the CREST Depository Interest (**CDI**) mechanism.

Notwithstanding the foregoing, Notes issued in accordance with the Swedish Financial Instruments Accounts Act (*Sw. Lagen (1998:1479) on kontoföring av finansiella instrument*) (**SFIA Act**) (**Swedish Notes**) will be issued in uncertificated and dematerialised book-entry form in accordance with the SFIA Act, all as more fully described in the applicable Issue Terms. No global or definitive bearer or registered Swedish Notes will be issued. The Swedish Notes will be transferable only in accordance with the provisions of the SFIA Act, other applicable Swedish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Sweden AB (**Euroclear Sweden**).

Notwithstanding the foregoing, Notes issued in accordance with the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*) and with the Finnish Act on the Book-Entry Account (*Fin. laki arvo-osuustileista (827/1991)*) (Finnish Notes) will be issued in

uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*) and with the Finnish Act on Book-Entry Account (*Fin. laki arvo-osuustileista (827/1991)*), all as more fully described in the applicable Issue Terms. No global or definitive bearer or registered Notes will be issued. The Finnish Notes will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland Ltd (**Euroclear Finland**).

Neither the Notes nor the CGMFL Deed of Guarantee has been nor will be registered under the United States Securities Act of 1933, as amended (the Securities Act), or with any securities regulatory authority of any state or other jurisdiction of the United States. Notes issued by Citigroup Inc. or CGMFL may be offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (Regulation S). Notes issued by Citigroup Inc. may be offered and sold within the United States to "qualified institutional buyers" (QIBs) in transactions exempt from registration under the Securities Act in reliance on Rule 144A under the Securities Act (Rule 144A). Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) other than, in the case of Notes issued by Citigroup Inc., to QIBs in reliance on Rule 144A. Notes issued by CGMFL, which are guaranteed by the CGMFL Guarantor, will not be offered and sold in the United States or to, or for the account or benefit of, U.S. persons at any time. For a description of certain restrictions on offers, sales and transfers of Notes, see "*Subscription and sale and transfer and selling restrictions*". Any purchaser of Notes that is a registered U.S. investment company should consult its own counsel regarding the applicability of Section 12(d) and Section 17 of the Investment Company Act of 1940 and the rules promulgated thereunder to its purchase of Notes and should reach an independent conclusion with respect to the issues involved in such purchase.

The Notes and the CGMFL Deed of Guarantee do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended (the CEA), and trading in the Notes has not been approved by the United States Commodity Futures Trading Commission pursuant to the CEA.

The Notes may not be offered or sold to, or acquired by, any person that is, or whose purchase and holding of the Notes is made on behalf of or with "plan assets" of, an employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (ERISA), a plan, individual retirement account or other arrangement subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the Code) or an employee benefit plan or plan subject to any laws, rules or regulations substantially similar to Title I of ERISA or Section 4975 of the Code.

IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES

Restrictions on Non-exempt offers of Notes in Relevant Member States

Certain Tranches of Notes with a denomination of less than EUR100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a **Non-exempt Offer**. This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes. However, any person making or intending to make a Non-exempt Offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) may only do so if this Base Prospectus has been approved by the competent authority in that Relevant Member State (or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State) and published in accordance with the Prospectus Directive, provided that the Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*" and the conditions attached to that consent are complied with by the person making the Non-exempt Offer of such Notes.

Save as provided above, none of the Issuers, the CGMFL Guarantor and the Dealers have authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the Issuer, the CGMFL Guarantor or any Dealer to publish or supplement a prospectus for such offer.

Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)

In the context of a Non-exempt Offer of such Notes, the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) accept responsibility, in the jurisdictions to which the consent to use the Base Prospectus extends, for the content of this Base Prospectus under Article 6 of the Prospectus Directive in relation to any person (an **Investor**) who acquires any Notes in a Non-exempt Offer made by any person to whom the Issuer has given consent to the use of this Base Prospectus (an **Authorised Offeror**) in that connection, provided that the conditions attached to that consent are complied with by the Authorised Offeror. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

None of the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

Save as provided below, none of the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and any Dealer has authorised the making of any Non-exempt Offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the Issuer is unauthorised and none of the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.

If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of Article 6 of the Prospectus Directive in the context of the Non-Exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

Consent

The Issuer consents to the use of this Base Prospectus in relation to any offer of Notes issued by it for the period of 12 months from the date hereof subject in relation to any offer as provided below.

In connection with each Tranche of Notes and subject to the conditions set out below under "*Common Conditions to Consent*":

- (a) the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes by the relevant Dealer and by:
 - (i) any financial intermediary named as an Initial Authorised Offeror in the applicable Final Terms; and
 - (ii) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's website and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer.
- (b) if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable", the Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes by any financial intermediary which satisfies the following conditions:
 - (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive; and
 - (ii) it accepts such offer by publishing on its website the following statement (with the information in square brackets completed with the relevant information):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the Notes) described in the Final Terms dated [insert date] (the **Final Terms**) published by [Citigroup Inc./Citigroup Global Markets Funding Luxembourg S.C.A.] (the **Issuer**). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus¹ (as defined in the Final Terms) in connection with the offer of the Notes in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."*

The **Authorised Offeror Terms** are that the relevant financial intermediary will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer, the CGMFL Guarantor (where the relevant Issuer is CGMFL) and the relevant Dealer that it will, at all times in connection with the relevant Non-exempt Offer comply with the conditions to the consent referred to under "*Common conditions to consent*" below and any further requirements relevant to the Non-exempt Offer as specified in the applicable Final Terms.

Any financial intermediary who is an Authorised Offeror falling within (b) above who meets all of the conditions set out in (b) and the other conditions stated in "*Common Conditions to Consent*" below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the statement (duly completed) specified at paragraph (b)(ii) above.

Common Conditions to Consent

The conditions to the Issuer's consent are (in addition to the conditions described in paragraph (b) above if Part B of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms;
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in Austria, Belgium, Cyprus, Denmark, Finland, The Netherlands, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg (in the case of Citigroup Inc.), Norway, Poland, the United Kingdom, Portugal, Spain, Sweden and/or the Czech Republic, as specified in the applicable Final Terms; and
- (iii) the consent is subject to any other conditions set out in Part B of the applicable Final Terms.

The only Relevant Member States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be Austria, Belgium, Cyprus, Denmark, Finland, The Netherlands, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg (in the case of Citigroup Inc.), Norway, Poland, the United Kingdom, Portugal, Spain, Sweden and/or the Czech Republic, and accordingly each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in Austria, Belgium, Cyprus, Denmark, Finland, The Netherlands, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg (in the case of Citigroup Inc.), Norway, Poland, the United Kingdom, Portugal, Spain, Sweden and/or the Czech Republic, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER, THE CGMFL GUARANTOR (WHERE THE ISSUER IS CGMFL) AND ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

CREDIT RATINGS

Citigroup Inc. has a long term/short term senior debt rating of A-/A-2 by Standard & Poor's Financial Services LLC (**S&P**), Baa2/P-2 by Moody's Investors Service, Inc. (**Moody's**) and A/F1 by Fitch, Inc. (**Fitch**). In respect of the Notes where CGMFL is the Issuer, CGMFL has a long term/short term senior debt rating of A/A-1 by S&P and A/F1 by Fitch based on the CGMFL Deed of Guarantee. The rating of a certain Tranche of Notes may be specified in the applicable Issue Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**)

will be disclosed in the applicable Issue Terms. See also "Credit Ratings – Rating Agencies of the Issuers" in the section "Risk Factors" below.

The Notes and the CGMFL Deed of Guarantee constitute unconditional liabilities of the respective issuers. None of the Notes and the CGMFL Deed of Guarantee is insured by the Federal Deposit Insurance Corporation (FDIC).

Arranger of the Programme

Citigroup

Dealers

Citigroup

This Base Prospectus (excluding the CGMFL Base Prospectus) comprises a base prospectus for the purpose of Article 5.4 of the Prospectus Directive in respect of Notes to be issued by Citigroup Inc.

This Base Prospectus (excluding the Citigroup Inc. Base Prospectus) comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive in respect of Notes to be issued by CGMFL.

RESPONSIBILITY STATEMENT

Citigroup Inc. accepts responsibility for the information contained in (i) this Base Prospectus (excluding the CGMFL Base Prospectus) and (ii) the Issue Terms for each Tranche of Notes issued under the Programme where Citigroup Inc. is the Issuer of such Tranche of Notes. To the best of the knowledge of Citigroup Inc. (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus (excluding the CGMFL Base Prospectus) is in accordance with the facts and does not omit anything likely to affect the import of such information. This paragraph should be read in conjunction with "Important Information relating to Non-exempt Offers of Notes" and "Arrangements between Investors and Authorised Offerors" above.

CGMFL accepts responsibility for the information contained in (i) this Base Prospectus (excluding the Citigroup Inc. Base Prospectus) and (ii) the Issue Terms for each Tranche of Notes issued under the Programme where CGMFL is the Issuer of such Tranche of Notes. To the best of the knowledge of CGMFL (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus (excluding the Citigroup Inc. Base Prospectus) is in accordance with the facts and does not omit anything likely to affect the import of such information. This paragraph should be read in conjunction with "Important Information relating to Non-exempt Offers of Notes" and "Arrangements between Investors and Authorised Offerors" above.

The CGMFL Guarantor accepts responsibility for the information contained in (i) this Base Prospectus (including the information relating to the CGMFL Deed of Guarantee but excluding the Citigroup Inc. Base Prospectus, the information set out under the heading "Description of CGMFL" and the information set out in Elements B.1 to B.18 (inclusive) of the section entitled "Summary") and (ii) the Issue Terms for each Tranche of Notes issued under the Programme where CGMFL is the Issuer of such Tranche of Notes. To the best of the knowledge of the CGMFL Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus (excluding the Citigroup Inc. Base Prospectus, the information set out under the heading "Description of CGMFL" and the information set out in Elements B.1 to B.18 (inclusive) of the section entitled "Summary") is in accordance with the facts and does not omit anything likely to affect the import of such information. This paragraph should be read in conjunction with "Important Information relating to Non-exempt Offers of Notes" and "Arrangements between Investors and Authorised Offerors" above.

Unless otherwise expressly stated in the applicable Pricing Supplement and in relation to exempt Notes only, any information contained therein relating to the Underlying(s), will only consist of extracts from, or

summaries of, and will be based solely on, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Underlying(s). Unless otherwise expressly stated in the applicable Pricing Supplement, and in relation to Exempt Notes only, the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) accept(s) responsibility for accurately reproducing such extracts or summaries and, as far as the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) is/are aware and is/are able to ascertain from information published by the issuer, owner or sponsor, as the case may be, of such Underlying(s), no facts have been omitted which would render the reproduced information inaccurate or misleading. **This paragraph should be read in conjunction with the two paragraphs immediately above.**

The Citigroup Inc. Base Prospectus should be read in conjunction with all documents which are incorporated by reference therein (see "Documents Incorporated by Reference for the Citigroup Inc. Base Prospectus"). The Citigroup Inc. Base Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of the Citigroup Inc. Base Prospectus.

The CGMFL Base Prospectus should be read in conjunction with documents which are incorporated by reference therein (see "Documents Incorporated by Reference for the CGMFL Base Prospectus"). The CGMFL Base Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of the CGMFL Base Prospectus.

The Citigroup Inc. base prospectus (the **Citigroup Inc. Base Prospectus**) will comprise this Base Prospectus with the exception of:

- (a) in the "Summary", the information set out in Section B under the heading "TO BE INCLUDED FOR NOTES ISSUED BY CGMFL";
- (b) the information in the section entitled "Documents Incorporated by Reference for the CGMFL Base Prospectus" and all information incorporated therein by reference thereby;
- (c) the information in the section entitled "Description of CGMFL";
- (d) the information in the section entitled "Description of Citigroup Global Markets Limited";
- (e) the information in the section entitled "Report and Audited Financial Statements of CGMFL"; and
- (f) the information in the section entitled "Annual Report and Audited Financial Statements of the CGMFL Guarantor".

The CGMFL base prospectus (the **CGMFL Base Prospectus**) will comprise this Base Prospectus with the exception of:

- (a) in the "Summary", the information set out in Section B under the heading "TO BE INCLUDED FOR NOTES ISSUED BY CITIGROUP INC.";
- (b) the information in the section entitled "Documents Incorporated by Reference for the Citigroup Inc. Base Prospectus" and all information incorporated therein by reference thereby; and
- (c) the information in the section entitled "Description of Citigroup Inc."

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) or any of the Dealers. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer and/or, where applicable, the CGMFL Guarantor

since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of any Issuer and/or CGMFL Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Citigroup Inc, CGMFL, the CGMFL Guarantor and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Issue Terms, no action has been taken by Citigroup Inc., CGMFL, the CGMFL Guarantor or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, European Economic Area, United Kingdom, Australia, the Kingdom of Bahrain, Brazil, Chile, Columbia, Costa Rica, Republic of Cyprus, Denmark, Dominican Republic, Dubai International Financial Centre, Ecuador, El Salvador, Finland, France, Guatemala, Honduras, Hong Kong Special Administrative Region, Hungary, Ireland, Israel, Italy, Japan, Kuwait, Mexico, Norway, Oman, Panama, Paraguay, Peru, Poland, Portugal, Qatar, Russian Federation, Kingdom of Saudi Arabia, Singapore, Taiwan, Republic of Turkey and United Arab Emirates and Uruguay. See "*Subscription and sale and transfer and selling restrictions for Notes*".

The price and principal amount of securities (including any Notes) to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

The Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus.

Neither this Base Prospectus nor any financial statements or other information supplied in connection with the Programme or any Notes are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation or a statement of opinion, or a report of either of those things, by any Issuer, the CGMFL Guarantor or any of the Dealers that any recipient of this Base Prospectus or any other financial statements or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each potential purchaser of any Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of any Notes should be based upon such investigation as it deems necessary. Each potential purchaser is authorised to use this Base Prospectus solely for the purpose of considering the purchase of Notes described in this Base Prospectus; any other usage of this Base Prospectus is unauthorised. None of the Dealers (in the case of CGML, in its capacity as Dealer) undertakes to review the financial condition or affairs of any Issuer or the CGMFL Guarantor

during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in any Notes of any information coming to the attention of any of the Dealers.

For convenience, the website addresses of certain third parties have been provided in this Base Prospectus. Except as expressly set forth in this Base Prospectus, no information in such websites should be deemed to be incorporated in, or form a part of, this Base Prospectus and none of the Issuers, the CGMFL Guarantor and any Dealer takes responsibility for the information contained in such websites.

In connection with any Tranche (as defined in section E.3 below), one of the Dealers may act as a stabilising manager (the **Stabilising Manager**). The identity of the Stabilising Manager, if any, will be disclosed in the applicable Issue Terms.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Issue Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to **Euro** or **euro** are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended (the **Treaty**), references to **U.S. dollars** and **U.S.\$** are to the currency of the United States of America, references to **Yen** are to the currency of Japan and references to **Sterling** are to the currency of the United Kingdom.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

In making an investment decision, investors must rely on their own examination of the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) and the terms of the Notes being offered, including the merits and risks involved. None of the Notes has been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Base Prospectus. Any representation to the contrary is unlawful. The Notes do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Notes has not been approved by the CFTC pursuant to the United States Commodity Exchange Act, as amended.

None of the Issuers, the CGMFL Guarantor and any Dealer makes any representation to any investor in any Notes regarding the legality of its investment under any applicable laws. Any investor in any Notes should be able to bear the economic risk of an investment in such Notes for an indefinite period of time.

U.S. INFORMATION

This Base Prospectus is being submitted in the United States to a limited number of QIBs only for informational use solely in connection with the consideration of the purchase of Notes issued by

Citigroup Inc. being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Notes may be offered or sold within the United States only if the applicable Issue Terms specifies that they are being offered in reliance on Rule 144A and then only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Notes is hereby notified that the offer and sale of any Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A and one or more exemptions and/or exclusions from regulation under the CEA.

Each purchaser or holder of Notes will be deemed, by its acceptance or purchase of any such Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Subscription and sale and transfer and selling restrictions*". Unless otherwise stated, terms used in this "*U.S. Information*" section have the meanings given to them in "*Form of the Notes*".

Circular 230 Notice

Any tax discussion herein was not written and is not intended to be used and cannot be used by any taxpayer for purposes of avoiding United States federal income tax penalties that may be imposed on the taxpayer. Any such tax discussion was written to support the promotion or marketing of the Notes to be issued pursuant to this Base Prospectus. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Notwithstanding any limitation on disclosure by any party provided for herein, or any other provision of this Base Prospectus and its contents or any associated Issue Terms, and effective from the date of commencement of any discussions concerning any of the transactions contemplated herein (the **Transactions**), any party (and each employee, representative, or other agent of any party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transactions and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except to the extent that any such disclosure could reasonably be expected to cause this Base Prospectus, any associated Issue Terms, or any offering of Notes thereunder not to be in compliance with securities laws. For purposes of this paragraph, the tax treatment of the Transactions is the purported or claimed U.S. federal income tax treatment of the Transactions, and the tax structure of the Transactions is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of the Transactions.

AVAILABLE INFORMATION

Citigroup Inc. has undertaken in a deed poll dated 26 June 2013 (the **Rule 144A Deed Poll**) to furnish, upon the request of a holder of any Notes offered and sold in reliance on Rule 144A or any beneficial interest therein, to such holder or to a prospective purchaser designated by him the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, it is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the **Exchange Act**), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

KINGDOM OF SAUDI ARABIA NOTICE

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offer of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the **Capital Market Authority**).

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of Notes should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this Base Prospectus he or she should consult an authorised financial adviser

NOTICE TO RESIDENTS IN THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with this Base Prospectus and related offering documents may only be offered in registered form to existing account holders and accredited investors as defined by the Central Bank of Bahrain (**CBB**) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in other currency or such other amount as the CBB may determine.

Any offer contemplated by this Base Prospectus will not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Notes, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered the Base Prospectus or related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document. No offer of Notes will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public in the Kingdom of Bahrain generally.

NOTICE TO RESIDENTS IN THE STATE OF QATAR

This Base Prospectus does not and is not intended to constitute an offer, sale or delivery of the Notes under the laws of the State of Qatar and has not been and will not be reviewed or approved by or registered with the Qatar Financial Markets Authority or Qatar Central Bank. The Notes are not and will not be traded on the Qatar Exchange.

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SECTION A – SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for Notes, the Issuer and the Guarantor (where the Issuer is CGMFL). Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities, issuer and guarantor, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.

SECTION A – INTRODUCTION AND WARNINGS

Element	Title	
A.1	Introduction	This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms. Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated. Civil liability in Member States attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the applicable Final Terms, or it does not provide, when read together with the other parts of the Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Notes.
A.2	Consent	[Not Applicable][The Notes may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus (a Non-exempt Offer).]
		[Non-exempt Offer in [●]: Subject to the conditions set out below, [CGMFL and CGML][Citigroup Inc.] consent(s) to the use of this Base Prospectus in connection with a Non-exempt Offer of Notes by the Dealers[, [●,] [and] [each financial intermediary whose name is published on [CGMFL's][Citigroup Inc.'s] website (www.[●]) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information): "We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the Notes) described in the Final Terms dated [insert date] (the Final Terms) published by [Citigroup Inc./Citigroup

Element	Title	
		<p><i>Global Markets Funding Luxembourg S.C.A.] (the Issuer). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."</i></p> <p><i>(each an Authorised Offeror in [specify Relevant Member State]).</i></p> <p><i>[CGMFL's and CGML's][Citigroup Inc.'s] consent referred to above is given for Non-exempt Offers of Notes during [●] (the [specify Relevant Member State] Offer Period).</i></p> <p><i>The conditions to the consent of [CGMFL and CGML][Citigroup Inc.] [(in addition to the conditions referred to above)] are that such consent:</i></p> <ul style="list-style-type: none"> <i>(a) is only valid during the [specify Relevant Member State] Offer Period;</i> <i>(b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in [specify each Relevant Member State in which the particular Tranche of Notes can be offered] and</i> <i>(c) [specify any other conditions applicable to the Non-exempt Offer of the particular Tranche in the Relevant Member State, as set out in the Final Terms].]</i> <p><i>[replicate section for each Relevant Member State in which a Non-exempt Offer of the Notes is made]</i></p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION.</p>

SECTION B – ISSUERS AND GUARANTOR

[TO BE INCLUDED FOR NOTES ISSUED BY CGMFL ONLY:

Element	Title	
B.1	Legal and commercial name of the Issuer	Citigroup Global Markets Funding Luxembourg S.C.A. (CGMFL)

Element	Title																												
B.2	Domicile/ legal form/ legislation/ country of incorporation	CGMFL is a corporate partnership limited by shares (<i>société en commandite par actions</i>), incorporated in Luxembourg under the laws of the Grand Duchy of Luxembourg. CGMFL is domiciled in Luxembourg.																											
B.4b	Trend information	Not Applicable. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on CGMFL's prospects for its current financial year.																											
B.5	Description of the Group	<p>CGMFL is a wholly owned indirect subsidiary of Citigroup Inc. Citigroup Inc. is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries (Citigroup Inc. and its subsidiaries, the Group).</p> <p>Citigroup Inc. is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services. Citigroup Inc. has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citigroup Inc. currently operates, for management reporting purposes, via two primary business segments: Citicorp, consisting of Citigroup Inc.'s Global Consumer Banking businesses (which consists of Regional Consumer Banking in North America, Europe, the Middle East and Africa, Asia and Latin America) and the Institutional Clients Group (Securities and Banking, including the Private Bank, and Transaction Services); and Citi Holdings, which consists of Brokerage and Asset Management, Local Consumer Lending, and a Special Asset Pool. There is also a third segment, Corporate/Other.</p>																											
B.9	Profit forecast or estimate	Not Applicable. CGMFL has not made a profit forecast or estimate in this Base Prospectus.																											
B.10	Audit report qualifications	Not Applicable. There are no qualifications in any audit report on the historical financial information included in the Base Prospectus.																											
B.12	Selected historical key financial information:	The table below sets out a summary of key financial information extracted from CGMFL's Annual Report for the period ended on 31 December 2012:																											
		<table> <thead> <tr> <th></th> <th style="text-align: right;">At or for the year ended 31 December 2012 EUR (audited)</th> <th style="text-align: right;">Opening balance sheet dated 24 May 2012 EUR (audited)</th> </tr> </thead> <tbody> <tr> <td colspan="3">ASSETS</td> </tr> <tr> <td>Subscribed capital unpaid</td> <td></td> <td></td> </tr> <tr> <td> Subscribed capital uncalled</td> <td style="text-align: right;">1,500,000</td> <td style="text-align: right;">1,500,000</td> </tr> <tr> <td>Current assets</td> <td></td> <td></td> </tr> <tr> <td> Cash at bank</td> <td style="text-align: right;">591,797</td> <td style="text-align: right;">500,000</td> </tr> <tr> <td>Prepayments and accrued income</td> <td style="text-align: right;">1,575</td> <td></td> </tr> <tr> <td>TOTAL ASSETS</td> <td style="text-align: right;">2,093,372</td> <td style="text-align: right;">2,000,000</td> </tr> <tr> <td colspan="3">LIABILITIES</td> </tr> </tbody> </table>		At or for the year ended 31 December 2012 EUR (audited)	Opening balance sheet dated 24 May 2012 EUR (audited)	ASSETS			Subscribed capital unpaid			Subscribed capital uncalled	1,500,000	1,500,000	Current assets			Cash at bank	591,797	500,000	Prepayments and accrued income	1,575		TOTAL ASSETS	2,093,372	2,000,000	LIABILITIES		
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TOTAL ASSETS	2,093,372	2,000,000																											
LIABILITIES																													

Element	Title	
		Capital and reserves Subscribed capital 2,000,000 2,000,000 Loss for the financial period (6,626) Non-subordinated debt Amounts owed to affiliated undertakings 99,998 TOTAL LIABILITIES 2,093,372 2,000,000 <i>Statements of no significant or material adverse change</i> There has been: (i) no significant change in the financial or trading position of CGMFL since 31 December 2012 and (ii) no material adverse change in the financial position, business or prospects of CGMFL since 31 December 2012.
B.13	Events impacting the Issuer's solvency	Not Applicable. There are no recent events particular to CGMFL which are to a material extent relevant to the evaluation of CGMFL's solvency, since 31 December 2012.
B.14	Dependence upon other group entities	See Element B.5 Description of the Group and CGMFL's position within the Group. CGMFL is dependent on other members of the Group.
B.15	Principal activities	The principal activity of CGMFL is to grant loans or other forms of funding directly or indirectly in whatever form or means to Citigroup Global Markets Limited, another subsidiary of Citigroup Inc., and any other entities belonging to the Group.
B.16	Controlling shareholders	The entire issued share capital of CGMFL is held by Citigroup Global Markets Funding Luxembourg GP S.à r.l. and Citigroup Global Markets Limited.
B.17	Credit ratings	CGMFL has a long/short term senior debt rating of A/A-1 by Standard & Poor's Financial Services LLC and A/F1 by Fitch, Inc. based on the guarantee of the CGMFL Guarantor. [The Notes have been rated [●].] A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
B.18	Description of the Guarantee	The Notes issued will be unconditionally and irrevocably guaranteed by CGML pursuant to the CGMFL Deed of Guarantee. The CGMFL Deed of Guarantee constitutes direct, unconditional, unsubordinated and unsecured obligations of CGML and ranks and will rank <i>pari passu</i> (subject to mandatorily preferred debts under applicable laws) with all other outstanding, unsecured and unsubordinated obligations of CGML.
B.19	Information about the Guarantor	
B.19/B.1	Legal and commercial name of the Guarantor	Citigroup Global Markets Limited (CGML)
B.19/B.2	Domicile/ legal form/ legislation/ country of incorporation	CGML is a private company limited by shares and incorporated in England under the laws of England and Wales.

Element	Title																																																	
B.19/B.4b	Trend information	The banking environment and markets in which the Group conducts its businesses will continue to be strongly influenced by developments in the U.S. and global economies, including the results of the European Union sovereign debt crisis and the implementation and rulemaking associated with recent financial reform.																																																
B.19/B.5	Description of the Group	CGML is a wholly owned indirect subsidiary of Citigroup Inc. Citigroup Inc. is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries See Element B.5 above for a description of the Group.																																																
B.19/B.9	Profit forecast or estimate	Not Applicable. CGML has not made a profit forecast or estimate in this Base Prospectus.																																																
B.19/B.10	Audit report qualifications	Not Applicable. There are no qualifications in any audit report on the historical financial information included in the Base Prospectus.																																																
B.19/B.12	Selected historical key financial information	<p>The table below sets out a summary of key financial information extracted from CGML's Financial Report for the fiscal year ended on 31 December 2012:</p> <table border="1"> <thead> <tr> <th></th> <th colspan="3">At or for the year ended 31 December</th> </tr> <tr> <th></th> <th>2012</th> <th>2011</th> <th>2010</th> </tr> <tr> <th></th> <th>(audited)</th> <th>(audited)</th> <th>(audited)</th> </tr> <tr> <th></th> <th colspan="3"><i>(in millions of U.S. dollars)</i></th> </tr> </thead> <tbody> <tr> <td colspan="4">Profit and Loss Account Data:</td> </tr> <tr> <td>Gross Profit</td> <td>2,767</td> <td>2,921</td> <td>3,410</td> </tr> <tr> <td>Total Income (Commission income and fees + Net dealing income)</td> <td>2,830</td> <td>3,217</td> <td>3,397</td> </tr> <tr> <td><i>Operating profit/loss ordinary activities before taxation</i></td> <td>(313)</td> <td>(338)</td> <td>173</td> </tr> <tr> <td colspan="4">Balance Sheet Data:</td> </tr> <tr> <td>Total assets</td> <td>265,611</td> <td>306,503</td> <td>258,030</td> </tr> <tr> <td>Debt (Subordinated)</td> <td>5,700</td> <td>10,180</td> <td>11,180</td> </tr> <tr> <td>Total Shareholder's funds</td> <td>10,119</td> <td>10,415</td> <td>10,089</td> </tr> </tbody> </table> <p>Statements of no significant or material adverse change</p> <p>There has been: (i) no significant change in the financial or trading position of CGML or CGML and its subsidiaries as a whole since 31 December 2012 and (ii) no material adverse change in the financial position, business or prospects of CGML or CGML and its subsidiaries as a whole since 31 December 2012.</p>		At or for the year ended 31 December				2012	2011	2010		(audited)	(audited)	(audited)		<i>(in millions of U.S. dollars)</i>			Profit and Loss Account Data:				Gross Profit	2,767	2,921	3,410	Total Income (Commission income and fees + Net dealing income)	2,830	3,217	3,397	<i>Operating profit/loss ordinary activities before taxation</i>	(313)	(338)	173	Balance Sheet Data:				Total assets	265,611	306,503	258,030	Debt (Subordinated)	5,700	10,180	11,180	Total Shareholder's funds	10,119	10,415	10,089
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B.19/B.13	Events impacting the Guarantor's solvency:	Not Applicable. There are no recent events particular to CGML which are to a material extent relevant to the evaluation of CGML's solvency since 31 December 2012.																																																
B.19/B.	Dependence upon	CGML is a subsidiary of Citigroup Global Markets Europe Limited																																																

Element	Title	
14	other Group entities	which is a wholly-owned indirect subsidiary of Citigroup Inc. See Element B.5 for CGML's position within the Group. CGML is dependent on other members of the Group
B.19/B.15	The Guarantor's Principal activities	CGML is a broker and dealer in fixed income and equity securities and related products in the international capital markets and an underwriter and provider of corporate finance services, operating globally from the UK and through its branches in Western Europe and the Middle East. CGML also markets securities owned by other group undertakings on a commission basis.
B.19/B.16	Controlling shareholders	CGML is a wholly owned subsidiary of Citigroup Global Markets Europe Limited.
B.19/B.17	Credit ratings	CGML has a long term/short term senior debt rating of A/A-1 by Standard & Poor's Financial Services LLC and A/F1 by Fitch, Inc. [The Notes have been rated [●]] A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

[TO BE INCLUDED FOR NOTES ISSUED BY CITIGROUP INC. ONLY:]

B.1	Legal and commercial name of the Issuer	Citigroup Inc.
B.2	Domicile/ legal form/ legislation/ country of incorporation	Citigroup Inc. was established as a corporation incorporated in Delaware pursuant to the Delaware General Corporation Law.
B.4b	Trend information	The banking environment and markets in which the Group conducts its businesses will continue to be strongly influenced by developments in the U.S. and global economies, including the results of the European Union sovereign debt crisis and the implementation and rulemaking associated with recent financial reform.
B.5	Description of the Group	Citigroup Inc. is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries (Citigroup Inc. and its subsidiaries, the Group) Citigroup Inc. is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services. Citigroup Inc. has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citigroup Inc. currently operates, for management reporting purposes, via two primary business segments: Citicorp, consisting of Citigroup Inc.'s Global Consumer Banking businesses (which consists of Regional Consumer Banking in North America, Europe, the Middle East and Africa, Asia and Latin America) and the Institutional Clients Group (Securities and Banking, including the Private Bank, and Transaction Services); and Citi Holdings, which consists of Brokerage and Asset Management, Local Consumer Lending, and a Special Asset Pool.

		There is also a third segment, Corporate/Other.																																																																								
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B.13	Events impacting the Issuer's solvency	Not Applicable. There are no recent events particular to Citigroup Inc. which are to a material extent relevant to the evaluation of Citigroup Inc.'s solvency since 31 December 2012.
B.14	Dependence upon other group entities	See Element B.5 description of Citigroup Inc. and its subsidiaries and Citigroup Inc.'s position within the Group.
B.15	Principal activities	Citigroup Inc. is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services.
B.16	Controlling shareholders	Citigroup Inc. is not aware of any shareholder or group of connected shareholders who directly or indirectly control Citigroup Inc.
B.17	Credit ratings	<p>Citigroup Inc. has a long term/short term senior debt rating of A-/A-2 by Standard & Poor's Financial Services LLC, Baa2/P-2 by Moody's Investors Service, Inc. and A/F1 by Fitch, Inc.</p> <p>[The Notes have been rated [●].]</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>

SECTION C.3 – SECURITIES

Element	Title	
C.1	Description of Notes/ISIN	<p>Notes are issued in Series. The Series number is [●]. The Tranche number is [●].</p> <p>[The Notes are titled Certificates and therefore all references to "Note(s)" and "Noteholder(s)" shall be construed to be to "Certificate(s)" and "Certificateholder(s)".]</p> <p>The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Inflation Rate Notes, DIR Inflation Linked Notes, CMS Interest Linked Notes, Range Accrual Notes, Digital Notes, Digital Band Notes, Inverse Floating Notes, Spread Notes or any combination of the foregoing.</p> <p>If specified as "Switcher Notes" in the applicable Final Terms, for the relevant Notes the Issuer will be able to switch from one interest basis to another as provided therein.</p> <p>The International Securities Identification Number (ISIN) is [●]. The Common Code is [●]. [The CUSIP/WKN/Valoren is [●].]</p>
C.2	Currency	The denomination currency and the currency for payments in respect of the Notes is [●].
C.5	Restrictions on the	The Notes will be transferable, subject to the offering, selling and

Element	Title	
	free transferability of the Notes	transfer restrictions with respect to the United States, European Economic Area, United Kingdom, Australia, the Kingdom of Bahrain, Brazil, Chile, Columbia, Costa Rica, Republic of Cyprus, Denmark, Dominican Republic, Dubai International Financial Centre, Ecuador, El Salvador, Finland, France, Guatemala, Honduras, Hong Kong Special Administrative Region, Hungary, Ireland, Israel, Italy, Japan, Kuwait, Mexico, Norway, Oman, Panama, Paraguay, Peru, Poland, Portugal, Qatar, Russian Federation, Kingdom of Saudi Arabia, Singapore, Taiwan, Republic of Turkey and United Arab Emirates and Uruguay and the laws of any jurisdiction in which the Notes are offered or sold.
C.8	Rights attached to the Notes, including ranking and limitations on those rights	<p>The Notes have terms and conditions relating to, among other matters:</p> <p>Ranking</p> <p>The Notes will constitute unsubordinated and unsecured obligations of the Issuer and rank and will at all times rank <i>pari passu and</i> rateably among themselves and at least <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.</p>
		<p>Negative pledge and cross default</p> <p>The terms of the Notes will not contain a negative pledge provision or a cross-default provision in respect of the Issuer [or the Guarantor].</p>
		<p>Events of default</p> <p>The terms of the Notes will contain, amongst others, the following events of default: (a) default in payment of any principal or interest due in respect of the Notes, continuing for a period of 30 days in the case of interest or 10 days in the case of principal, in each case after the due date; (b) default in the performance, or breach, of any other covenant by the Issuer [or Guarantor], and continuance for a period of 60 days after the date on which written notice is given by the holders of at least 25 per cent, in principal amount of the outstanding Notes specifying such default or breach and requiring it to be remedied; (c) events relating to the winding up or dissolution or similar procedure of the Issuer [or the Guarantor]; and (d) the appointment of a receiver or other similar official or other similar arrangement of the Issuer [or the Guarantor].</p>
		<p>Taxation</p> <p>Payments in respect of all Notes will be made without withholding or deduction of taxes in Luxembourg where the Issuer is CGMFL or the United Kingdom in case of the Guarantor subject in all cases to specified exceptions or the United States where the Issuer is Citigroup Inc., subject to specified exceptions.</p>
		<p>Meetings</p> <p>The terms of the Notes contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>

Element	Title	
C.9-	Description of the rights attached to the Notes, including nominal interest rate, the date from which interest becomes payable and interest payment dates, description of the underlying (where the rate is not fixed), maturity date, repayment provisions and indication of yield	<p>Interest periods and rates of interest:</p> <p>Other than Zero Coupon Notes, the length of all interest periods for all Notes and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series.</p> <p>If specified in the applicable Final Terms, for the relevant Notes the Issuer will be able to switch from one interest basis to another as provided therein.</p> <p>Other than Zero Coupon Notes, Notes may have a maximum rate of interest or interest amount, a minimum rate of interest or interest amount or both.</p> <p>Interest:</p> <p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at:</p> <ul style="list-style-type: none"> (i) a fixed rate or one or more fixed rates ("Fixed Rate Notes"); (ii) a floating rate ("Floating Rate Notes"); (iii) a CMS rate ("CMS Interest Linked Notes"); (iv) a rate determined by reference to movements in an inflation index ("Inflation Rate Notes"); (v) a rate determined by reference to movements in an inflation index and the specific interest payment date to allow interpolation between the two monthly fixings ("DIR Inflation Linked Notes"); (vi) a rate which will be a specified fixed rate multiplied by an accrual rate determined by reference to how many days in the relevant observation period, either (i) the relevant interest barrier event (an interest barrier event may relate to one or more reference rates and may be different for each reference rate) occurs or (ii) the relevant reference observation is either (i) equal to or above or (ii) above the specified lower range and either (i) equal to or below or (ii) below the upper range, in each case as specified in the applicable Final Terms ("Range Accrual Notes"); (vii) a rate which will either be a specified back-up rate (which rate may be a fixed rate, a floating rate or a CMS rate which would include a rate being determined by reference to the Spread Notes provisions) or if the specified digital reference rate (which rate may be a fixed rate, a floating rate or a CMS rate which would include a rate determined by reference to the Spread Notes provisions) on the specified benchmark date is, as specified in the applicable Final Terms

Element	Title	
		<p>(i) less than,</p> <p>(ii) less than or equal to,</p> <p>(iii) greater than or</p> <p>(iv) greater than or equal to</p> <p>the specified reserve rate (which rate may be a fixed rate, a floating rate or a CMS rate which would include a rate determined by reference to the Spread Notes provisions), another specified rate being the digital rate (which rate may be a fixed rate, a floating rate or a CMS rate which would include a rate determined by reference to the Spread Notes provisions) ("Digital Notes");</p> <p>(viii) a rate (which may be a fixed rate, a floating rate, a CMS rate or a rate equal to one specified rate (which may be a floating rate or a CMS rate) minus another specified rate (which may be a floating rate or a CMS rate)), and be plus or minus a margin as specified which will be determined for each interest period by reference to within which band of specified fixed rates either</p> <p>(a) the specified reference rate (which rate may be a floating rate or a CMS rate) determined on the relevant interest determination date for the reference rate falls; or</p> <p>(b) the result of reference rate one (which rate may be a floating rate or a CMS rate) minus reference rate two (which may be a floating rate or a CMS Rate), each as determined on the relevant interest determination date for such rate falls</p> <p>The rate for an interest period will be equal to the rate specified as the band rate set for the appropriate band within which, in the case of (a), the specified reference rate falls, or in the case of (b), the relevant result of reference rate one minus reference rate two falls ("Digital Band Notes");</p> <p>(ix) a rate which will be equal to a specified fixed rate minus either (i) a reference rate or (ii) one reference rate minus another reference rate (any reference rate may be a floating rate or a CMS rate (which would include a rate determined by reference to the Spread Notes provisions), and be plus or minus a margin as specified and/or subject to an interest participation rate if specified) ("Inverse Floating Rate Notes");</p> <p>(x) a rate which is to be determined by reference to either (a) "one" minus the result of a specified rate minus another specified rate (any such rate may be determined by reference to the floating rate provisions, the CMS rate provisions, the inflation rate provisions or the DIR inflation linked provisions and may be (i)</p>

Element	Title	
		<p>one specified rate, or (ii) the sum of more than one specified rate or (iii) one specified rate minus another specified rate) or (b) a specified rate minus another specified rate (any such rate may be determined by reference to the floating rate provisions, the CMS rate provisions, the inflation rate provisions or the DIR inflation linked provisions and may be (i) one specified rate, (ii) the sum of more than one specified rate or (iii) one specified rate minus another specified rate), in each case plus or minus a margin if specified and/or subject to an interest participation rate if specified ("Spread Notes"); or</p> <p>(xi) any combination of the foregoing.</p> <p>The amount of interest for a Range Accrual Note or a Spread Note and, in either case, an interest period may be zero.</p> <p>Any reference rate or rate of interest may be subject to an interest participation rate if "IPR" is specified in the applicable Final Terms in relation to such reference rate or interest rate. The IPR will be specified in the applicable Final Terms.</p> <p>Any reference rate or rate of interest or interest amount described above may be subject to a minimum or maximum or both as specified in the applicable Final Terms.</p> <p>[ZERO COUPON NOTES: The Notes are Zero Coupon Notes meaning that they do not bear interest and will be issued at the issue price specified in the applicable Final Terms and with the final redemption amount being specified in the applicable Final Terms.]</p> <p>[FIXED RATE NOTES: The Notes are Fixed Rate Notes which means that they bear interest from [] at the fixed rate of [] per cent. per annum [in respect of (<i>specify relevant interest periods</i>) and from [] at the fixed rate of [] per cent. per annum in respect of (<i>specify relevant interest periods</i>) (<i>repeat as necessary if there are different rates for different periods</i>). Interest is payable [annually/semi-annually/quarterly/monthly] in arrear on [] [and []] in each [year][month].]</p> <p>The calculation amount is [●]</p> <p>[FLOATING RATE NOTES/CMS INTEREST LINKED NOTES:][The Notes are [Floating Rate Notes]/[CMS Interest Linked Notes] which means that they bear interest from [] at [a] floating rate[s] calculated by reference to [[]-month] [LIBOR]/[EURIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[TIBOR]/[HIBOR]/[BBSW (being the Sydney average mid rate for AUD bills of exchange)] / [BKBM (being the Wellington rate of New Zealand Dollar bills of exchange)] / [CMS Reference Rate in [<i>insert currency</i>] with a maturity of [] years] [plus/minus] [] per cent. per annum [multiplied by the relevant interest participation rate [IPR] specified below]. Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [] [and []] in each [year][month].]</p>

Element	Title
	<p>[The rate of interest is subject to a [maximum rate (cap) of [●]][minimum rate (floor) of [●]] [maximum rate and minimum rate (collar) of [●] and [●] respectively].] (<i>Specify for each Interest Payment Date if different</i>)</p> <p>[The interest participation rate or IPR is, in respect of an interest payment date, the rate specified below: <i>[details of interest payment date and details of relevant IPR.]</i>]</p> <p>The calculation amount is [●]</p> <p>[INFLATION RATE NOTES: The Notes are Inflation Rate Notes which means that the Notes are linked to [●]. Interest will be payable on the relevant interest payment date and will be calculated by the calculation agent by multiplying the calculation amount by the year-on-year change in the inflation rate as determined by dividing [●] (the "Inflation Index") [●] months prior to the relevant interest payment date by the Inflation Index [●] months prior to the relevant interest payment date and subtracting 1 [as adjusted for a margin of [+ [●]] [- [●]]% per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>[The interest amount is subject to a [maximum amount (cap) of [●]][minimum amount (floor) of [●]] [maximum amount and minimum amount (collar) of [●] and [●] respectively].]</p> <p>The calculation amount is [●].</p> <p>[The interest participation rate or IPR is, in respect of an interest payment date, the rate specified below: <i>[details of interest payment dates and details of relevant IPR.]</i>]</p> <p>[DIR INFLATION LINKED NOTES: The Notes are DIR Inflation Linked Notes which means that the Notes are linked to [●]. Interest will be payable on the relevant interest payment date and will be calculated by the calculation agent by multiplying the calculation amount by the DIR index ratio which shall be determined by reference to two specified monthly levels of [●] (the "Inflation Index") and the relevant interest payment date minus one and the number of days in the month of such interest payment date to determine an interpolated rate and divided by a specified base figure of the Inflation Index] [as adjusted for a margin of [+ [●]] [- [●]]per cent. per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] and [●] in each [year/month].</p>

Element	Title	
		<p>[The interest amount is subject to a [maximum amount (cap) of [●]] [minimum amount (floor) of [●]] [maximum amount and minimum amount (collar) of [●] and [●] respectively].]</p> <p>The calculation amount is [●].</p> <p>[The interest participation rate or IPR is, in respect of an interest payment date, the rate specified below: <i>[details of interest payment dates and details of relevant IPR.]</i>]</p> <p>[RANGE ACCRUAL NOTES: The Notes are Range Accrual Notes which means that the rate of interest will be determined by reference to the fixed rate of interest which is [●] which will be multiplied by the accrual rate. The accrual rate in respect of an interest period will be an amount expressed as a decimal determined by the calculation agent in accordance with the following formula:</p> $\frac{\text{days accrued}}{\text{days observed}}$ <p>where:</p> <p>"days accrued means the number of interest barrier event observation dates in the relevant interest period [on which an interest barrier event occurs] [on which the reference observation is [above] [equal to or above] the lower range of [●] and [below] [equal to or below] the upper range of [●]; and</p> <p>"days observed means the actual number of [calendar days] [business days] in the relevant interest period.</p> <p>[The interest barrier event is [●] and the interest barrier is [●]. The relevant reference rate(s) for the reference observation [is]/[are] [●] [and [●]]. [●] is subject to a minimum interest [rate]/[amount] of [●] and subject to a maximum interest [rate]/[amount] of [●].] <i>[Continue to specify as necessary.]</i></p> <p>The interest amount in respect of each calculation amount and an interest payment date is an amount calculated on the basis of the specified fixed rate multiplied by the accrual rate multiplied by the relevant day count fraction. The interest amount may be zero. Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [] [and [] in each [year] [month]].</p> <p>The calculation amount is [●].]</p> <p>[DIGITAL NOTES: The Notes are Digital Notes which means that the rate of interest in respect of [an interest period] [the following interest periods [●]] will either be:</p> <p>(i) the back up rate, being [●]; or</p> <p>(ii) if the digital reference rate, being [●] as of [●], is [less than] [less</p>

Element	Title		
		<p>than or equal to] [greater than] [greater than or equal to] the reserve rate, being [●] as of [●],</p> <p>the digital rate, being [●]</p> <p>[and in respect of the following interest periods [●] will either be (i) the back up rate, being [●] or (ii) if the digital reference rate, being [●] as of [●] is [less than] [less than or equal to] [greater than] [greater than or equal to] the reserve rate, being [●] as of [●], the digital rate being [●] (Specify relevant interest periods and repeat as necessary if there are different rates for different interest periods).]</p> <p>[The [back up rate]/[digital reference rate][reserve rate]/[digital rate] will be determined by reference to [●] [and will be subject to a minimum interest rate of [●] and a maximum interest rate of [●].]</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>The calculation amount is [●].</p> <p>The interest amount in respect of each calculation amount and each interest payment date and the relevant interest period is an amount calculated on the basis of the relevant day count fraction.</p> <p>[DIGITAL BAND NOTES: The Notes are Digital Band Notes which means that the rate of interest in respect of [an interest period] [the following interest periods [●]] will be determined by reference to where in the following bands [the reference rate specified below determined on the relevant interest determination date falls] [the result of reference rate one minus reference rate two, in each case as specified below and determined on the relevant interest determination date, falls].</p> <p>The rate of interest for an interest period will be equal to the rate (which may be a fixed rate, a floating rate, a CMS rate or a rate equal to the relevant Band Rate One minus the relevant Band Rate Two and be plus or minus a margin if specified) specified as the "Band Rate" for the appropriate Band within which [the relevant specified reference rate falls] [the result of reference rate one minus reference rate two falls].</p>	
		<p>[Reference Rate] [Reference Rate One and Reference Rate Two]</p>	<p>Interest Determination Date for [Reference Rate] [Reference Rate One and Reference Rate Two]</p>
		<p><i>(Specify relevant reference rate (which should include all relevant details such as, if a floating rate, whether it is to be determined by reference to Screen Rate Determination or ISDA Determination, and any margin) and interest period[s]/interest payment</i></p>	<p><i>(Specify relevant interest determination date and interest payment date[s] to which it applies and repeat as necessary)</i></p>

Element	Title			
		<i>date[s] to which it applies and repeat as necessary if there are different reference rates for different interest periods and/or interest payment dates)</i>		
		<p>[Reference Rate One]</p> <p><i>(Specify relevant reference rate one (which should include all relevant details such as, if a floating rate, whether it is to be determined by reference to Screen Rate Determination or ISDA Determination, and any margin) and interest period[s]/interest payment date[s] to which it applies and repeat as necessary if there are different reference rate ones for different interest periods and/or payment dates)</i></p> <p>[Reference Rate Two]</p> <p><i>(Specify relevant reference rate two (which should include all relevant details such as, if a floating rate, whether it is to be determined by reference to Screen Rate Determination or ISDA Determination, and any margin) and interest period[s]/interest payment date[s] to which it applies and repeat as necessary if there are different reference rate twos for different interest periods and/or payment dates)</i></p>	<p><i>(Specify relevant interest determination date and interest payment date[s] to which it applies and repeat as necessary)</i></p> <p><i>(Specify relevant interest determination date and interest payment date[s] to which it applies and repeat as necessary)</i></p>	
		[Details of interest period[s] and/or interest payment date[s]]	Bands	Band Rate
		<i>(Specify relevant interest periods and/or interest payment date[s] and repeat as necessary if there are different</i>	(i) Band One: [The reference rate] [Reference rate one	[The Band Rate is [●] (specify all relevant details in the same way as for the reference rate)] [The Band Rate is Band

Element	Title			
		<i>bands and/or rates for different interest periods and/or interest payment date[s])</i>	minus reference rate two] is [less than] [less than or equal to] [●] per cent.:	Rate One minus Band Rate Two where Band Rate One is (<i>specify all relevant details for Band Rate One in the same way as for Reference Rate One</i>) and Band Rate Two is (<i>specify all relevant details for Band Rate Two in the same way as for Reference Rate Two</i>) [[plus/minus] [●] per cent. per annum].]
			<p>(ii) Band Two: [The Reference rate one minus reference rate two] is [greater than] [greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.:</p> <p>[(iii) <i>(only include Band 3 if applicable)</i> Band Three: [The Reference rate one minus reference rate two] is [greater than]</p>	<p>[The Band Rate is [●] (<i>specify all relevant details in the same way as for the reference rate</i>)] [The Band Rate is Band Rate One minus Band Rate Two where Band Rate One is (<i>specify all relevant details for Band Rate One in the same way as for Reference Rate One</i>) and Band Rate Two is (<i>specify all relevant details for Band Rate Two in the same way as for Reference Rate Two</i>)] [[plus/minus] [●] per cent. per annum].]</p> <p>[The Band Rate is [●] (<i>specify all relevant details in the same way as for the reference rate</i>)] [The Band Rate is Band Rate One minus Band Rate Two where Band Rate One is (<i>specify all relevant details for Band Rate One in the same way as for Reference Rate One</i>) and Band Rate Two is</p>

Element	Title			
			<p>[greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.:</p>	<p>(specify all relevant details for Band Rate Two in the same way as for Reference Rate Two) [[plus/minus] [●] per cent. per annum].]</p>
			<p><i>(If there are additional bands and band rates occurring after band 3 but before the last occurring band which shall be as described below repeat (iii) above for such additional bands and band rates but with the relevant bands and band levels</i></p> <p>[[●]] Band [●][The reference rate] [Reference rate one minus reference rate two] is [greater than] [greater than or equal to] [●] per cent.:</p>	<p>[The Band Rate is [●] (specify all relevant details in the same way as for the reference rate)] [The Band Rate is Band Rate One minus Band Rate Two where Band Rate One is (specify all relevant details for Band Rate One in the same way as for Reference Rate One) and Band Rate Two is (specify all relevant details for Band Rate Two in the same way as for Reference Rate Two)] [[plus/minus] [●] per cent. per annum].]</p>

Element	Title
	<p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>The calculation amount is [●]</p> <p>The interest amount in respect of each calculation amount and each interest payment date and the relevant interest period is an amount calculated on the basis of the relevant day count fraction.]</p> <p>[INVERSE FLOATING RATE NOTES: The Notes are Inverse Floating Rate Notes which means that the rate of interest in respect of [an interest period] [the following interest periods [●]] will be (i) [●] per cent. minus (ii) [<i>specify reference rate and reference date</i> [and the interest participation rate (IPR) specified therein) [minus [<i>specify reference rate and reference date</i> [and the interest participation rate (IPR) specified therein]].<i>Specify relevant interest periods and repeat as necessary if there are different rates for different interest periods.</i>]</p> <p>[In relation to [●] (<i>specify each relevant reference rate</i>), it is subject to a [maximum rate (cap) of [●]] [minimum rate (floor) of [●]] [maximum rate and minimum rate (collar) of [●] and [●] respectively].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>The calculation amount is [●]</p> <p>The interest amount in respect of each calculation amount and each interest payment date and the relevant interest period is an amount calculated on the basis of the relevant day count fraction.]</p> <p>[SPREAD NOTES: The Notes are Spread Notes which means that the rate of interest in respect of [an interest period] [the following interest periods [●]] will be [one minus the result of] spread rate one minus spread rate two. Spread rate one is [●] and spread rate two is [●.]</p> <p>[Spread rate one]/[spread rate two] is subject to a [maximum rate (cap) of [●]] [minimum rate (floor) of [●]] [maximum rate and minimum rate (collar) of [●] and [●] respectively].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>The calculation amount is [●]</p> <p>The interest amount in respect of each calculation amount and each interest payment date and the relevant interest period is an amount calculated on the basis of the relevant day count fraction.]</p> <p>[SWITCHER NOTES: The interest basis may, at the option of the Issue, be switched from [] (<i>insert interest basis or zero coupon</i>) to [] (<i>insert new interest basis or zero coupon</i>), effective from [] (<i>insert date</i></p>

Element	Title	
		<p><i>or, if more than one, insert each date</i>). A conversion amount of [●] per calculation amount will be payable by the Issuer on [].</p> <p>The calculation amount is [●]</p> <p>Redemption:</p> <p>The terms under which Notes may be redeemed (including the Maturity Date and the price at which they will be redeemed on the maturity date as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes.</p> <p>Subject to any early redemption, purchase and cancellation, the Notes will be redeemed on [] at [] per cent. of their nominal amount.</p> <p>[The Notes may, at the Issuer's election, be redeemed early on [] at [] per cent. of their nominal amount]</p> <p>[The Notes may, at the Noteholder's election, be redeemed early on [] at [] per cent. of their nominal amount.]</p> <p>The Issuer and its Subsidiaries may at any time purchase Notes at any price in the open market or otherwise.</p> <p>Indication of yield:</p> <p>[Indication of yield: [] per cent. per annum / Not Applicable]</p> <p>Early redemption [and adjustments to any underlying]</p> <p>The Issuer may redeem the Notes prior to the stated maturity date and, if and to the extent permitted by applicable law, will in such circumstances pay, in respect of each Note, an amount equal to the [early redemption amount] (a) following an Event of Default, (b) for certain taxation reasons and (c) if the Issuer determines that performance of its obligations of an issue of Notes [or the Guarantor determines that performance of its obligations under the CGMFL Deed of Guarantee in respect of such Notes] or that any arrangements made to hedge the Issuer's [and/or the Guarantor's] obligations under the Notes [and/or the CGMFL Deed of Guarantee, as the case may be,] has or will become illegal in whole or in part for any reason.</p> <p>[In addition, the terms and conditions of the Notes contain provisions, as applicable, relating to events affecting the relevant underlying(s), modification or cessation of the relevant underlying(s), realisation disruption provisions relating to subsequent corrections of the level of an underlying and details of the consequences of such events. Such provisions may permit the Issuer either to require the calculation agent to determine what adjustments should be made following the occurrence of the relevant event (which may include deferment of any required valuation or the substitution of another underlying and/or, in the case of an increased cost of hedging, adjustments to pass onto Noteholders such</p>

Element	Title	
		<p>increased cost of hedging (including, but not limited to, reducing any amounts payable in respect of the Notes to reflect any such increased costs) and/or, in the case of realisation disruption, payment in the relevant local currency rather than in the relevant specified currency, deduction of amounts in respect of any applicable taxes, or to cancel the Notes and to pay an amount equal to the early redemption amount.]</p> <p>[The Notes may, at the Issuer's election, be redeemed early at [] per cent. of their nominal amount for indexation reasons.]</p>
C.10-	<p>If the Note has a derivative component in the interest payment, a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s), especially under the circumstances when the risks are most evident.</p>	<p>[Not Applicable]</p> <p>[The Notes are Inflation Rate Notes which means that the Notes are linked to [●]. Interest will be payable on the relevant interest payment date and will be calculated by the calculation agent by multiplying the calculation amount by the year-on-year change in the inflation rate as determined by dividing [●] (the "Inflation Index") [●] months prior to the relevant interest payment date by the Inflation Index [●] months prior to the relevant interest payment date and subtracting 1 [as adjusted for a margin of [+ [●]] [- [●]] per cent. per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each [year][month].</p> <p>[The interest amount is subject to a [maximum amount (cap) of [●]] [minimum amount (floor) of [●]] [maximum amount and minimum amount (collar) of [●] and [●] respectively].]</p> <p>The calculation amount is [●].</p> <p>[The interest participation rate or IPR is, in respect of an interest payment date, the rate specified below: <i>[details of interest payment dates and details of relevant IPR.]</i>]</p> <p>[The Notes are DIR Inflation Linked Notes which means that the Notes are linked to [●]. Interest will be payable on the relevant interest payment date and will be calculated by the calculation agent by multiplying the calculation amount by the DIR index ratio which shall be determined by reference to two specified monthly levels of [●] (the "Inflation Index") and the relevant interest payment date minus one and the number of days in the month of such interest payment date to determine an interpolated rate and divided by a specified base figure of the Inflation Index] [as adjusted for a margin of [+ [●]] [- [●]] per cent. per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>Interest will be payable [annually/semi-annually/quarterly/monthly] in arrear on [●] and [●] in each [year/month].</p>

Element	Title	
		<p>[The interest amount is subject to a [maximum amount (cap) of [●]] [minimum amount (floor) of [●]] [maximum amount and minimum amount (collar) of [●] and [●] respectively].]</p> <p>The calculation amount is [●].</p> <p>[The interest participation rate or IPR is, in respect of an interest payment date, the rate specified below: <i>[details of interest payment dates and details of relevant IPR.]</i>]</p> <p>[The Notes are Spread Notes and include as a reference rate the [Inflation Rate Notes] [DIR Inflation Linked Notes] provisions. This means that the reference rate is [INSERT FOR WHERE THE REFERENCE RATE IS DETERMINED BY REFERENCE TO INFLATION RATE NOTES PROVISIONS:] linked to [●] and will be calculated by the calculation agent by multiplying the calculation amount by the year-on-year change in the inflation rate as determined by dividing [●] (the "Inflation Index") [●] months prior to the relevant interest payment date by the Inflation Index [●] months prior to the relevant interest payment date and subtracting 1 [as adjusted for a margin of [+ [●]] [- [●]] per cent. per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>[INSERT FOR WHERE THE REFERENCE RATE IS DETERMINED BY REFERENCE TO DIR INFLATION LINKED NOTES PROVISIONS:] linked to [●] and will be calculated by the calculation agent by multiplying the calculation amount by the DIR index ratio which shall be determined by reference to two specified monthly levels of [●] (the "Inflation Index") and the relevant interest payment date minus one and the number of days in the month of such interest payment date to determine an interpolated rate and divided by a specified base figure of the Inflation Index] [as adjusted for a margin of [+ [●]] [- [●]] per cent. per annum] multiplied by the relevant day count fraction [[and] [multiplied by the relevant interest participation rate (IPR) specified therein]].</p> <p>Subject to any early redemption, purchase and cancellation, the Notes will be redeemed on [] at [] per cent. of their nominal amount.</p> <p>The Issuer may redeem the Notes prior to the stated maturity date and, if and to the extent permitted by applicable law, will in such circumstances pay, in respect of each Note, an amount equal to the [early redemption amount] (a) following an Event of Default, (b) for certain taxation reasons and (c) if the Issuer determines that performance of its obligations of an issue of Notes [or the Guarantor determines that performance of its obligations under the CGMFL Deed of Guarantee in respect of such Notes] or that any arrangements made to hedge the Issuer's [and/or the Guarantor's] obligations under the Notes [and/or the CGMFL Deed of Guarantee, as the case may be,] has or will become illegal in whole or in part for any reason.</p>

Element	Title	
C.11	Admission to trading	[Application has been made to the [Irish Stock Exchange for the Notes to be admitted to trading on the Irish Stock Exchange]/[●]/[Not Applicable. The Notes are not admitted to trading on any exchange.]

SECTION D – RISKS

Element	Title	
D.2	Key risks regarding the Issuers	<p>[Citigroup Inc.][CGMFL] believes that the factors summarised below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and [Citigroup Inc.][CGMFL] is not in a position to express a view on the likelihood of any such contingency occurring.</p> <p>There are certain factors that may affect [CGMFL's/Citigroup Inc.'s] ability to fulfil its obligations under any Notes issued by it [and CGML's ability to fulfil its obligations as guarantor in respect of Notes issued by CGMFL], including that such ability is dependent on the earnings of Citigroup Inc.'s subsidiaries, that Citigroup Inc. may be required to apply its available funds to support the financial position of its banking subsidiaries, rather than fulfil its obligations under the Notes, that Citigroup Inc.'s business may be affected by economic conditions, credit, market and market liquidity risk, by competition, country risk, operational risk, fiscal and monetary policies adopted by relevant regulatory authorities, reputational and legal risks and certain regulatory considerations.</p> <p>[There are certain additional factors that may affect CGMFL's ability to fulfil its obligations under the Notes issued by it, including that such ability is dependent on the group entities to which it on-lends and funds raised through the issue of the Notes performing their obligations in respect of such funding in a timely manner. In addition, such ability and CGML's ability to fulfil its obligations as guarantor in respect of Notes issued by CGMFL is dependent on economic conditions, credit, market and market liquidity risk, by competition, country risk, operational risk, fiscal and monetary policies adopted by relevant regulatory authorities, reputational and legal risks and certain regulatory considerations.]</p>
D.3	Key risks regarding the Notes	<p>Investors should note that the Notes (including Notes which are expressed to redeem at par) are subject to the credit risk of [CGMFL and CGML][Citigroup Inc.]. Furthermore, the Notes may be sold, redeemed or repaid early, and if so, the price for which a Note may be sold, redeemed or repaid early may be less than the investor's initial investment. [There are other certain factors which are material for the purpose of assessing the risks associated with investing in any issue of Notes, which include, without limitation, (i) risk of disruption to valuations, (ii) adjustment to the conditions, substitution of the relevant underlying(s) and/or early redemption following an adjustment event or an illegality, (iii) postponement of interest payments and/or minimum and/or maximum limits imposed on interest rates, (iv) cancellation or scaling back of public offers or the issue date being deferred, (v) hedging activities of the Issuer and/or any of its affiliates, (vi) conflicts of interest between the Issuer and/or any of its affiliates and holders of Notes, (vii)</p>

Element	Title	
		<p>modification of the terms and conditions of Notes by majority votes binding all holders, (viii) discretions of the Issuer and Calculation Agent being exercised in a manner that affects the value of the Notes or results in early redemption, (ix) change in law, (x) illiquidity of denominations consisting of integral multiples, (xi) payments being subject to withholding or other taxes, (xii) fees and commissions not being taken into account when determining secondary market prices of Notes, (xiii) there being no secondary market, (xiv) exchange rate risk, (xv) market value of Notes being affected by various factors independent of the creditworthiness of [CGMFL and CGML][Citigroup Inc.] such as market conditions, interest and exchange rates and macro economic and political conditions and (xvi) credit ratings not reflecting all risks.]</p> <p>[The ability of the Issuer to convert the interest rate on Notes from one interest basis to another will affect the secondary market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing and to a rate which is lower than other comparable notes (as applicable).]</p>

SECTION E – OFFER

Element	Title	
E.2b	Use of proceeds	<p>[The net proceeds of the issue of the Notes by CGMFL will be used primarily to grant loans or other forms of funding to CGML and any entity belonging to the same group, and may be used to finance CGMFL itself.]</p> <p>[The net proceeds of the issue of the Notes by Citigroup Inc. will be used for general corporate purposes, which may include capital contributions to its subsidiaries and/or the reduction or refinancings of borrowings of Citigroup Inc. or its subsidiaries. Citigroup Inc. expects to incur additional indebtedness in the future.]</p> <p><i>[In particular, the proceeds will be used to/for [●]]</i></p>
E.3	Terms and conditions of the offer	<p>[Not Applicable. The Notes are not the subject of a Non-exempt Offer][The Notes are the subject of a Non-exempt Offer, the terms and conditions of which are further detailed as set out below and in the applicable Final Terms.]</p> <p>A Non-exempt Offer of the Notes may be made in [●] (the [●] Offer) during the period from (and including) [●] to (and including) [●]. [Such period may be [lengthened] [or] [shortened] at the option of the Issuer.] [The Issuer reserves the right to cancel the [●] Offer].</p> <p>The offer price is [●] per calculation amount. [In addition to any expenses detailed in Element E.7 below, an Authorised Offeror may charge investors under the [●] Offer a [●] [fee] [commission] of [up to] [●] per cent. of the principal amount of the Notes to be purchased by the relevant investor]. The minimum subscription amount is [[●]] [the offer price]. [The Issuer may decline in whole or in part an application for Notes under the [●] Offer.]</p>

		<i>(If required, summarise any additional terms and conditions of each relevant Non-Exempt Offer as set out in the section entitled "Terms and Conditions of the Offer" in the applicable Final Terms))</i>
E.4	Interests of natural and legal persons involved in the issue/offer	[The Dealer and/or any distributors will be paid [●] as fees in relation to the issue of Notes.][So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the Offer(s)][A description of any interest that is material to the issue/offer including conflicting interests.]
E.7	Estimated expenses charged to the investor by the Issuer or an Authorised Offeror	No expenses are being charged to an investor by the Issuer. [[There is no Non-exempt Offer of Notes and therefore no Authorised Offeror] [No expenses are being charged to an investor by an Authorised Offer] [except as follows: <i>(insert details)</i>]].

SECTION B – RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer and, where CGMFL is the Issuer, the CGMFL Guarantor may become insolvent or otherwise be unable to satisfy their obligations in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer and, where CGMFL is the Issuer, the CGMFL Guarantor becoming unable to satisfy their obligations in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer and, where CGMFL is the Issuer, the CGMFL Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's and, where CGMFL is the Issuer, the CGMFL Guarantor's control. The Issuer and, where CGMFL is the Issuer, the CGMFL Guarantor have identified in this Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due under, or to deliver assets on or in connection with, the Notes.

Each of the risks highlighted below could adversely affect the trading price of the Notes and, as a result, investors could lose some or all of their investment.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under this Base Prospectus are also described below.

Prospective investors must read the detailed information set out elsewhere in this Base Prospectus including any documents incorporated by reference herein and reach their own views prior to making any investment decision.

RISKS RELATING TO CITIGROUP INC., CGMFL AND THE CGMFL GUARANTOR

Set out below are certain risk factors which could have a material adverse affect on the business, operations, financial condition or prospects of one or more of Citigroup Inc., CGMFL and/or the CGMFL Guarantor and cause one or more of Citigroup Inc.'s, CGMFL's and or the CGMFL Guarantor future results to be materially different from expected results. Citigroup Inc.'s, CGMFL's and/or the CGMFL Guarantor results could also be affected by competition and other factors. The factors discussed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties Citigroup Inc.'s, CGMFL's and the CGMFL Guarantor's, businesses face. Each of Citigroup Inc., CGMFL and the CGMFL Guarantor has described only those risks relating to its operations that it considers to be material. There may be additional risks that Citigroup Inc., CGMFL and the CGMFL Guarantor currently considers not to be material or of which it is not currently aware, and any of these risks could have the effects set forth above. Investors should note that they bear the Issuer's and, where the Issuer is CGMFL, the CGMFL Guarantor's solvency risk.

The ability of each of Citigroup Inc., CGMFL and the CGMFL Guarantor to fulfil its obligations under the Notes issued by Citigroup Inc. or CGMFL, as the case may be, is dependent on the earnings of Citigroup Inc.'s subsidiaries.

Citigroup Inc. is a holding company that does not engage in any material amount of business activities that generate revenues. Citigroup Inc. services its obligations primarily with dividends and advances from its subsidiaries. Its subsidiaries that operate in the banking, insurance and securities businesses can only pay dividends if they are in compliance with applicable regulatory requirements imposed on them by federal and state regulatory authorities. Its subsidiaries may also be subject to credit agreements that also may restrict their ability to pay dividends. If such subsidiaries did not realise sufficient earnings to satisfy applicable regulatory requirements, or if such requirements were changed to further restrict the ability of such subsidiaries to pay dividends to Citigroup Inc., Citigroup Inc.'s ability to fulfil its obligations under the Notes issued by it may be adversely affected.

In addition, the ability of CGMFL to fulfil its obligations under any Notes issued by it (which Notes will not have the benefit of any guarantee of Citigroup Inc. but will have the benefit of a guarantee of the CGMFL Guarantor which is an indirect subsidiary of Citigroup Inc.) will be dependent on the group entities to which it on-lends the funds raised through the issue of such Notes performing their obligations in respect of such funding in a timely manner. Accordingly, investors in these Notes should consider the risk factors applicable to Citigroup Inc. and its subsidiaries as set out elsewhere in the Base Prospectus Risk Factors.

Under U.S. banking law, Citigroup Inc. may be required to apply its available funds to support the financial position of its banking subsidiaries, rather than to fulfil its obligations under the Notes.

Under longstanding policy of The Board of Governors of the U.S. Federal Reserve System, a bank holding company (such as Citigroup Inc.) is expected to act as a source of financial strength for its subsidiary banks and to commit resources to support such banks. As a result of that policy, Citigroup Inc. may be required to commit resources (in the form of investments or loans) to its subsidiary banks in amounts or at times that could adversely affect its ability to also fulfil its obligations under the Notes.

A reduction of the Issuer's and/or, where the Issuer is CGMFL, the CGMFL Guarantor's ratings may reduce the market value and liquidity of the relevant Notes).

Each rating agency may reduce or withdraw its ratings of an Issuer and/or the CGMFL Guarantor at any time in the future if, in its judgment, circumstances warrant a change. No rating agency is obligated to maintain its ratings at their current levels. If a rating agency reduces or withdraws its rating of an Issuer and/or, where the Issuer is CGMFL, the CGMFL Guarantor, the liquidity and market value of the Notes) of the Issuer are likely to be adversely affected.

Credit Ratings - Rating Agencies of the Issuers and the CGMFL Guarantor

S&P is not established in the European Union and has not applied for registration under the CRA Regulation. The S&P ratings have been endorsed by Standard & Poor's Credit Market Services Europe Ltd. Standard & Poor's Credit Market Services Europe Ltd. is established in the European Union and registered under the CRA Regulation. As such, Standard & Poor's Credit Market Services Europe Ltd. is included in the list of credit rating agencies published by the European Securities Market Authority (ESMA) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. ESMA has indicated that ratings issued in the United States of America which have been endorsed by Standard & Poor's Credit Market Services Europe Ltd. may be used in the European Union by the relevant market participants.

Moody's is not established in the European Union and has not applied for registration under the CRA Regulation. The Moody's ratings have been endorsed by Moody's Investors Service Ltd. in accordance with the CRA Regulation. Moody's Investors Service Ltd. is established in the European Union and registered under the CRA Regulation. As such, Moody's Investors Service Ltd. is included in the list of credit rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. ESMA has indicated that ratings issued in the United States of America which have been endorsed by Moody's Investors Service Ltd. may be used in the European Union by the relevant market participants.

Fitch is not established in the European Union and has not applied for registration under the CRA Regulation. The Fitch ratings have been endorsed by Fitch Ratings Limited in accordance with the CRA Regulation. Fitch Ratings Limited is established in the European Union and registered under the CRA Regulation. As such, Fitch Ratings Limited is included in the list of credit rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. ESMA has indicated that ratings issued in the United States of America which have been endorsed by Fitch Ratings Limited may be used in the European Union by the relevant market participants.

Citigroup Inc. has a long term/short term senior debt rating of A-/A-2 by S&P, Baa2/P-2 by Moody's and A/F1 by Fitch. In respect of the Notes where CGMFL is the Issuer, CGMFL has a long term/short term senior debt rating of A/A-1 by Standard & Poor's Financial Services LLC based on the CGMFL Deed of Guarantee. The rating of certain Tranche of Notes may be specified in the applicable Issue Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) will be disclosed in the applicable Issue Terms.

The following risk factors have been extracted from the "Risk Factors" section of the Annual Report on Form 10-K filed by Citigroup Inc. with the SEC on 1 March 2013 for the fiscal year ended 31 December 2012 and reproduced without material amendment and references therein to "Citigroup" and "Citi" are to "Citigroup Inc. and its Consolidated Subsidiaries" and other terms used but not defined therein are as defined in such Annual Report.

REGULATORY RISKS

Citi Faces Ongoing Significant Regulatory Changes and Uncertainties in the U.S. and Non-U.S. Jurisdictions in Which It Operates That Negatively Impact the Management of Its Businesses, Results of Operations and Ability to Compete.

Citi continues to be subject to significant regulatory changes and uncertainties both in the U.S. and the non-U.S. jurisdictions in which it operates. As discussed throughout this section, the complete scope and ultimate form of a number of provisions of The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (**Dodd-Frank Act**) and other regulatory initiatives in the U.S. are still being finalized and, even when finalized, will likely require significant interpretation and guidance. These regulatory changes and uncertainties are compounded by numerous regulatory initiatives underway in non-U.S. jurisdictions in which Citi operates. Certain of these initiatives, such as prohibitions or restrictions on proprietary trading or the requirement to establish "living wills", overlap with changes in the U.S., while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, currently do not. Even when U.S. and international initiatives overlap, in many instances they have not been undertaken on a coordinated basis and areas of divergence have developed with respect to scope, interpretation, timing, structure or approach.

Citi could be subject to additional regulatory requirements or changes beyond those currently proposed, adopted or contemplated, particularly given the ongoing heightened regulatory environment in which financial institutions operate. For example, in connection with their orderly liquidation authority under Title II of the Dodd-Frank Act, U.S. regulators may require that bank holding companies maintain a prescribed level of debt at the holding company level. In addition, under the Dodd-Frank Act, U.S. regulators may require additional collateral for inter-affiliate derivative and other credit transactions which, depending upon rulemaking and regulatory guidance, could be significant. There also continues to be discussion of potential GSE reform which would likely affect markets for mortgages and mortgage securities in ways that cannot currently be predicted. The heightened regulatory environment has resulted not only in a tendency toward more regulation, but toward the most prescriptive regulation as regulatory agencies have generally taken a conservative approach to rulemaking, interpretive guidance and their general ongoing supervisory authority.

Regulatory changes and uncertainties make Citi's business planning more difficult and could require Citi to change its business models or even its organizational structure, all of which could ultimately negatively impact Citi's results of operations as well as realization of its deferred tax assets (DTAs). For example, regulators have proposed applying limits to certain concentrations of risk, such as through single counterparty credit limits or legal lending limits, and implementation of such limits currently or in the future could require Citi to restructure client or counterparty relationships and could result in the potential loss of clients.

Further, certain regulatory requirements could require Citi to create new subsidiaries instead of branches in foreign jurisdictions, or create subsidiaries to conduct particular businesses or operations (so-called "subsidiarization"). This could, among other things, negatively impact Citi's global capital and liquidity management and overall cost structure. Unless and until there is sufficient regulatory certainty, Citi's business planning and proposed pricing for affected businesses necessarily include assumptions based on possible or proposed rules or requirements, and incorrect assumptions could impede Citi's ability to effectively implement and comply with final requirements in a timely manner. Business planning is further complicated by the continual need to review and evaluate the impact on Citi's businesses of ongoing rule proposals and final rules and interpretations from numerous regulatory bodies, all within compressed timeframes.

Citi's costs associated with implementation of, as well as the ongoing, extensive compliance costs associated with, new regulations or regulatory changes will likely be substantial and will negatively impact Citi's results of operations. Given the continued regulatory uncertainty, however, the ultimate amount and timing of such impact going forward cannot be predicted. Also, compliance with inconsistent, conflicting or duplicative regulations, either within the U.S. or between the U.S. and non-U.S. jurisdictions, could further increase the impact on Citi. For example, the Dodd-Frank Act provided for the elimination of "federal preemption" with respect to the operating subsidiaries of federally chartered institutions such as Citibank, N.A., which allows for a broader application of state consumer finance laws to such subsidiaries. As a result, Citi is now required to conform the consumer businesses conducted by operating subsidiaries of Citibank, N.A. to a variety of potentially conflicting or inconsistent state laws not previously applicable, such as laws imposing customer fee restrictions or requiring additional consumer disclosures. Failure to comply with these or other regulatory changes could further increase Citi's costs or otherwise harm Citi's reputation.

Uncertainty persists regarding the competitive impact of these new regulations. Citi could be subject to more stringent regulations, or could incur additional compliance costs, compared to its U.S. competitors because of its global footprint. In addition, certain other financial intermediaries may not be regulated on the same basis or to the same extent as Citi and consequently may have certain competitive advantages. Moreover, Citi could be subject to more, or more stringent, regulations than its foreign competitors because of several U.S. regulatory initiatives, particularly with respect to Citi's non-U.S. operations. Differences in substance and severity of regulations across jurisdictions could significantly reduce Citi's ability to compete with its U.S. and non-U.S. competitors and further negatively impact Citi's results of operations. For example, Citi conducts a substantial portion of its derivatives activities through Citibank, N.A. Pursuant to the CFTC's current and proposed rules on cross-border implications of the new derivatives registration and trading requirements under the Dodd-Frank Act, clients who transact their derivatives business with overseas branches of Citibank, N.A. could be subject to U.S. registration and other derivatives requirements. Clients of Citi and other large U.S. financial institutions have expressed an unwillingness to continue to deal with overseas branches of U.S. banks if the rules would subject them to these requirements. As a result, Citi could lose clients to non-U.S. financial institutions that are not subject to the same compliance regime.

Continued Uncertainty Regarding the Timing and Implementation of Future Regulatory Capital Requirements Makes It Difficult to Determine the Ultimate Impact of These Requirements on Citi's Businesses and Results of Operations and Impedes Long-Term Capital Planning.

During 2012, U.S. regulators proposed the U.S. Basel III rules that would be applicable to Citigroup and its depository institution subsidiaries, including Citibank, N.A. U.S. regulators also adopted final rules relating to Basel II.5 market risk that were effective on 1 January 2013. This new regulatory capital regime will increase the level of capital required to be held by Citi, not only with respect to the quantity and quality of capital (such as capital required to be held in the form of common equity), but also as a result of increasing Citi's overall risk-weighted assets.

There continues to be significant uncertainty regarding the overall timing and implementation of the final U.S. regulatory capital rules. For example, while the U.S. Basel III rules have been proposed, additional rulemaking and interpretation is necessary to adopt and implement the final rules. Overall implementation

phase-in will also need to be finalized by U.S. regulators, and it remains to be seen how U.S. regulators will address the interaction between the new capital adequacy rules, Basel I, Basel II, Basel II.5 and the proposed "standardized" approach serving as a "floor" to the capital requirements of "advanced approaches" institutions, such as Citigroup. (For additional information on the current and proposed regulatory capital standards applicable to Citi, see "*Capital Resources and Liquidity – Capital Resources – Regulatory Capital Standards*" above.) As a result, the ultimate impact of this new regime on Citi's businesses and results of operations cannot currently be estimated.

Based on the proposed regulatory capital regime, the level of capital required to be held by Citi will likely be higher than most of its U.S. and non-U.S. competitors, including as a result of the level of DTAs recorded on Citi's balance sheet and its strategic focus on emerging markets (which could result in Citi having higher risk-weighted assets under Basel III than those of its global competitors that either lack presence in, or are less focused on, such markets). In addition, while the Federal Reserve Board has yet to finalize any capital surcharge framework for U.S. "global systemically important banks" (**G-SIBs**), Citi is currently expected to be subject to a surcharge of 2.5 per cent., which will likely be higher than the surcharge applicable to most of Citi's U.S. and non-U.S. competitors. Competitive impacts of the proposed regulatory capital regime could further negatively impact Citi's businesses and results of operations.

Citi's estimated Basel III capital ratios necessarily reflect management's understanding, expectations and interpretation of the proposed U.S. Basel III requirements as well as existing implementation guidance. Furthermore, Citi must incorporate certain enhancements and refinements to its Basel II.5 market risk models, as required by both the Federal Reserve Board and the OCC, in order to retain the risk-weighted asset benefits associated with the conditional approvals received for such models. Citi must also separately obtain final approval from these agencies for the use of certain credit risk models that would also yield reduced risk-weighted assets, in part, under Basel III.

All of these uncertainties make long-term capital planning by Citi's management challenging. If management's estimates and assumptions with respect to these or other aspects of U.S. Basel III implementation are not accurate, or if Citi fails to incorporate the required enhancement and refinements to its models as required by the Federal Reserve Board and the OCC, then Citi's ability to meet its future regulatory capital requirements as it projects or as required could be negatively impacted, or the business and financial consequences of doing so could be more adverse than expected.

The Ongoing Implementation of Derivatives Regulation Under the Dodd-Frank Act Could Adversely Affect Citi's Derivatives Businesses, Increase Its Compliance Costs and Negatively Impact Its Results of Operations.

Derivatives regulations under the Dodd-Frank Act have impacted and will continue to substantially impact the derivatives markets by, among other things: (i) requiring extensive regulatory and public reporting of derivatives transactions; (ii) requiring a wide range of over-the-counter derivatives to be cleared through recognized clearing facilities and traded on exchanges or exchange-like facilities; (iii) requiring the collection and segregation of collateral for most uncleared derivatives; and (iv) significantly broadening limits on the size of positions that may be maintained in specified derivatives. These market structure reforms will make trading in many derivatives products more costly, may significantly reduce the liquidity of certain derivatives markets and could diminish customer demand for covered derivatives. These changes could negatively impact Citi's results of operations in its derivatives businesses.

Numerous aspects of the new derivatives regime require costly and extensive compliance systems to be put in place and maintained. For example, under the new derivatives regime, certain of Citi's subsidiaries have registered as "swap dealers", thus subjecting them to extensive ongoing compliance requirements, such as electronic recordkeeping (including recording telephone communications), real-time public transaction reporting and external business conduct requirements (e.g., required swap counterparty disclosures), among others. These requirements require the successful and timely installation of extensive technological and operational systems and compliance infrastructure, and Citi's failure to effectively install such systems

subject it to increased compliance risks and costs which could negatively impact its earnings and result in regulatory or reputational risk. Further, new derivatives-related systems and infrastructure will likely become the basis on which institutions such as Citi compete for clients. To the extent that Citi's connectivity, product offerings or services for clients in these businesses is deficient, this could further negatively impact Citi's results of operations

Additionally, while certain of the derivatives regulations under the Dodd-Frank Act have been finalized, the rulemaking process is not complete, significant interpretive issues remain to be resolved and the timing for the effectiveness of many of these requirements is not yet clear. Depending on how the uncertainty is resolved, certain outcomes could negatively impact Citi's competitive position in these businesses, both with respect to the cross-border aspects of the U.S. rules as well as with respect to the international coordination and timing of various non-U.S. derivatives regulatory reform efforts. For example, in mid-2012, the European Union (EU) adopted the European Market Infrastructure Regulation which requires, among other things, information on all European derivative transactions be reported to trade repositories and certain counterparties to clear "standardized" derivatives contracts through central counterparties. Many of these non-U.S. reforms are likely to take effect after the corresponding provisions of the Dodd-Frank Act and, as a result, it is uncertain whether they will be similar to those in the U.S. or will impose different, additional or even inconsistent requirements on Citi's derivatives activities. Complications due to the sequencing of the effectiveness of derivatives reform, both among different components of the Dodd-Frank Act and between the U.S. and other jurisdictions, could result in disruptions to Citi's operations and make it more difficult for Citi to compete in these businesses.

The Dodd-Frank Act also contains a so-called "push-out" provision that, to date, has generally been interpreted to prevent FDIC-insured depository institutions from dealing in certain equity, commodity and credit-related derivatives, although the ultimate scope of the provision is not certain. Citi currently conducts a substantial portion of its derivatives-dealing activities within and outside the U.S. through Citibank, N.A., its primary insured depository institution. The costs of revising customer relationships and modifying the organizational structure of Citi's businesses or the subsidiaries engaged in these businesses remain unknown and are subject to final regulations or regulatory interpretations, as well as client expectations. While this push-out provision is to be effective in July 2013, U.S. regulators may grant up to an initial two-year transition period to each depository institution. In January 2013, Citi applied for an initial two-year transition period for Citibank, N.A. The timing of any approval of a transition period request, or any parameters imposed on a transition period, remains uncertain. In addition, to the extent that certain of Citi's competitors already conduct these derivatives activities outside of FDIC-insured depository institutions, Citi would be disproportionately impacted by any restructuring of its business for push-out purposes. Moreover, the extent to which Citi's non-U.S. operations will be impacted by the push-out provision remains unclear, and it is possible that Citi could lose market share or profitability in its derivatives business or client relationships in jurisdictions where foreign bank competitors can operate without the same constraints.

It Is Uncertain What Impact the Proposed Restrictions on Proprietary Trading Activities Under the Volcker Rule Will Have on Citi's Market-Making Activities and Preparing for Compliance with the Proposed Rules Necessarily Subjects Citi to Additional Compliance Risks and Costs.

The "Volcker Rule" provisions of the Dodd-Frank Act are intended in part to restrict the proprietary trading activities of institutions such as Citi. While the five regulatory agencies required to adopt rules to implement the Volcker Rule have each proposed their rules, none of the agencies has adopted final rules. Instead, in July 2012, the regulatory agencies instructed applicable institutions, including Citi, to engage in "good faith efforts" to be in compliance with the Volcker Rule by July 2014. Because the regulations are not yet final, the degree to which Citi's market-making activities will be permitted to continue in their current form remains uncertain. In addition, the proposed rules and any restrictions imposed by final regulations will also likely affect Citi's trading activities globally, and thus will impact it disproportionately in comparison to foreign financial institutions that will not be subject to the Volcker Rule with respect to all of their activities outside of the U.S.

As a result of this continued uncertainty, preparing for compliance based only on proposed rules necessarily requires Citi to make certain assumptions about the applicability of the Volcker Rule to its businesses and operations. For example, as proposed, the regulations contain exceptions for market-making, underwriting, risk-mitigating hedging, certain transactions on behalf of customers and activities in certain asset classes, and require that certain of these activities be designed not to encourage or reward "proprietary risk taking". Because the regulations are not yet final, Citi is required to make certain assumptions as to the degree to which Citi's activities in these areas will be permitted to continue. If these assumptions are not accurate, Citi could be subject to additional compliance risks and costs and could be required to undertake such compliance on a more compressed time frame when regulators issue final rules. In addition, the proposed regulations would require an extensive compliance regime for the "permitted" activities under the Volcker Rule. Citi's implementation of this compliance regime will be based on its "good faith" interpretation and understanding of the proposed regulations, and to the extent its interpretation or understanding is not correct, Citi could be subject to additional compliance risks and costs.

Like the other areas of ongoing regulatory reform, alternative proposals for the regulation of proprietary trading are developing in non-U.S. jurisdictions, leading to overlapping or potentially conflicting regimes. For example, in the U.K., the so-called "Vickers" proposal would separate investment and commercial banking activity from retail banking and would require ring-fencing of U.K. domestic retail banking operations coupled with higher capital requirements for the ring-fenced assets. In the EU, the so-called "Liikanen" proposal would require the mandatory separation of proprietary trading and other significant trading activities into a trading entity legally separate from the legal entity holding the banking activities of a firm. It is likely that, given Citi's worldwide operations, some form of the Vickers and/or Liikanen proposals will eventually be applicable to a portion of Citi's operations. While the Volcker Rule and these non-U.S. proposals are intended to address similar concerns—separating the perceived risks of proprietary trading and certain other investment banking activities in order not to affect more traditional banking and retail activities—they would do so under different structures, resulting in inconsistent regulatory regimes and increased compliance and other costs for a global institution such as Citi.

Regulatory Requirements in the U.S. and in Non-U.S. Jurisdictions to Facilitate the Future Orderly Resolution of Large Financial Institutions Could Negatively Impact Citi's Business Structures, Activities and Practices.

The Dodd-Frank Act requires Citi to prepare and submit annually a plan for the orderly resolution of Citigroup (the bank holding company) under the U.S. Bankruptcy Code in the event of future material financial distress or failure. Citi is also required to prepare and submit a resolution plan for its insured depository institution subsidiary, Citibank, N.A., and to demonstrate how Citibank is adequately protected from the risks presented by non-bank affiliates. These plans must include information on resolution strategy, major counterparties and "interdependencies", among other things, and require substantial effort, time and cost across all of Citi's businesses and geographies. These resolution plans are subject to review by the Federal Reserve Board and the FDIC.

If the Federal Reserve Board and the FDIC both determine that Citi's resolution plans are not "credible" (which, although not defined, is generally believed to mean the regulators do not believe the plans are feasible or would otherwise allow the regulators to resolve Citi in a way that protects systemically important functions without severe systemic disruption and without exposing taxpayers to loss), and Citi does not remedy the deficiencies within the required time period, Citi could be required to restructure or reorganize businesses, legal entities, or operational systems and intracompany transactions in ways that could negatively impact its operations, or be subject to restrictions on growth. Citi could also eventually be subjected to more stringent capital, leverage or liquidity requirements, or be required to divest certain assets or operations.

In addition, other jurisdictions, such as the U.K., have requested or are expected to request resolution plans from financial institutions, including Citi, and the requirements and timing relating to these plans are different from the U.S. requirements and from each other. Responding to these additional requests will

require additional effort, time and cost, and regulatory review and requirements in these jurisdictions could be in addition to, or conflict with, changes required by Citi's regulators in the U.S.

Additional Regulations with Respect to Securitizations Will Impose Additional Costs, Increase Citi's Potential Liability and May Prevent Citi from Performing Certain Roles in Securitizations.

Citi plays a variety of roles in asset securitization transactions, including acting as underwriter of asset-backed securities, depositor of the underlying assets into securitization vehicles, trustee to securitization vehicles and counterparty to securitization vehicles under derivative contracts. The Dodd-Frank Act contains a number of provisions that affect securitizations. These provisions include, among others, a requirement that securitizers in certain transactions retain un-hedged exposure to at least 5 per cent. of the economic risk of certain assets they securitize and a prohibition on securitization participants engaging in transactions that would involve a conflict with investors in the securitization. Many of these requirements have yet to be finalized. The SEC has also proposed additional extensive regulation of both publicly and privately offered securitization transactions through revisions to the registration, disclosure, and reporting requirements for asset-backed securities and other structured finance products. Moreover, the proposed capital adequacy regulations (see "*Capital Resources and Liquidity—Capital Resources—Regulatory Capital Standards*" above) are likely to increase the capital required to be held against various exposures to securitizations.

The cumulative effect of these extensive regulatory changes as well as other potential future regulatory changes cannot currently be assessed. It is likely, however, that these various measures will increase the costs of executing securitization transactions, and could effectively limit Citi's overall volume of, and the role Citi may play in, securitizations, expose Citi to additional potential liability for securitization transactions and make it impractical for Citi to execute certain types of securitization transactions it previously executed. As a result, these effects could impair Citi's ability to continue to earn income from these transactions or could hinder Citi's ability to use such transactions to hedge risks, reduce exposures or reduce assets with adverse risk-weighting in its businesses, and those consequences could affect the conduct of these businesses. In addition, certain sectors of the securitization markets, particularly residential mortgage-backed securitizations, have been inactive or experienced dramatically diminished transaction volumes since the financial crisis. The impact of various regulatory reform measures could negatively delay or restrict any future recovery of these sectors of the securitization markets, and thus the opportunities for Citi to participate in securitization transactions in such sectors.

MARKET AND ECONOMIC RISKS

There Continues to Be Significant Uncertainty Arising from the Ongoing Eurozone Debt and Economic Crisis, Including the Potential Outcomes That Could Occur and the Impact Those Outcomes Could Have on Citi's Businesses, Results of Operations or Financial Condition, as well as the Global Financial Markets and Financial Conditions Generally.

Several European countries, including Greece, Ireland, Italy, Portugal and Spain (**GIIPS**), continue to experience credit deterioration due to weaknesses in their economic and fiscal situations. Concerns have been raised, both within the European Monetary Union (**EMU**) as well as internationally, as to the financial, political and legal effectiveness of measures taken to date, and the ability of these countries to adhere to any required austerity, reform or similar measures. These ongoing conditions have caused, and are likely to continue to cause, disruptions in the global financial markets, particularly if they lead to any future sovereign debt defaults and/or significant bank failures or defaults in the Eurozone.

The impact of the ongoing Eurozone debt and economic crisis and other developments in the EMU could be even more significant if they lead to a partial or complete break-up of the EMU. The exit of one or more member countries from the EMU could result in certain obligations relating to the exiting country being redenominated from the Euro to a new country currency. Redenomination could be accompanied by immediate revaluation of the new currency as compared to the Euro and the U.S. dollar, the extent of which would depend on the particular facts and circumstances. Any such redenomination/revaluation would cause

significant legal and other uncertainty with respect to outstanding obligations of counterparties and debtors in any exiting country, whether sovereign or otherwise, and would likely lead to complex, lengthy litigation. Redenomination/revaluation could also be accompanied by the imposition of exchange and/or capital controls, required functional currency changes and "deposit flight."

The ongoing Eurozone debt and economic crisis has created, and will continue to create, significant uncertainty for Citi and the global economy. Any occurrence or combination of the events described above could negatively impact Citi's businesses, results of operations and financial condition, both directly through its own exposures as well as indirectly. For example, at times, Citi has experienced widening of its credit spreads and thus increased costs of funding due to concerns about its Eurozone exposure. In addition, U.S. regulators could impose mandatory loan loss and other reserve requirements on U.S. financial institutions, including Citi, if a particular country's economic situation deteriorates below a certain level, which could negatively impact Citi's earnings, perhaps significantly. Citi's businesses, results of operations and financial condition could also be negatively impacted due to a decline in general global economic conditions as a result of the ongoing Eurozone crises, particularly given its global footprint and strategy. In addition to the uncertainties and potential impacts described above, the ongoing Eurozone crisis and/or partial or complete break-up of the EMU could cause, among other things, severe disruption to global equity markets, significant increases in bond yields generally, potential failure or default of financial institutions (including those of systemic importance), a significant decrease in global liquidity, a freeze-up of global credit markets and worldwide recession.

While Citi endeavors to mitigate its credit and other exposures related to the Eurozone, the potential outcomes and impact of those outcomes resulting from the Eurozone crisis are highly uncertain and will ultimately be based on the specific facts and circumstances. As a result, there can be no assurance that the various steps Citi has taken to protect its businesses, results of operations and financial condition against these events will be sufficient. In addition, there could be negative impacts to Citi's businesses, results of operations or financial condition that are currently unknown to Citi and thus cannot be mitigated as part of its ongoing contingency planning. For additional information on these matters, see "*Managing Global Risk—Country Risk*" below.

The Continued Uncertainty Relating to the Sustainability and Pace of Economic Recovery in the U.S. and Globally Could Have a Negative Impact on Citi's Businesses and Results of Operations. Moreover, Any Significant Global Economic Downturn or Disruption, Including a Significant Decline in Global Trade Volumes, Could Materially and Adversely Impact Citi's Businesses, Results of Operations and Financial Condition.

Like other financial institutions, Citi's businesses have been, and could continue to be, negatively impacted by the uncertainty surrounding the sustainability and pace of economic recovery in the U.S. as well as globally. This continued uncertainty has impacted, and could continue to impact, the results of operations in, and growth of, Citi's businesses. Among other impacts, continued economic concerns can negatively affect Citi's ICG businesses, as clients cut back on trading and other business activities, as well as its Consumer businesses, including its credit card and mortgage businesses, as continued high levels of unemployment can impact payment and thus delinquency and loss rates. Fiscal and monetary actions taken by U.S. and non-U.S. government and regulatory authorities to spur economic growth or otherwise, such as by maintaining a low interest rate environment, can also have an impact on Citi's businesses and results of operations. For example, actions by the Federal Reserve Board can impact Citi's cost of funds for lending, investing and capital raising activities and the returns it earns on those loans and investments, both of which affect Citi's net interest margin.

Moreover, if a severe global economic downturn or other major economic disruption were to occur, including a significant decline in global trade volumes, Citi would likely experience substantial loan and other losses and be required to significantly increase its loan loss reserves, among other impacts. A global trade disruption that results in a permanently reduced level of trade volumes and increased costs of global trade, whether as a result of a prolonged "trade war" or some other reason, could significantly impact trade

financing activities, certain trade dependent economies (such as the emerging markets in Asia) as well as certain industries heavily dependent on trade, among other things. Given Citi's global strategy and focus on the emerging markets, such a downturn and decrease in global trade volumes could materially and adversely impact Citi's businesses, results of operation and financial condition, particularly as compared to its competitors. This could include, among other things, a potential that any such losses would not be tax benefitted, given the current environment.

Concerns About the Level of U.S. Government Debt and a Downgrade (or a Further Downgrade) of the U.S. Government Credit Rating Could Negatively Impact Citi's Businesses, Results of Operations, Capital, Funding and Liquidity.

Concerns about the level of U.S. government debt and uncertainty relating to fiscal actions that may be taken to address these and related issues have, and could continue to, adversely affect Citi. In 2011, Standard & Poor's lowered its long-term sovereign credit rating on the U.S. government from AAA to AA+, and Moody's and Fitch both placed such rating on negative outlook.

According to the credit rating agencies, these actions resulted from the high level of U.S. government debt and the continued inability of Congress to reach an agreement to ensure payment of U.S. government debt and reduce the U.S. debt level. Among other things, a future downgrade (or further downgrade) of U.S. debt obligations or U.S. government-related obligations, or concerns that such a downgrade might occur, could negatively affect Citi's ability to obtain funding collateralized by such obligations and the pricing of such funding as well as the pricing or availability of Citi's funding as a U.S. financial institution. Any further downgrade could also have a negative impact on financial markets and economic conditions generally and, as a result, could have a negative impact on Citi's businesses, results of operations, capital, funding and liquidity.

Citi's Extensive Global Network Subjects It to Various International and Emerging Markets Risks as well as Increased Compliance and Regulatory Risks and Costs.

During 2012, international revenues accounted for approximately 57 per cent. of Citi's total revenues. In addition, revenues from the emerging markets (which Citi generally defines as the markets in *Asia* (other than Japan, Australia and New Zealand), the Middle East, Africa and central and eastern European countries in *EMEA* and the markets in *Latin America*) accounted for approximately 44 per cent. of Citi's total revenues in 2012.

Citi's extensive global network subjects it to a number of risks associated with international and emerging markets, including, among others, sovereign volatility, political events, foreign exchange controls, limitations on foreign investment, socio-political instability, nationalization, closure of branches or subsidiaries and confiscation of assets. For example, Citi operates in several countries, such as Argentina and Venezuela, with strict foreign exchange controls that limit its ability to convert local currency into U.S. dollars and/or transfer funds outside the country. In such cases, Citi could be exposed to a risk of loss in the event that the local currency devalues as compared to the U.S. dollar (see "*Managing Global Risk—Country and Cross-Border Risk*" below). There have also been instances of political turmoil and other instability in some of the countries in which Citi operates, including in certain countries in the Middle East and Africa, to which Citi has responded by transferring assets and relocating staff members to more stable jurisdictions. Similar incidents in the future could place Citi's staff and operations in danger and may result in financial losses, some significant, including nationalization of Citi's assets.

Additionally, given its global focus, Citi could be disproportionately impacted as compared to its competitors by an economic downturn in the international and/or emerging markets, whether resulting from economic conditions within these markets, the ripple effect of the ongoing Eurozone crisis, the global economy generally or otherwise. If a particular country's economic situation were to deteriorate below a certain level, U.S. regulators could impose mandatory loan loss and other reserve requirements on Citi, which could negatively impact its earnings, perhaps significantly. In addition, countries such as China, Brazil and India,

each of which are part of Citi's emerging markets strategy, have recently experienced uncertainty over the pace and extent of future economic growth. Lower or negative growth in these or other emerging market economies could make execution of Citi's global strategy more challenging and could adversely affect Citi's results of operations.

Citi's extensive global operations also increase its compliance and regulatory risks and costs. For example, Citi's operations in emerging markets subject it to higher compliance risks under U.S. regulations primarily focused on various aspects of global corporate activities, such as anti-money-laundering regulations and the Foreign Corrupt Practices Act, which can be more acute in less developed markets and thus require substantial investment in compliance infrastructure. Any failure by Citi to comply with applicable U.S. regulations, as well as the regulations in the countries and markets in which it operates as a result of its global footprint, could result in fines, penalties, injunctions or other similar restrictions, any of which could negatively impact Citi's earnings and its general reputation. Further, Citi provides a wide range of financial products and services to the U.S. and other governments, to multi-national corporations and other businesses, and to prominent individuals and families around the world. The actions of these clients involving the use of Citi products or services could result in an adverse impact on Citi, including adverse regulatory and reputational impact.

LIQUIDITY RISKS

The Maintenance of Adequate Liquidity Depends on Numerous Factors, Including Those Outside of Citi's Control such as Market Disruptions and Increases in Citi's Credit Spreads.

As a global financial institution, adequate liquidity and sources of funding are essential to Citi's businesses. Citi's liquidity and sources of funding can be significantly and negatively impacted by factors it cannot control, such as general disruptions in the financial markets or negative perceptions about the financial services industry in general, or negative investor perceptions of Citi's liquidity, financial position or creditworthiness in particular. Market perception of sovereign default risks, including those arising from the ongoing Eurozone debt crisis, can also lead to inefficient money markets and capital markets, which could further impact Citi's availability and cost of funding.

In addition, Citi's cost and ability to obtain deposits, secured funding and long-term unsecured funding from the credit and capital markets are directly related to its credit spreads. Changes in credit spreads constantly occur and are market-driven, including both external market factors and factors specific to Citi, and can be highly volatile. Citi's credit spreads may also be influenced by movements in the costs to purchasers of credit default swaps referenced to Citi's long-term debt, which are also impacted by these external and Citi-specific factors. Moreover, Citi's ability to obtain funding may be impaired if other market participants are seeking to access the markets at the same time, or if market appetite is reduced, as is likely to occur in a liquidity or other market crisis. In addition, clearing organizations, regulators, clients and financial institutions with which Citi interacts may exercise the right to require additional collateral based on these market perceptions or market conditions, which could further impair Citi's access to and cost of funding.

As a holding company, Citigroup relies on dividends, distributions and other payments from its subsidiaries to fund dividends as well as to satisfy its debt and other obligations. Several of Citigroup's subsidiaries are subject to capital adequacy or other regulatory or contractual restrictions on their ability to provide such payments. Limitations on the payments that Citigroup receives from its subsidiaries could also impact its liquidity.

For additional information on Citi's funding and liquidity, including Basel III regulatory liquidity standards, see "*Capital Resources and Liquidity—Funding and Liquidity—Liquidity Management, Measures and Stress Testing*" above.

The Credit Rating Agencies Continuously Review the Ratings of Citi and Certain of Its Subsidiaries, and Reductions in Citi's or Its More Significant Subsidiaries' Credit Ratings Could Have a Negative Impact

on Citi's Funding and Liquidity Due to Reduced Funding Capacity, Including Derivatives Triggers That Could Require Cash Obligations or Collateral Requirements.

The credit rating agencies, such as Fitch, Moody's and S&P, continuously evaluate Citi and certain of its subsidiaries, and their ratings of Citi's and its more significant subsidiaries' long-term/senior debt and short-term/ commercial paper, as applicable, are based on a number of factors, including financial strength, as well as factors not entirely within the control of Citi and its subsidiaries, such as the agencies' proprietary rating agency methodologies and assumptions and conditions affecting the financial services industry and markets generally.

Citi and its subsidiaries may not be able to maintain their current respective ratings. A ratings downgrade by Fitch, Moody's or S&P could negatively impact Citi's ability to access the capital markets and other sources of funds as well as the costs of those funds, and its ability to maintain certain deposits. A ratings downgrade could also have a negative impact on Citi's funding and liquidity due to reduced funding capacity, including derivative triggers, which could take the form of cash obligations and collateral requirements. In addition, a ratings downgrade could also have a negative impact on other funding sources, such as secured financing and other margined transactions for which there are no explicit triggers, as well as on contractual provisions which contain minimum ratings thresholds in order for Citi to hold third-party funds.

Moreover, credit ratings downgrades can have impacts which may not be currently known to Citi or which are not possible to quantify. For example, some entities may have ratings limitations as to their permissible counterparties, of which Citi may or may not be aware. In addition, certain of Citi's corporate customers and trading counterparties, among other clients, could re-evaluate their business relationships with Citi and limit the trading of certain contracts or market instruments with Citi in response to ratings downgrades. Changes in customer and counterparty behavior could impact not only Citi's funding and liquidity but also the results of operations of certain Citi businesses. For additional information on the potential impact of a reduction in Citi's or Citibank, N.A.'s credit ratings, see "*Capital Resources and Liquidity—Funding and Liquidity—Credit Ratings*" above.

LEGAL RISKS

Citi Is Subject to Extensive Legal and Regulatory Proceedings, Investigations, and Inquiries That Could Result in Substantial Losses. These Matters Are Often Highly Complex and Slow to Develop, and Results Are Difficult to Predict or Estimate.

At any given time, Citi is defending a significant number of legal and regulatory proceedings and is subject to numerous governmental and regulatory examinations, investigations and other inquiries. These proceedings, examinations, investigations and inquiries could result, individually or collectively, in substantial losses.

In the wake of the financial crisis of 2007–2009, the frequency with which such proceedings, investigations and inquiries are initiated, and the severity of the remedies sought, have increased substantially, and the global judicial, regulatory and political environment has generally become more hostile to large financial institutions such as Citi. Many of the proceedings, investigations and inquiries involving Citi relating to events before or during the financial crisis have not yet been resolved, and additional proceedings, investigations and inquiries relating to such events may still be commenced. In addition, heightened expectations by regulators and other enforcement authorities for strict compliance could also lead to more regulatory and other enforcement proceedings seeking greater sanctions for financial institutions such as Citi.

For example, Citi is currently subject to extensive legal and regulatory inquiries, actions and investigations relating to its historical mortgage-related activities, including claims regarding the accuracy of offering documents for residential mortgage-backed securities and alleged breaches of representation and warranties relating to the sale of mortgage loans or the placement of mortgage loans into securitization trusts (for additional information on representation and warranty matters, see "*Managing Global Risk—Credit Risk—*

Citigroup Residential Mortgages—Representations and Warranties" below). Citi is also subject to extensive legal and regulatory inquiries, actions and investigations relating to, among other things, submissions made by Citi and other panel banks to bodies that publish various interbank offered rates, such as the London Inter-Bank Offered Rate (**LIBOR**), or other rates or benchmarks. Like other banks with operations in the U.S., Citi is also subject to continuing oversight by the OCC and other bank regulators, and inquiries and investigations by other governmental and regulatory authorities, with respect to its anti-money laundering program. Other banks subject to similar or the same inquiries, actions or investigations have incurred substantial liability in relation to their activities in these areas, including in a few cases criminal convictions or deferred prosecution agreements respecting corporate entities as well as substantial fines and penalties.

Moreover, regulatory changes resulting from the Dodd-Frank Act and other recent regulatory changes—such as the limitations on federal preemption in the consumer arena, the creation of the Consumer Financial Protection Bureau with its own examination and enforcement authority and the “whistle-blower” provisions of the Dodd-Frank Act—could further increase the number of legal and regulatory proceedings against Citi. In addition, while Citi takes numerous steps to prevent and detect employee misconduct, such as fraud, employee misconduct cannot always be deterred or prevented and could subject Citi to additional liability.

All of these inquiries, actions and investigations have resulted in, and will continue to result in, significant time, expense and diversion of management’s attention. In addition, proceedings brought against Citi may result in adverse judgments, settlements, fines, penalties, restitution, disgorgement, injunctions, business improvement orders or other results adverse to it, which could materially and negatively affect Citi’s businesses, financial condition or results of operations, require material changes in Citi’s operations, or cause Citi reputational harm. Moreover, many large claims asserted against Citi are highly complex and slow to develop, and they may involve novel or untested legal theories. The outcome of such proceedings is difficult to predict or estimate until late in the proceedings, which may last several years. In addition, certain settlements are subject to court approval and may not be approved. Although Citi establishes accruals for its legal and regulatory matters according to accounting requirements, the amount of loss ultimately incurred in relation to those matters may be substantially higher than the amounts accrued. For additional information relating to Citi’s legal and regulatory proceedings, see Note 28 to the Consolidated Financial Statements.

BUSINESS AND OPERATIONAL RISKS

The Remaining Assets in Citi Holdings Will Likely Continue to Have a Negative Impact on Citi’s Results of Operations and Its Ability to Utilize the Capital Supporting the Remaining Assets in Citi Holdings for More Productive Purposes.

As of 31 December 2012, the remaining assets within Citi Holdings constituted approximately 8 per cent. of Citigroup’s GAAP assets and 15 per cent. of its risk-weighted assets (as defined under current regulatory guidelines). Also as of 31 December 2012, *LCL* constituted approximately 81 per cent. of Citi Holdings assets, of which approximately 73 per cent. consisted of legacy U.S. mortgages which had an estimated weighted average life of six years.

The pace of the wind-down of the remaining assets within Citi Holdings has slowed as Citi has disposed of certain of the larger businesses within this segment. While Citi’s strategy continues to be to reduce the remaining assets in Citi Holdings as quickly as practicable in an economically rational manner, sales of the remaining assets could largely depend on factors outside of Citi’s control, such as market appetite and buyer funding. Assets that are not sold will continue to be subject to ongoing run-off and paydowns. As a result, Citi Holdings’ remaining assets will likely continue to have a negative impact on Citi’s overall results of operations. Moreover, Citi’s ability to utilize the capital supporting the remaining assets within Citi Holdings and thus use such capital for more productive purposes, including return of capital to shareholders, will also depend on the ultimate pace and level of the wind-down of Citi Holdings.

Citi's Ability to Return Capital to Shareholders Is Dependent in Part on the CCAR Process and the Results of Required Regulatory Stress Tests and Other Governmental Approvals.

In addition to Board of Directors' approval, any decision by Citi to return capital to shareholders, whether through an increase in its common stock dividend or by initiating a share repurchase program, is dependent in part on regulatory approval, including annual regulatory review of the results of the Comprehensive Capital Analysis and Review (CCAR) process required by the Federal Reserve Board and the supervisory stress tests required under the Dodd-Frank Act. Restrictions on Citi's ability to increase its common stock dividend or engage in share repurchase programs as a result of these processes has, and could in the future, negatively impact market perceptions of Citi.

Citi's ability to accurately predict or explain to stakeholders the outcome of the CCAR process, and thus address any such market perceptions, is hindered by the Federal Reserve Board's use of proprietary stress test models. In 2013, for the first time there will also be a requirement for Citi to publish, in March and September, certain stress test results (as prescribed by the Federal Reserve Board) that will be based on Citi's own stress tests models. The Federal Reserve Board will disclose, in March, certain results based on its proprietary stress test models. Because it is not clear how these proprietary models may differ from Citi's models, it is likely that Citi's stress test results using its own models may not be consistent with those eventually disclosed by the Federal Reserve Board, thus potentially leading to additional confusion and impacts to Citi's perception in the market.

In addition, pursuant to Citi's agreement with the FDIC entered into in connection with exchange offers consummated in July and September 2009, Citi remains subject to dividend and share repurchase restrictions for as long as the FDIC continues to hold any Citi trust preferred securities acquired in connection with the exchange offers. While these restrictions may be waived, they generally prohibit Citi from paying regular cash dividends in excess of \$0.01 per share of common stock per quarter or from redeeming or repurchasing any Citi equity securities, which includes its common stock or trust preferred securities. As of 15 February 2013, the FDIC continued to hold approximately \$2.225 billion of trust preferred securities issued in connection with the exchange offers (which become redeemable on July 30, 2014).

Citi May Be Unable to Reduce Its Level of Expenses as It Expects, and Investments in Its Businesses May Not Be Productive.

Citi continues to pursue a disciplined expense-management strategy, including re-engineering, restructuring operations and improving the efficiency of functions. In December 2012, Citi announced a series of repositioning actions designed to further reduce its expenses and improve its efficiency. However, there is no guarantee that Citi will be able to reduce its level of expenses, whether as a result of the recently-announced repositioning actions or otherwise, in the future. Citi's ultimate expense levels also depend, in part, on factors outside of its control. For example, as a result of the extensive legal and regulatory proceedings and inquiries to which Citi is subject, Citi's legal and related costs remain elevated, have been, and are likely to continue to be, subject to volatility and are difficult to predict. In addition, expenses incurred in Citi's foreign entities are subject to foreign exchange volatility. Further, Citi's ability to continue to reduce its expenses as a result of the wind-down of Citi Holdings will also decline as Citi Holdings represents a smaller overall portion of Citigroup. Moreover, investments Citi has made in its businesses, or may make in the future, may not be as productive as Citi expects or at all.

Citi's Ability to Utilize Its DTAs Will Be Driven by Its Ability to Generate U.S. Taxable Income, Which Could Continue to Be Negatively Impacted by the Wind-Down of Citi Holdings.

Citigroup's total DTAs increased by approximately \$3.8 billion in 2012 to \$55.3 billion at 31 December 2012, while the time remaining for utilization has shortened, particularly with respect to the foreign tax credit (FTC) component of the DTAs. The increase in the total DTAs in 2012 was due, in large part, to the continued negative impact of Citi Holdings on Citi's U.S. taxable income.

The accounting treatment for DTAs is complex and requires a significant amount of judgment and estimates regarding future taxable earnings in the jurisdictions in which the DTAs arise and available tax planning strategies. Realization of the DTAs will continue to be driven primarily by Citi's ability to generate U.S. taxable income in the relevant tax carry-forward periods, particularly the FTC carry-forward periods. Citi does not expect a significant reduction in the balance of its net DTAs during 2013. For additional information, see "Significant Accounting Policies and Significant Estimates—Income Taxes" below and Note 10 to the Consolidated Financial Statements.

The Value of Citi's DTAs Could Be Significantly Reduced If Corporate Tax Rates in the U.S. or Certain State or Foreign Jurisdictions Decline or as a Result of Other Changes in the U.S. Corporate Tax System.

Congress and the Obama Administration have discussed decreasing the U.S. corporate tax rate. Similar discussions have taken place in certain state and foreign jurisdictions. While Citi may benefit in some respects from any decrease in corporate tax rates, a reduction in the U.S., state or foreign corporate tax rates could result in a significant decrease in the value of Citi's DTAs. There have also been recent discussions of more sweeping changes to the U.S. tax system, including changes to the tax treatment of foreign business income. It is uncertain whether or when any such tax reform proposals will be enacted into law, and whether or how they will affect Citi's DTAs.

Citi Maintains Contractual Relationships with Various Retailers and Merchants Within Its U.S. Credit Card Businesses in NA RCB, and the Failure to Maintain Those Relationships Could Have a Material Negative Impact on the Results of Operations or Financial Condition of Those Businesses.

Through its U.S. Citi-branded cards and Citi retail services credit card businesses within *North America Regional Consumer Banking (NA RCB)*, Citi maintains numerous co-branding relationships with third-party retailers and merchants in the ordinary course of business pursuant to which Citi issues credit cards to customers of the retailers or merchants. These agreements provide for shared economics between the parties and ways to increase customer brand loyalty, and generally have a fixed term that may be extended or renewed by the parties or terminated early in certain circumstances. While various mitigating factors could be available in the event of the loss of one or more of these co-branding relationships, such as replacing the retailer or merchant or by Citi's offering new card products, the results of operations or financial condition of Citi-branded cards or Citi retail services, as applicable, or *NA RCB* could be negatively impacted, and the impact could be material.

These agreements could be terminated due to, among other factors, a breach by Citi of its responsibilities under the applicable co-branding agreement, a breach by the retailer or merchant under the agreement, or external factors outside of either party's control, including bankruptcies, liquidations, restructurings or consolidations and other similar events that may occur. For example, within *NA RCB* Citi-branded cards, Citi issues a co-branded credit card product with American Airlines, the Citi-AAAdvantage card. As has been widely reported, AMR Corporation and certain of its subsidiaries, including American Airlines, Inc. (collectively, **AMR**), filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy code in November 2011. On 14 February 2013, AMR and US Airways Group, Inc. announced that the boards of directors of both companies had approved a merger agreement under which the companies would be combined. The merger, which is conditioned upon, among other things, U.S. Bankruptcy Court approval, is expected to be completed in the third quarter of 2013. To date, the ongoing AMR bankruptcy and the merger announcement have not had a material impact on the results of operations for U.S. Citi-branded cards or *NA RCB*. However, it is not certain when the bankruptcy and merger processes will be resolved, what the outcome will be, whether or over what period the Citi-AAAdvantage card program will continue to be maintained and whether the impact of the bankruptcy or merger could be material to the results of operations or financial condition of U.S. Citi-branded cards or *NA RCB* over time.

Citi's Operational Systems and Networks Have Been, and Will Continue to Be, Subject to an Increasing Risk of Continually Evolving Cybersecurity or Other Technological Risks, Which Could Result in the

Disclosure of Confidential Client or Customer Information, Damage to Citi's Reputation, Additional Costs to Citi, Regulatory Penalties and Financial Losses.

A significant portion of Citi's operations relies heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a minute-by-minute basis. For example, through its global consumer banking, credit card and Transaction Services businesses, Citi obtains and stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. With the evolving proliferation of new technologies and the increasing use of the Internet and mobile devices to conduct financial transactions, large, global financial institutions such as Citi have been, and will continue to be, subject to an increasing risk of cyber incidents from these activities.

Although Citi devotes significant resources to maintain and regularly upgrade its systems and networks with measures such as intrusion and detection prevention systems and monitoring firewalls to safeguard critical business applications, there is no guarantee that these measures or any other measures can provide absolute security. Citi's computer systems, software and networks are subject to ongoing cyber incidents such as unauthorized access; loss or destruction of data (including confidential client information); account takeovers; unavailability of service; computer viruses or other malicious code; cyber attacks; and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. Additional challenges are posed by external extremist parties, including foreign state actors, in some circumstances as a means to promote political ends. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to Citi's reputation with its clients and the market, customer dissatisfaction, additional costs to Citi (such as repairing systems or adding new personnel or protection technologies), regulatory penalties, exposure to litigation and other financial losses to both Citi and its clients and customers. Such events could also cause interruptions or malfunctions in the operations of Citi (such as the lack of availability of Citi's online banking system), as well as the operations of its clients, customers or other third parties. Given Citi's global footprint and high volume of transactions processed by Citi, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

Citi has been subject to intentional cyber incidents from external sources, including (i) denial of service attacks, which attempted to interrupt service to clients and customers; (ii) data breaches, which aimed to obtain unauthorized access to customer account data; and (iii) malicious software attacks on client systems, which attempted to allow unauthorized entrance to Citi's systems under the guise of a client and the extraction of client data. For example, in 2012 Citi and other U.S. financial institutions experienced distributed denial of service attacks which were intended to disrupt consumer online banking services. While Citi's monitoring and protection services were able to detect and respond to these incidents before they became significant, they still resulted in certain limited losses in some instances as well as increases in expenditures to monitor against the threat of similar future cyber incidents. There can be no assurance that such cyber incidents will not occur again, and they could occur more frequently and on a more significant scale. In addition, because the methods used to cause cyber attacks change frequently or, in some cases, are not recognized until launched, Citi may be unable to implement effective preventive measures or proactively address these methods.

Third parties with which Citi does business may also be sources of cybersecurity or other technological risks. Citi outsources certain functions, such as processing customer credit card transactions, uploading content on customer-facing websites, and developing software for new products and services. These relationships allow for the storage and processing of customer information, by third party hosting of or access to Citi websites, which could result in service disruptions or website defacements, and the potential to introduce vulnerable code, resulting in security breaches impacting Citi customers. While Citi engages in certain actions to reduce the exposure resulting from outsourcing, such as performing onsite security control assessments, limiting third-party access to the least privileged level necessary to perform job functions, and restricting third-party processing to systems stored within Citi's data centers, ongoing threats may result in unauthorized access,

loss or destruction of data or other cyber incidents with increased costs and consequences to Citi such as those discussed above. Furthermore, because financial institutions are becoming increasingly interconnected with central agents, exchanges and clearing houses, including through the derivatives provisions of the Dodd-Frank Act, Citi has increased exposure to operational failure or cyber attacks through third parties.

While Citi maintains insurance coverage that may, subject to policy terms and conditions including significant self-insured deductibles, cover certain aspects of cyber risks, such insurance coverage may be insufficient to cover all losses.

Citi's Performance and the Performance of Its Individual Businesses Could Be Negatively Impacted If Citi Is Not Able to Hire and Retain Qualified Employees for Any Reason.

Citi's performance and the performance of its individual businesses is largely dependent on the talents and efforts of highly skilled employees. Specifically, Citi's continued ability to compete in its businesses, to manage its businesses effectively and to continue to execute its overall global strategy depends on its ability to attract new employees and to retain and motivate its existing employees. Citi's ability to attract and retain employees depends on numerous factors, including without limitation, its culture, compensation, the management and leadership of the company as well as its individual businesses, Citi's presence in the particular market or region at issue and the professional opportunities it offers. The banking industry has and may continue to experience more stringent regulation of employee compensation, including limitations relating to incentive-based compensation, clawback requirements and special taxation. Moreover, given its continued focus on the emerging markets, Citi is often competing for qualified employees in these markets with entities that have a significantly greater presence in the region or are not subject to significant regulatory restrictions on the structure of incentive compensation. If Citi is unable to continue to attract and retain qualified employees for any reason, Citi's performance, including its competitive position, the successful execution of its overall strategy and its results of operations could be negatively impacted.

Incorrect Assumptions or Estimates in Citi's Financial Statements Could Cause Significant Unexpected Losses in the Future, and Changes to Financial Accounting and Reporting Standards Could Have a Material Impact on How Citi Records and Reports Its Financial Condition and Results of Operations.

Citi is required to use certain assumptions and estimates in preparing its financial statements under U.S. GAAP, including determining credit loss reserves, reserves related to litigation and regulatory exposures and mortgage representation and warranty claims, DTAs and the fair value of certain assets and liabilities, among other items. If Citi's assumptions or estimates underlying its financial statements are incorrect, Citi could experience unexpected losses, some of which could be significant.

Moreover, the Financial Accounting Standards Board (**FASB**) is currently reviewing or proposing changes to several financial accounting and reporting standards that govern key aspects of Citi's financial statements, including those areas where Citi is required to make assumptions or estimates. For example, the FASB's financial instruments project could, among other things, significantly change how Citi determines the impairment on financial instruments and accounts for hedges. The FASB has also proposed a new accounting model intended to require earlier recognition of credit losses. The accounting model would require a single "expected credit loss" measurement objective for the recognition of credit losses for all financial instruments, replacing the multiple existing impairment models in U.S. GAAP, which generally require that a loss be "incurred" before it is recognized. For additional information on this proposed new accounting model, see Note 1 to the Consolidated Financial Statements.

As a result of changes to financial accounting or reporting standards, whether promulgated or required by the FASB or other regulators, Citi could be required to change certain of the assumptions or estimates it previously used in preparing its financial statements, which could negatively impact how it records and reports its financial condition and results of operations generally. In addition, the FASB continues its convergence project with the International Accounting Standards Board (**IASB**) pursuant to which U.S. GAAP and International Financial Reporting Standards (**IFRS**) may be converged. Any transition to IFRS

could further have a material impact on how Citi records and reports its financial results. For additional information on the key areas for which assumptions and estimates are used in preparing Citi's financial statements, see "Significant Accounting Policies and Significant Estimates" below and Note 28 to the Consolidated Financial Statements.

Changes Could Occur in the Method for Determining LIBOR and It Is Unclear How Any Such Changes Could Affect the Value of Debt Securities and Other Financial Obligations Held or Issued by Citi That Are Linked to LIBOR, or How Such Changes Could Affect Citi's Results of Operations or Financial Condition.

As a result of concerns about the accuracy of the calculation of the daily LIBOR, which is currently overseen by the British Bankers' Association (BBA), the BBA has taken steps to change the process for determining LIBOR by increasing the number of banks surveyed to set LIBOR and to strengthen the oversight of the process. In addition, recommendations relating to the setting and administration of LIBOR were put forth in September 2012, and the U.K. government has announced that it intends to incorporate these recommendations in new legislation.

It is uncertain what changes, if any, may be required or made by the U.K. government or other governmental or regulatory authorities in the method for determining LIBOR. Accordingly, it is not certain whether or to what extent any such changes could have an adverse impact on the value of any LIBOR-linked debt securities issued by Citi, or any loans, derivatives and other financial obligations or extensions of credit for which Citi is an obligor. It is also not certain whether or to what extent any such changes would have an adverse impact on the value of any LIBOR-linked securities, loans, derivatives and other financial obligations or extensions of credit held by or due to Citi or on Citi's overall financial condition or results of operations.

Citi May Incur Significant Losses If Its Risk Management Processes and Strategies Are Ineffective, and Concentration of Risk Increases the Potential for Such Losses.

Citi's independent risk management organization is structured so as to facilitate the management of the principal risks Citi assumes in conducting its activities—credit risk, market risk and operational risk—across three dimensions: businesses, regions and critical products. Credit risk is the potential for financial loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligations. Market risk encompasses both liquidity risk and price risk. For a discussion of funding and liquidity risk, see "Capital Resources and Liquidity—Funding and Liquidity" and "Risk Factors—Liquidity Risks" above. Price risk losses arise from fluctuations in the market value of trading and non-trading positions resulting from changes in interest rates, credit spreads, foreign exchange rates, equity and commodity prices and in their implied volatilities. Operational risk is the risk for loss resulting from inadequate or failed internal processes, systems or human factors, or from external events, and includes reputation and franchise risk associated with business practices or market conduct in which Citi is involved. For additional information on each of these areas of risk as well as risk management at Citi, including management review processes and structure, see "Managing Global Risk" below. Managing these risks is made especially challenging within a global and complex financial institution such as Citi, particularly given the complex and diverse financial markets and rapidly evolving market conditions in which Citi operates.

Citi employs a broad and diversified set of risk management and mitigation processes and strategies, including the use of various risk models, in analyzing and monitoring these and other risk categories. However, these models, processes and strategies are inherently limited because they involve techniques, including the use of historical data in some circumstances, and judgments that cannot anticipate every economic and financial outcome in the markets in which it operates nor can it anticipate the specifics and timing of such outcomes. Citi could incur significant losses if its risk management processes, strategies or models are ineffective in properly anticipating or managing these risks. In addition, concentrations of risk, particularly credit and market risk, can further increase the risk of significant losses. At 31 December 2012, Citi's most significant concentration of credit risk was with the U.S. government and its agencies, which

primarily results from trading assets and investments issued by the U.S. government and its agencies. Citi also routinely executes a high volume of securities, trading, derivative and foreign exchange transactions with counterparties in the financial services sector, including banks, other financial institutions, insurance companies, investment banks and government and central banks. To the extent regulatory or market developments lead to an increased centralization of trading activity through particular clearing houses, central agents or exchanges, this could increase Citi's concentration of risk in this sector. Concentrations of risk can limit, and have limited, the effectiveness of Citi's hedging strategies and have caused Citi to incur significant losses, and they may do so again in the future.

RISKS RELATING TO NOTES

Prospective investors in Notes should determine whether an investment in Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in Notes and to arrive at their own evaluation of the investment. In particular, Citigroup Inc., CGMFL and the CGMFL Guarantor recommend that investors take independent tax advice before committing to purchase any Notes. None of Citigroup Inc., CGMFL and the CGMFL Guarantor provides tax advice and therefore responsibility for any tax implications of investing in any Notes rests entirely with each investor. Investors should note that the tax treatment will differ from jurisdiction to jurisdiction. Investors will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including (without limitation) any state or local taxes or other similar assessment or charge that may be applicable to any payment in respect of the Notes.

An investment in Notes is only suitable for investors who:

- (a) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in Notes;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;
- (c) are capable of bearing the economic risk of an investment in Notes for an indefinite period of time; and
- (d) recognise that it may not be possible to dispose of Notes for a substantial period of time, if at all.

Prospective investors in Notes should make their own independent decision to invest in Notes and as to whether the investment in Notes is appropriate or proper for them based upon their own judgement and upon advice from such advisers as they may deem necessary. Prospective investors in Notes should not rely on any communication (written or oral) of Citigroup Inc., CGMFL, the CGMFL Guarantor, any Dealer or any of their affiliates or their respective officers or agents as investment advice or as a recommendation to invest in Notes, it being understood that information and explanations related to Notes shall not be considered to be investment advice or a recommendation to invest in Notes. No communication (written or oral) received from Citigroup Inc., CGMFL, the CGMFL Guarantor, any Dealer or any of their affiliates or their respective officers or agents shall be deemed to be an assurance or guarantee as to the expected results of an investment in Notes.

An investment in Notes involves risks and should only be made after assessing the direction, timing and magnitude of potential future market changes (e.g. in the value of the inflation indices, currencies or other items which comprise or relate to the Underlying(s)), as well as the terms and conditions of the Notes. More than one risk factor may have simultaneous effects with regard to the Notes such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect, which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Notes.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under this Base Prospectus. A number of these Notes may have features which contain particular risks for potential investors.

All Notes will be unsecured and unsubordinated obligations of the Issuer and all Notes issued by it will rank equally among themselves and with all other unsecured and unsubordinated obligations of the Issuer. Similarly, the obligations of the CGMFL Guarantor under the CGMFL Deed of Guarantee will be unsecured and unsubordinated and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the CGMFL Guarantor. The Issuer's obligations under the Notes issued by it and the CGMFL Guarantor's obligations under the CGMFL Deed of Guarantee represent general contractual obligations of each respective entity and of no other person. Only Notes issued by CGMFL will be guaranteed by the CGMFL Guarantor. Notes issued by Citigroup Inc. will not be guaranteed by the CGMFL Guarantor.

Investors should note that all payments under the Notes are subject to the credit risk of the Issuer and, where the Issuer is CGMFL, of the CGMFL Guarantor. Furthermore, the Notes may be traded or redeemed early, and if so, the price for which a Note may be sold or redeemed early may be less than the principal amount of such Note and an investor's initial investment in such Notes.

Risks related to implementation of regulatory reform

Implementation of recently-enacted U.S. federal financial reform legislation may affect the value of Underlying(s), which may ultimately affect the value, trading price and viability of Notes. For example, the Dodd-Frank Act would, upon implementation, impose limits on the maximum position that could be held by a single dealer in certain of the Underlying(s) and may subject certain transactions to new forms of regulation that could create barriers to some types of hedging activity by the Issuer and/or any Hedging Party or any of their respective affiliates. Other provisions of the Dodd-Frank Act could require certain Underlying(s) or hedging transactions to be cleared, traded on a regulated exchange and reported to regulators, central data repositories and, in some cases, the public. The Dodd-Frank Act will also expand entity registration requirements and impose business conduct requirements on persons active in the swaps market (including new capital and margin requirements), which may affect the value of Underlying(s) or value and/or cost of hedging transactions. Such regulation may consequently affect the value, trading price and viability of the Notes. The implementation of the Dodd-Frank Act and future rulemaking thereunder could potentially limit or completely restrict the ability of the Issuer to hedge its exposure on Notes, increase the costs of hedging or make hedging strategies less effective, which may then constitute an Adjustment Event in respect of certain Notes.

Changes in exchange rates and exchange controls could result in a loss of the value of the Notes and payments in respect thereof in relation to the currency of the jurisdiction of an investor

An investment in Notes denominated in a Specified Currency other than the currency of the jurisdiction of a particular investor (the **investor's currency**), entails significant risks that are not associated with a similar investment in a security denominated in the investor's currency. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between the investor's currency and the Specified Currency;
- the possibility of significant changes in rates of exchange between the investor's currency and the Specified Currency resulting from the official redenomination or revaluation of the Specified Currency; and
- the possibility of the imposition or modification of foreign exchange controls by either the jurisdiction of the investor's or foreign governments.

These risks generally depend on factors over which none of Citigroup Inc., CGMFL and the CGMFL Guarantor has any control and which cannot be readily foreseen, such as:

- economic events;
- political events; and
- the supply of, and demand for, the relevant currencies.

In recent years, rates of exchange between some foreign currencies in which the Notes may be denominated have been volatile. This volatility may be expected in the future. Fluctuations that have occurred in any particular exchange rate in the past are not necessarily indicative, however, of fluctuation that may occur in the rate during the term of any Note. Depreciation of the Specified Currency of a Note against an investor's currency would result in a decrease in the effective yield of such Note below its coupon rate (if applicable) and could result in a substantial loss to the investor in terms of the investor's currency.

Governments have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a Specified Currency at the time of payment of principal, any premium, or interest on any Note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, any premium, or interest denominated in any such Specified Currency.

Even if there are no actual exchange controls, it is possible that a Specified Currency would not be available to the Issuer and/or, where the Issuer is CGMFL, the CGMFL Guarantor when payments on a Note are due because of circumstances beyond the control of the Issuer and/or CGMFL Guarantor. Each investor should consult their own financial and legal advisers as to the risks of an investment in Notes denominated in a currency other than the investor's currency.

The above risks may be increased if any Specified Currency and/or an investor's currency is the currency of an emerging market jurisdiction.

The unavailability of currencies could result in a loss of value of the Notes and payments thereunder

The currency in which payments on a Note are required to be made may be redenominated, for example, because such currency is:

- unavailable due to the imposition of exchange controls or other circumstances beyond the Issuer's and/or, where the Issuer is CGMFL, the CGMFL Guarantor's control;
- no longer used by the government of the country issuing the currency; or
- no longer used for the settlement of transactions by public institutions of the international banking community.

Where the currency in which payments in respect of a Note is officially redenominated, other than as a result of Economic and Monetary Union, such as by an official redenomination of any such currency that is a composite currency, then the payment obligations of the Issuer and/or, where the Issuer is CGMFL, the CGMFL Guarantor on such Note will be the amount of redenominated currency that represents the amount of the Issuer's and/or, where the Issuer is CGMFL, the CGMFL Guarantor's obligations immediately before the redenomination. The Notes will not provide for any adjustment to any amount payable as a result of:

- any change in the value of the Specified Currency of those Notes relative to any other currency due solely to fluctuations in exchange rates; or
- any redenomination of any component currency of any composite currency, unless that composite currency is itself officially redenominated.

Certain considerations associated with Notes relating to inflation indices

Investors in Notes relating to inflation indices should be familiar with investments in global capital markets and with indices generally.

The risks of a particular Note relating to inflation indices will depend on the terms of that Note. Many economic and market factors may influence an inflation index and consequently the value of Notes relating to inflation indices, including:

- general economic, financial, political or regulatory conditions and/or events; and/or
- fluctuations in the prices of various assets, goods, services and energy resources (including in response to supply of, and demand for, any of them); and/or
- the level of inflation in the economy of the relevant country and expectations of inflation.

In particular, the level of an inflation index may be affected by factors unconnected with the financial markets.

Any such factor may either offset or magnify one or more of the other factors.

Adjustment Events and Early Redemption in relation to Notes linked to inflation indices

If an underlying closing level for an inflation index for a specified reference month has not been published or announced by five business days prior to the relevant payment date, then the Calculation Agent shall determine a substitute index level. Any such substitution may have an adverse effect on the value of such Notes.

If the Calculation Agent determines that an Adjustment Event occurs in respect of any inflation index (being (a) the occurrence at any time of a change in law affecting any underlying hedging position in relation to the Notes or materially increasing the Issuer's costs in relation to performing its obligations in respect of the Notes, a Hedging Disruption or an Increased Cost of Hedging, or (b) the imposition of increased or unexpected fees and costs for the use of such index on the Issuer and/or any of its affiliates by the relevant index sponsor which the Calculation Agent deems material), then the Calculation Agent shall make such adjustment(s) to the terms of the Notes as the Calculation Agent determines necessary to account for the effect of such Adjustment Event including, in the case of an Increased Cost of Hedging, adjustments to pass onto Noteholders any such Increased Cost of Hedging (including, but not limited to, reducing any amounts payable or deliverable in respect of the Notes to reflect any such increased costs). Any such adjustments may have an adverse effect on the value of such Notes and, if the Calculation Agent determines that no adjustment can reasonably so be made, such Adjustment Event shall be an Early Redemption Event.

If "Revision" is specified as applicable for an inflation index in the applicable Issue Terms, then any revision to an underlying closing level of an inflation index occurring before the relevant revision cut-off date shall be considered final and conclusive for the purpose of any determination made in respect of the Notes. If "No Revision" is specified as applicable in the applicable Issue Terms (or if "Revision" is not specified as applicable) then the first publication and announcement of an underlying closing level for such inflation index shall be final and conclusive. Further, if the Calculation Agent determines that the index sponsor of an inflation index has corrected an underlying closing level for such index to correct a manifest error no later than the earlier to occur of the relevant manifest error cut-off date and thirty calendar days following the first publication and announcement of such level, then the Calculation Agent may use the corrected level of such inflation index for the purposes of any calculation in respect of the relevant payment date. In the event of inconsistency between a revision and a manifest error correction, the manifest error correction shall prevail. Any such adjustment (or absence of an adjustment, for the purpose of the Notes) to any level of an inflation index may have an adverse effect on the value of the Notes.

If the Calculation Agent determines that either (a) a level for an inflation index has not been published or announced for two consecutive months and/or (b) the relevant index sponsor announces that it will no longer continue to publish or announce such inflation index and/or (c) the relevant index sponsor cancels such inflation index then the Calculation Agent may replace the originally designated inflation index with a successor index. Any such adjustment may have an adverse effect on the value of the Notes and, if no successor index can be determined, then an Early Redemption Event shall occur with respect to the Notes.

If an index sponsor announces, in respect of an inflation index, that it will make a material change to a relevant inflation index then the Calculation Agent shall make such consequential adjustments to the terms of the Notes as are consistent with any adjustment made to any relevant fallback bond or as are necessary for such modified inflation index to continue as an inflation index for the purpose of the Notes. Any such adjustments may have an adverse effect on the value of such Notes and, if the Calculation Agent determines that no adjustment can reasonably so be made, then an Early Redemption Event shall occur with respect to the Notes.

If an Early Redemption Event occurs (being circumstances in which the Calculation Agent determines that no adjustment can reasonably be made following an Adjustment Event or no successor index can be determined or no adjustment can reasonably be made following a material change to a relevant inflation index), the Notes will be redeemed as more fully set out in the terms and conditions of the relevant Notes. If the Notes are redeemed early, the Issuer will pay to each Noteholder in respect of each Calculation Amount held by such holder an amount equal to the fair market value of such Calculation Amount less the cost to the Issuer and/or its affiliates of unwinding any underlying and/or related hedging and funding arrangements, as determined by the Calculation Agent, or such other amount as is specified in the Valuation and Settlement Schedule and the applicable Issue Terms. There is no guarantee that the amount repaid to investors will be equal to or higher than the investor's initial investment in the relevant Notes and such amount may be substantially less than the investor's initial investment.

Investors in Notes relating to inflation indices should read "*Underlying Schedule 1 – Inflation Index Conditions*" in this Base Prospectus and the applicable Issue Terms in order to fully understand the provisions relating to such Notes.

Risks relating to Notes linked to an underlying interest rate

The Issuer may issue Notes where the amount of interest payable is dependent upon movements in underlying interest rates ("Underlying Interest Rate Notes"). Accordingly an investment in Underlying Interest Rate Notes may bear similar market risks to a direct interest rate investment and potential investors should take advice accordingly.

Potential investors in any such Notes should be aware that, depending on the terms of the Underlying Interest Rate Notes, (i) they may receive no or a limited amount of interest and (ii) they may lose a substantial portion of their investment. In addition, movements in interest rates may be subject to significant fluctuations that may not correlate with changes in other indices and the timing of changes in the interest rates may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in interest rates, the greater the effect on yield.

Interest rates are determined by various factors which are influenced by macro economic, political or financial factors, speculation and central bank and government intervention. In recent years, interest rates have been relatively low and stable, but this may not continue and interest rates may rise and/or become volatile. Fluctuations that have occurred in any interest rate in the past are not necessarily indicative, however, of fluctuation that may occur in the rate during the term of any Note. Fluctuations in interest rates will affect the value of Underlying Interest Rate Notes.

If the amount of interest payable is dependent upon movements in interest rates and is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the interest rates on interest payable will be magnified.

The market price of such Notes may be volatile and, if the amount of interest payable is dependent upon movements in interest rates, may depend upon the time remaining to the redemption date and the volatility of interest rates. Movements in interest rates may be dependent upon economic, financial and political events in one or more jurisdictions.

Realisation Disruption

If "Realisation Disruption" is specified as applicable in the applicable Issue Terms and a Realisation Disruption Event occurs (being, in summary, either (i) an event which imposes restrictions or taxes, charges or deductions in respect of the Notes and/or on hedging arrangements in respect of the Notes which would materially restrict, or materially increase the cost of, the Issuer's obligations under the Notes or materially restrict, or materially increase the cost of, any Hedging Party's obligations under any such hedging arrangements or (ii) the occurrence or existence of any event which either materially restricts the exchange, delivery or transfer of the currency of payment of the Notes or of any hedging arrangements in respect of the Notes or restricts the determination of any exchange rate in relation to any such currency), then either (a) the terms of the Notes (including any payment obligations) may be adjusted in order to reflect the economic effect of the particular Realisation Disruption Event or (b) the Issuer may redeem the Notes.

Investors should note that any such adjustments by the Calculation Agent may include (but are not limited to): (i) payments under the Notes being made in a different currency to the previously specified payment currency of the Notes; (ii) deduction of applicable taxes, charges or deductions from payments due in respect of the Notes resulting in reduced amounts paid in respect of the Notes; (iii) delay of payments in respect of the Notes until the relevant restrictions are lifted and (iv) determination of relevant exchange rates by the Calculation Agent taking into consideration all available information that it deems relevant, which may result in a different rate to that which would have applied had the Realisation Disruption Event not occurred. All the above could produce a materially different redemption to that originally anticipated in respect of the Notes.

If the Notes are redeemed early pursuant to (b) of the first paragraph above, the Issuer will pay to each Noteholder (i) where the applicable Issue Terms states that "Fair Market Value" is applicable, in respect of each Calculation Amount held by such holder, an amount equal to the fair market value of such Calculation Amount less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements as determined by the Calculation Agent, (ii) where the applicable Issue Terms states that "Principal Amount plus accrued interest" is applicable, an amount equal to the principal amount plus accrued interest (if any), (iii) where the applicable Issue Terms states that "Amortised Face Amount" is applicable, in respect of each Calculation Amount held by such holder, an amount equal to the Amortised Face Amount or (iv) in the case of any type of Note, the amount specified in the Valuation and Settlement Schedule and/or in the applicable Issue Terms. There is no guarantee that the amount repaid to investors will be equal to or higher than the investor's initial investment in the relevant Notes and such amount may be substantially less than the investor's initial investment.

Certain considerations regarding hedging

Prospective purchasers intending to purchase Notes to hedge against the market risk associated with investing in the particular Underlying(s) should recognise the complexities of utilising Notes in this manner. For example, the value of the relevant Notes may not exactly correlate with the value of the relevant Underlying(s). Due to fluctuating supply and demand for Notes, there is no assurance that their value will correlate with movements of the Underlying(s). For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant index.

Leveraging Risk

Borrowing to fund the purchase of the Notes (leveraging) can have a significant negative impact on the value of and return on the investment. Investors considering leveraging the Notes should obtain further detailed information as to the applicable risks from the leverage provider.

Illegality in relation to Notes

If the Issuer determines that the performance of its obligations under an issue of Notes or, where the Issuer is CGMFL, the CGMFL Guarantor determines that the performance of its obligations under the CGMFL Deed of Guarantee in respect of such Notes or that any arrangements made to hedge the Issuer's and/or, where the Issuer is CGMFL, the CGMFL Guarantor's obligations under such Notes and/or, where the Issuer is CGMFL, the CGMFL Deed of Guarantee, as the case may be, has become illegal in whole or in part for any reason, the Issuer may redeem the Notes early and, if and to the extent permitted by applicable law, will pay to each Noteholder (i) where the applicable Issue Terms states that "Fair Market Value" is applicable, in respect of each Calculation Amount held by such holder, an amount equal to the fair market value of each such Calculation Amount notwithstanding such illegality less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements as determined by the Calculation Agent, (ii) where the applicable Issue Terms states that "Principal Amount plus accrued interest" is applicable, an amount equal to the principal amount plus accrued interest (if any), (iii) where the applicable Issue Terms states that "Amortised Face Amount" is applicable, in respect of each Calculation Amount held by such holder, an amount equal to the Amortised Face Amount or (iv) in the case of any Note an amount specified in the Valuation and Settlement Schedule and/or in the applicable Issue Terms. There is no guarantee that the amount repaid to investors will be equal to or higher than the investor's initial investment in the relevant Notes and such amount may be substantially less than the investor's initial investment.

Section 871(m) Event

It is possible, under regulations recently proposed by the United States Treasury Department, that Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended (**Section 871(m)**) could apply to Notes relating to Underlying(s). While significant aspects of the application of these regulations to the Notes are uncertain, the Issuer or any Paying Agent may be required to withhold (at a rate of 30 per cent., subject to reduction under an applicable income tax treaty) on certain amounts paid with respect to the Notes in the event that any payment on the Notes is treated as contingent upon or determined by reference to a dividend under these rules.

If withholding is required pursuant to Section 871(m), the Issuer will not be required to pay any additional amounts with respect to amounts so withheld and, in circumstances that constitute a "Section 871(m) Event" (being the occurrence at any time of circumstances in which the Issuer and/or where the Issuer is CGMFL, the CGMFL Guarantor and/or any Hedging Party is (or, in the determination of the Calculation Agent, there is a reasonable likelihood that, within the next 30 Business Days, the Issuer and/or where the Issuer is CGMFL, the CGMFL Guarantor and/or any Hedging Party will become) subject to any withholding or reporting obligations pursuant to Section 871(m) with respect to the relevant Notes and/or the CGMFL Deed of Guarantee and/or any underlying Hedging Positions), an Early Redemption Event shall occur and the relevant Notes will be redeemed as more fully set out in the terms and conditions of such Notes.

If the Notes are so redeemed early, the Issuer will pay to each Noteholder (i) where the applicable Issue Terms states that "Fair Market Value" is applicable, in respect of each Calculation Amount held by such holder an amount equal to the fair market value of such Calculation Amount less the cost to the Issuer and/or its affiliates of unwinding any underlying, related hedging arrangements, (ii) where the applicable Issue Terms states that "Principal Amount plus accrued interest" is applicable, an amount equal to the principal amount plus accrued interest (if any), (iii) where the applicable Issue Terms states that "Amortised Face Amount" is applicable, in respect of each Calculation Amount held by such holder, an amount equal to the Amortised Face Amount or (iv) in the case of any type of Note, the amount specified in the Valuation and

Settlement Schedule and/or in the applicable Issue Terms. There is no guarantee that the amount repaid to investors will be equal to or higher than the investor's initial investment in the relevant Notes and such amount may be substantially less than the investor's initial investment.

Meetings of Noteholders and Modifications

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters which may have a general or specific effect upon their interests. These provisions permit defined majorities to bind all Noteholders, including those Noteholders who did not attend and vote at the relevant meeting, and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Issuer and, where the Issuer is CGMFL, the CGMFL Guarantor may make, without the consent of the Noteholders, (i) any modification to the Notes, the Coupons, the Talons, the Fiscal Agency Agreement, Swedish Notes Issuing and Paying Agency Agreement, the Finnish Notes Issuing and Paying Agency Agreement, the relevant Deed of Covenant and/or the CGMFL Deed of Guarantee which, in the opinion of the Issuer, is not materially prejudicial to the interests of the Noteholders or (ii) any modification to the Notes, the Coupons, the Talons, the Fiscal Agency Agreement, Swedish Notes Issuing and Paying Agency Agreement, the Finnish Notes Issuing and Paying Agency Agreement, the Deeds of Covenant, and/or the CGMFL Deed of Guarantee which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law.

In determining what is "materially prejudicial", the Issuer shall not consider the individual circumstances of any Noteholder or the tax or other consequences of such modification in any jurisdiction. Any such amendment may have an adverse effect on the value of the Notes or, without limitation, a Noteholder's tax, regulatory or accounting treatment of such Notes.

Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factor are likely to have more volatile market values than more standard securities.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features. Such Notes may also be Floating Rate Notes, Inflation Rate Notes, DIR Inflation Linked Notes, CMS Interest Linked Notes, Inverse Floating Rate Notes, Range Accrual Notes, Digital Notes and/or Spread Notes.

Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes or Notes linked to a CMS Rate

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR or a CMS Rate as specified in the applicable Issue Terms. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Range Accrual Notes

Range Accrual Notes have an interest rate determined by reference to a specified fixed rate multiplied by an accrual rate which is determined by reference to how many days in the relevant observation period the relevant reference rate(s) is either (A)(i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to (as specified in the applicable Issue Terms) the relevant barrier or (B) either equal to or

above or above (as specified in the applicable Issue Terms) the specified lower range and either equal to or below or below (as specified in the applicable Issue Terms) the specified upper range (as specified in the applicable Issue Terms). Therefore, Range Accrual Notes are subject to variable interest rates and can be volatile instruments and may pay no interest in respect of an interest period.

Digital Notes

Digital Notes have an interest rate which will either be (i) a specified back up rate (which may be (a) a fixed rate or (b) a rate determined by reference to the floating rate provisions or the CMS rate provisions which would include the Spread Notes provisions) or (ii) if the specified digital reference rate (which may be (A) a fixed rate or (B) a rate determined by reference to the floating rate provisions or the CMS rate provisions which would include the Spread Notes provisions) as of the relevant determination date is either (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to (as specified in the applicable Issue Terms) the specified reserve rate (which may be (a) a fixed rate or (b) a rate determined by reference to the floating rate provisions or the CMS rate provisions which would include the Spread Notes provisions), a specified digital rate (which may be (a) a fixed rate or (b) a rate determined by reference to the floating rate provisions or the CMS rate provisions which would include the Spread Notes provisions).

Therefore, Digital Notes are subject to variable interest rates and can be volatile instruments.

Digital Band Notes

Digital Band Notes have an interest rate (which may be a fixed rate, a floating rate, a CMS rate or a rate equal to one specified rate (which may be a floating rate or a CMS rate) minus another specified rate (which may be a floating rate or a CMS rate)) which will be determined in relation to an interest period by reference to within which band either, as specified in the applicable Issue Terms, (a) the specified reference rate (which may be a rate determined by reference to the floating rate provisions or the CMS rate provisions) falls or (b) the result of one specified rate minus another specified rate (either of which may be a rate determined by reference to the floating rate provisions or the CMS rate provisions) falls. The interest rate for the interest period will be equal to the rate specified as the band rate for the appropriate band within which, in the case of (a) the reference rate falls or, in the case of (b) the result of one specified rate minus another specified rate falls. In addition, different reference rates may apply in respect of different interest periods and interest payment dates.

Therefore, Digital Band Notes are subject to the performance of, in the case of (a) the reference rate or, in the case of (b) the result of one reference rate minus another reference rate and, as any relevant reference rate is a variable interest rate, the Digital Band Notes can be volatile instruments.

Spread Notes

Spread Notes have an interest rate determined by reference to either (a) "one" minus the result of a specified spread rate minus another specified rate (any such rate may be (i) one rate, (ii) the sum of more than one specified rate or (iii) one specified rate minus another specified rate) or (b) a specified rate minus another specified rate (any such rate may be (i) one rate, (ii) the sum of more than one specified rate or (iii) one specified rate minus another specified rate).

Therefore, Spread Notes are subject to variable interest rates and can be volatile instruments and may pay no interest in respect of an interest period.

Switcher Notes

Switcher Notes are Notes which may bear interest at a rate that converts, at the option of the Issuer, from one specified rate (the "First Rate") to another specified rate (the "Second Rate"). Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of such Notes since

the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from one rate to another the Second Rate may be less favourable than then prevailing spreads on comparable Notes tied to the same reference rate. In addition, the Second Rate at any time may be lower than the rates on other Notes.

If the Issuer has the right to convert the interest rate on any Notes from one interest basis to another interest basis, this may affect the secondary market and the market value of the Notes concerned

Trading different types of Notes

It should be assumed that the market for trading different types of Notes varies even though they are issued under the same Programme. By way of example, a Zero Coupon Note may be more difficult to trade and its price more variable than a Fixed Rate Note. It may also be more difficult to trade a Zero Coupon Note that has just been issued than a Zero Coupon Note nearer its redemption, as returns on Zero Coupon Notes will be paid to investors only a redemption.

Substitution

Investors should note that, in relation to any Notes, either of the Issuer and/or, where the Issuer is CGMFL, the CGMFL Guarantor may, without the consent of the holders but subject to certain conditions, substitute for itself in respect of such Notes or, if applicable, the CGMFL Deed of Guarantee in respect thereof any company which is, on the date of such substitution, in the opinion of the Issuer or the CGMFL Guarantor, as the case may be, of at least equivalent standing and creditworthiness to it.

Determinations

The terms of the Notes confer on the Issuer, the Calculation Agent and certain other persons some discretion in making determinations and calculations in relation to, *inter alia*, Underlying(s) and the occurrence of various events. The Issuer, the Calculation Agent or such other persons will act in good faith and in its sole and absolute discretion or, if specified in the applicable Issue Terms in good faith and in a commercially reasonable manner, but there can be no assurance that the exercise of any such discretion will not affect the value of the Notes or the occurrence of an early repayment.

Change of law

The Conditions of the Notes are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Investors should note, *inter alia*, the circumstances, in Condition 5 of Terms and Conditions of the Notes when the Issuer is entitled to redeem the relevant Notes and the related provisions set out in the applicable Issue Terms.

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Notes issued at a substantial discount or premium

The market value of any Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing notes. Generally, the longer the remaining term of such Notes, the greater the price volatility as compared to conventional interest-bearing notes with comparable maturities.

Risks in investing in the form of certificateless depository interests in CREST

Investors may also hold interests in Notes through Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited) (**CREST**) through the issuance of dematerialised depository interests (**CDIs**) issued, held, settled and transferred through CREST, representing interests in the relevant Notes. CDIs are independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited (the **CREST Depository**) pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the **CREST Deed Poll**).

The rights of CDI Holders to Notes are represented by the relevant entitlements against the CREST Depository which (through the CREST Nominee (as defined herein)) holds interests in such Notes. Accordingly, rights under Notes underlying CDIs cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians. The enforcement of rights under such Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of such Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer, including the CREST Deed Poll. Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the rights of and returns received by CDI Holders may differ from those of holders of Notes which are not represented by CDIs.

In addition, CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of Notes through the CREST International Settlement Links Service.

Potential investors should note that none of Citigroup Inc., CGMFL, the CGMFL Guarantor, any Dealer, any distributor, any Paying Agent, the Registrar and any Transfer Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Risks related to the market generally

Impact of fees, commissions and/or inducements on the Issue Price and/or offer price

Investors should note that the Issue Price and/or offer price of Notes may include fees and/or other commissions and inducements (e.g. placement fees, distribution fees, structuring fees). Any such fees and/or other commissions and inducements will not be taken into account for the purposes of determining the price of such Notes in the secondary market and will result in a difference between the Issue Price and/or offer price of the Notes and the bid/offer price quoted by any intermediary in the secondary market. Any such difference will result in a decrease in the value of an issue of Notes, particularly in relation to any such Notes sold immediately following the issue date or offer period relating to such Notes.

Certain considerations relating to public offers of Notes in the European Economic Area

As described in the applicable Final Terms, Non-Exempt Notes may be distributed by means of a public offer made in the specified Member State(s) of the European Economic Area during an offer period specified in the applicable Final Terms. During such offer period, the Issuer and/or any other person specified in the applicable Final Terms may reserve the right to cancel such offer and/or to scale back applications for such offer in the event of over-subscription. In such circumstances, an applicant investor may not be issued any Notes or may be issued a number of Notes which is less than the amount for which such applicant investor applied. Any payments made by an applicant investor or, in the case of public offers in Italy any amount segregated by a distributor as intended payment of the offer price by an applicant investor, for Notes that are not issued to such applicant investor for any such reason will be refunded. However, there will be a time lag in making any reimbursement, no interest will be payable in respect of any such amounts and the applicant investor may be subject to reinvestment risk.

In addition, the Issuer and/or the other entities specified in the applicable Final Terms may terminate the offer early by immediate suspension of the acceptance of further subscription requests and by giving notice to the public in accordance with the applicable Final Terms. Any such termination may occur, even where the maximum amount for subscription in relation to that offer (as specified in the applicable Final Terms), has not been reached and, in such circumstances, the early closing of the offer may have an impact on the aggregate number of Notes issued and, therefore, may have an adverse effect on the liquidity of the relevant Notes.

Further, investors should note that, in certain circumstances, Notes may not be issued on the originally designated issue date, for example because either the Issuer and/or any other person specified in the applicable Final Terms has reserved the right to postpone such issue date or, following the publication of a supplement to this Base Prospectus the Issuer has decided to postpone such issue date to allow investors who had made applications to subscribe for Notes before the date of publication of such Supplement to exercise their right to withdraw their acceptances. In the event that the issue date is so delayed, no interest shall accrue (if applicable) until the issue date of the Notes and no compensation shall be payable.

The secondary market

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and an investor may not be able to find a timely and/or suitable counterpart. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market or at prices higher than the relevant investor's initial investment. Investors seeking to liquidate/sell positions in the Notes prior to the stated maturity date may receive substantially less than their original purchase price. Therefore, in establishing their investment strategy, investors should ensure that the term of the Notes is in line with their future liquidity requirements. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes

generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. The liquidity of Notes is also influenced by whether or not the relevant Notes are exclusively offered to retail investors without any offer to institutional investors. To the extent that an issue of Notes is or becomes illiquid, investors may have to hold the relevant Notes until maturity before they are able to realise value.

The Issuer may, but is not obliged to, list an issue of Notes on a stock exchange or regulated market. If Notes are not listed or traded on any stock exchange or regulated market, pricing information for the relevant Notes may be more difficult to obtain and the liquidity of such Notes may be adversely affected.

If Notes are not listed or traded on a stock exchange or regulated market, they may be traded on trading systems governed by the laws and regulations in force from time to time (e.g. multilateral trading systems or "MTF") or in other trading systems (e.g. bilateral systems, or equivalent trading systems). In the event that trading in such Notes takes place outside any such stock exchange, regulated market or trading systems, the manner in which the price of such Notes is determined may be less transparent and the liquidity of such Notes may be adversely affected. Investors should note that none of Citigroup Inc, CGMFL, the CGMFL Guarantor and any Dealer grants any warranty to Noteholders as to the methodologies used to determine the price of Notes which are traded outside a trading system, however, where the Issuer or any of its affiliates determines the price of such Notes, it will take into account the market parameters applicable at such time in accordance with applicable provisions of law. Even if Notes are listed and/or admitted to trading, this will not necessarily result in greater liquidity.

Each of Citigroup Inc., CGMFL, the CGMFL Guarantor and any Dealer may, but is not obliged to, at any time purchase Notes at any price in the open market or by tender or private agreement. Any Notes so purchased may be held or resold or surrendered for cancellation. If any Notes are redeemed in part, then the number of Notes outstanding will decrease, which will reduce liquidity for the outstanding Notes. Any such activities may have an adverse effect on the price of the relevant Notes in the secondary market and/or the existence of a secondary market.

Any of Citigroup, Inc., CGMFL, the CGMFL Guarantor or any Dealer or affiliate thereof, as, where applicable, part of its activities as a broker and dealer in fixed income and equity securities and related products or otherwise, may make a secondary market in relation to any Notes and may provide an indicative bid price on a daily basis. Any indicative prices so provided shall be determined by the relevant party in its sole discretion taking into account prevailing market conditions and shall not be a representation by such party that any Notes can be purchased or sold at such prices (or at all).

Notwithstanding the above, any of the parties specified above may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason.

Consequently, there may be no market for the relevant Notes and investors should not assume that such a market will exist. Accordingly an investor must be prepared to hold the Notes until the maturity date.

Where a market does exist, to the extent that an investor wants to sell the Notes, the price may, or may not, be at a discount from the outstanding principal amount.

If it is possible to sell Notes, they would be sold for the prevailing bid price in the market and may be subject to a transaction fee. The prevailing bid price may be affected by several factors including the performance of any relevant Underlying, prevailing interest rates at the time of sale, the time remaining to the stated maturity date, the creditworthiness of the Issuer and/or, where the Issuer is CGMFL, the CGMFL Guarantor and factors affecting the capital markets generally. The introduction of additional or competing products in the market may also have a negative effect on the price of any Notes. It is therefore possible that an investor selling Notes in the secondary market may receive substantially less than their original purchase price.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to securities issued under the Programme, including any Notes. The credit rating agencies may have different rating methodologies, criteria, models and requirements from one another. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. The ratings of any Notes may be reduced, withdrawn or qualified at any time by the applicable rating agency. If the ratings on any Notes are reduced, withdrawn or qualified, it could adversely affect the liquidity or the market value of such Notes.

Additionally, the global landscape of financial sector regulation itself is undergoing significant change. In the U.S., the Dodd-Frank Act, among other things, expands regulatory oversight of Citigroup Inc. (and its subsidiaries) and credit rating agencies. It is not clear how this expanded regulatory oversight will impact the ratings on the Notes or the rating of the Issuer and/or the CGMFL Guarantor.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out above and will be disclosed in the applicable Issue Terms. Information relating to the current ratings of Citigroup Inc. and the CGMFL Guarantor is available at www.citigroup.com.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Changes in any applicable tax law or practice may have an adverse effect on a Noteholder

Any relevant tax law or practice applicable as at the date of this Base Prospectus and/or the date of purchase or subscription of any Notes may change at any time (including during any subscription period or the term of any Notes). Any such change may have an adverse effect on a Noteholder, including that Notes may be redeemed before their due date, their liquidity may decrease and/or the tax treatment of amounts payable or receivable by or to an affected Noteholder may be less than otherwise expected by such Noteholder.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period,

Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015 in favour of automatic information exchanges under the Directive.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, none of the Issuers, the CGMFL Guarantor (where the Issuer is CGMFL), any Paying Agent and any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. As provided in Condition 6(f) of the Terms and Conditions of the Notes, each of the Issuers and, where the Issuer is CGMFL, the CGMFL Guarantor is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive unless to do so would be unduly onerous, impracticable or no longer market practice.

The Proposed Financial Transactions Tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive, for a financial transaction tax (**FTT**) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). If these proposals are adopted in their current form, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the current proposals, the FTT would apply to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

At this stage, it is too early to say whether the FTT proposals will be adopted and in what form. However, if the FTT is adopted based on the current proposals, then it may operate in a manner giving rise to tax liabilities for the Issuer with respect to certain transactions (for example, with reference to its hedging arrangements). The Issuer is, in certain circumstances, able to pass on any such liabilities to holders of the relevant Instruments and therefore this may result in investors receiving less than expected in respect of such Notes. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if conditions for a charge to arise are satisfied. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

The FTT proposal remains subject to negotiation between the participating member states described above and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Instruments are advised to seek their own professional advice in relation to the FTT.

Potential conflicts of interest

Where the Calculation Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable or specified assets deliverable in respect of the Notes.

Any of Citigroup Inc., CGMFL, the CGMFL Guarantor and/or their affiliates may be the sponsor of an Underlying and may publish values or prices in respect of an Underlying. Any of Citigroup Inc., CGMFL, the CGMFL Guarantor and/or any of their affiliates may also from time to time engage in transactions involving Underlying(s) for their proprietary accounts or for other accounts under their management, subject to requirements of all applicable laws and regulations. Any of Citigroup Inc., CGMFL, the CGMFL Guarantor and/or their affiliates may also issue other derivative instruments in respect of any Underlying(s). Any of Citigroup Inc., CGMFL, the CGMFL Guarantor, and/or their affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Notes or may act as financial adviser to certain companies or companies whose securities are Underlying(s) in respect of one or more issues of Notes or in a commercial banking capacity for such companies. These activities may have a positive or negative effect on the value of the relevant Underlying(s) and consequently upon the value of the Notes.

Any of Citigroup Inc., CGMFL, the CGMFL Guarantor, any Dealer and/or any of their affiliates may at the date hereof or at any time hereafter be in possession of information in relation to an Underlying that is or may be material and may or may not be publicly available to Noteholders. There is no obligation on any of Citigroup Inc., CGMFL, the CGMFL Guarantor, or any Dealer to disclose to any potential investors in Notes or to Noteholders any such information.

Any of Citigroup Inc., CGMFL, the CGMFL Guarantor, any Dealer and/or any of their affiliates may have existing or future business relationships with the issuer of, or other entity associated with, any Underlying(s) (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Where Notes are offered to the public, as the relevant Dealer(s) and any distributors act pursuant to a mandate granted by the Issuer and they receive fees on the basis of the services performed and the outcome of the placement of such Notes, potential conflicts of interest could arise.

Post issuance information

None of the Issuers and the CGMFL Guarantor will provide any post issuance information, except if required by any applicable laws and regulations.

Information concerning the Underlying(s)

Information relating to the past and further performance and volatility of any Underlying(s) and information relating to historic interest rates (in the case of Floating Rate Notes) is, in each case, available from internationally recognised published or electronically displayed sources, for example, Bloomberg.

**SECTION C – DOCUMENTS INCORPORATED BY REFERENCE AND AVAILABLE FOR
INSPECTION AND SUPPLEMENTS**

**SECTION C.1 – DOCUMENTS INCORPORATED BY REFERENCE FOR THE CITIGROUP INC.
BASE PROSPECTUS**

The following documents which have previously been published and filed with the *Commission de Surveillance du Secteur Financier* (CSSF) are incorporated in, and form part of, this Base Prospectus:

- (1) the Annual Report of Citigroup Inc. on Form 10-K for the year ended 31 December 2012 filed with the United States Securities and Exchange Commission (the **SEC**) on 1 March 2013 (the **Citigroup Inc. 2012 Form 10-K**) (which is published on the web-site of the Luxembourg Stock Exchange at https://www.bourse.lu/Bourse/application?_flowId=DownloadDocumentFlow&v=z/++Edz7f+o41gGTsQ+Xl4I4Z4Q28xkvly0Xlr/PZYdiY2Xg2Bnsex9K+I7y5oEZSmOvLovrBQenCjAZ142M6wUSNTxGQAB/2dloJBPvIlwahzEE1FPVS/AT29WV7gCCaoQIZso1v7DIUnDbPlrQ+g==&so_timeout=0); and
- (2) the Quarterly Report of Citigroup Inc. on Form 10-Q for the quarter ended 31 March 2013 filed with the SEC on 3 May 2013 (the **Citigroup Inc. Q1 Form 10-Q**) (which is published on the web-site of the Luxembourg Stock Exchange at https://www.bourse.lu/Bourse/application?_flowId=DownloadOAMGEDFlow&v=z/++Edz7f+o41gGTsQ+Xl27T7pX5t7DDL1dfaVb9IHn4xMb2bSEsb1sFMmwXlo20cqqVgw3tB8UVNmEnE2KS8OB/PxA4TV7ib4Vs+ZiSE6c=&so_timeout=0).

The following information appears on the pages of the relevant document(s) as set out below:

1.	Unaudited consolidated interim financial information of Citigroup Inc. in respect of the three months ended 31 March 2013, as set out in the Citigroup Inc. Q1 Form 10-Q:	
		Page(s)
A.	Consolidated Statement of Income	103-104
B.	Consolidated Balance Sheet	105-106
C.	Consolidated Statement of Changes in Stockholders' Equity	107
D.	Consolidated Statement of Cash Flows	108
E.	Notes and Accounting Policies	109-216
2.	Other information relating to Citigroup Inc., as set out in the Citigroup Inc. Q1 Form 10-Q:	
		Page(s)
A.	Description of the principal activities of Citigroup Inc.	3-33, 109-111, 100-101, 113
B.	Description of the principal markets in which Citigroup Inc. competes	3-33
C.	Description of the principal investments of Citigroup Inc.	124-135
D.	Description of trends and events affecting Citigroup Inc.	3-33, 109-111, 100-101, 113, 218

E.	Description of litigation involving Citigroup Inc.	214-217
F.	Risk Management	33-94

3. Audited consolidated financial statements of Citigroup Inc. as of 31 December 2012 and 2011 and for the years ended 31 December 2012, 2011 and 2010, as set out in the Citigroup Inc. 2012 Form 10-K:

	Page(s)	
A.	Consolidated Statement of Income	140-141
B.	Consolidated Balance Sheet	142-143
C.	Consolidated Statement of Changes in Stockholders' Equity	144
D.	Consolidated Statement of Cash Flows	145
E.	Notes and Accounting Policies	146-288
F.	Report of Independent Registered Accounting Firm - Consolidated Financial Statements of Citigroup Inc. as of 31 December 2012 and 2011 and for the years ended 31 December 2012, 2011 and 2010	138

4. Other information relating to Citigroup Inc., as set out in the Citigroup Inc. 2012 Form 10-K:

	Page(s)	
A.	Description of the principal activities of Citigroup Inc.	4-36, 40, 126-132, 135-136, 163, 290-293
B.	Description of the principal markets in which Citigroup Inc. competes	292
C.	Description of the principal investments of Citigroup Inc.	190-200
D.	Description of trends and events affecting Citigroup Inc.	4-36, 40, 126-132, 135-136, 163, 290-293
E.	Description of litigation involving Citigroup Inc.	280-287

In addition, all quarterly interim reports on Form 10-Q of Citigroup Inc., its Annual Reports on Form 10-K for fiscal years after 2012 and any other reports filed by Citigroup Inc. with the SEC pursuant to Section 13, 14 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), and the rules and regulations thereunder, subsequent to the date of the financial statements included in the Citigroup Inc. Annual Report on Form 10-K for the fiscal year 2012 and Form 10-Q for the quarter ending 31 March 2013 referred to above will be available to the public on the SEC's website (address: <http://www.sec.gov>).

The Citigroup Inc. Base Prospectus should be read and construed in conjunction with any documents incorporated by reference therein, any supplement to this Base Prospectus or the Citigroup Inc. Base

Prospectus and any applicable Issue Terms. Any statement contained therein or in any document incorporated by reference therein shall be deemed to be modified or superseded for the purposes of this Base Prospectus or the Citigroup Inc. Base Prospectus to the extent that any supplement to this Base Prospectus or the Citigroup Inc. Base Prospectus or any other subsequently dated document incorporated by reference therein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus or the Citigroup Inc. Base Prospectus.

SECTION C.2 – DOCUMENTS INCORPORATED BY REFERENCE FOR THE CGMFL BASE PROSPECTUS

The following documents which have previously been published and have been filed with the *Commission de Surveillance du Secteur Financier* (CSSF) are incorporated in, and form part of, this Base Prospectus:

- (1) the Annual Report of Citigroup Inc. on Form 10-K for the year ended 31 December 2012 filed with the United States Securities and Exchange Commission (the **SEC**) on 1 March 2013 (the **Citigroup Inc. 2012 Form 10-K**) (which is published on the web-site of the Luxembourg Stock Exchange at https://www.bourse.lu/Bourse/application?_flowId=DownloadDocumentFlow&v=z/++Edz7f+o41gGTsQ+Xl4I4Z4Q28xkvly0XLr/PZYdiY2Xg2Bnsex9K+I7y5oEZSmOvLovrBQenCjAZ142M6wUSNTxGQAB/2dloJBPviiwahzEE1FPVS/AT29WV7gCCaoQIZso1v7DIUnDbPlrQ+g==&so_timeout=0); and
- (2) the Quarterly Report of Citigroup Inc. on Form 10-Q for the quarter ended 31 March 2013 filed with the SEC on 3 May 2013 (the **Citigroup Inc. Q1 Form 10-Q**) (which is published on the web-site of the Luxembourg Stock Exchange at https://www.bourse.lu/Bourse/application?_flowId=DownloadOAMGEDFlow&v=z/++Edz7f+o41gGTsQ+Xl27T7pX5t7DDL1dfaVb9IHn4xMb2bSESB1sFMmwXlo20cqqVgw3tB8UVNnEnE2KS8OB/PxA4TV7ib4Vs+ZiSE6c=&so_timeout=0).

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The report and audited financial statements of CGMFL for the period ended 31 December 2012 (the **CGMFL 2012 Annual Report**) are set out in the section entitled "Report and Audited Financial Statements of CGMFL" of this Base Prospectus.

The annual report and audited financial statements of the CGMFL Guarantor for the year ended 31 December 2012 and 31 December 2011 (the **CGML Annual Reports**) are set out in the section entitled "Annual Report and Audited Financial Statements of the CGMFL Guarantor" of this Base Prospectus.

Citigroup Inc. has not guaranteed, and is not otherwise liable for, the obligations of CGMFL or the CGMFL Guarantor in respect of Notes issued by CGMFL. Holders of Notes issued by CGMFL are subject to the credit risk of CGMFL and the CGMFL Guarantor, without recourse to Citigroup Inc. or any other party, and are dependent on the ability of CGMFL and the CGMFL Guarantor to make payments on their respective obligations as they become due.

The following information appears on the pages of the relevant document(s) as set out below:

1. Audited historical non-consolidated financial information of CGMFL in respect of the period ended 31 December 2012 as set out in the CGMFL 2012 Annual Report, namely:

	Page(s)
A. Balance Sheet;	3
2. Audited historical financial information of the CGMFL Guarantor in respect of the years ended 31 December 2012 and 2011, as set out in the CGML Annual Reports, namely:	

	Page(s)
A. Profit and Loss Account:	20
B. Statement of Total Recognised Gains and Losses	21

C.	Reconciliation of Movements in Shareholder's Funds	21
D.	Balance Sheet	22
E.	Notes to the Financial Statements	28-66
3.	Unaudited consolidated interim financial information of Citigroup Inc. in respect of the three months ended 31 March 2013, as set out in the Citigroup Inc. Q1 Form 10-Q:	
		Page(s)
A.	Consolidated Statement of Income	103-104
B.	Consolidated Balance Sheet	105-106
C.	Consolidated Statement of Changes in Stockholders' Equity	107
D.	Consolidated Statement of Cash Flows	108
E.	Notes and Accounting Policies	109-216
4.	Other information relating to Citigroup Inc., as set out in the Citigroup Inc. Q1 Form 10-Q:	
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A.	Description of the principal activities of Citigroup Inc.	3-33, 109-111, 113
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D.	Description of trends and events affecting Citigroup Inc.	3-33, 100-101, 109-111, 113, 218
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In addition, all quarterly interim reports on Form 10-Q of Citigroup Inc., its Annual Reports on Form 10-K for fiscal years after 2012 and any other reports filed by Citigroup Inc. with the SEC pursuant to Section 13, 14 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), and the rules and regulations thereunder, subsequent to the date of the financial statements included in the Citigroup Inc. Annual Report on Form 10-K for the fiscal year 2012 and Form 10-Q for the quarter ending 31 March 2013 referred to above will be available to the public on the SEC's website (address: <http://www.sec.gov>).

The CGMFL Base Prospectus should be read and construed in conjunction with any documents incorporated by reference therein, any supplement to this Base Prospectus or the CGMFL Base Prospectus and any applicable Issue Terms. Any statement contained therein or in any document incorporated by reference therein shall be deemed to be modified or superseded for the purposes of this Base Prospectus or the CGMFL Base Prospectus to the extent that any supplement to this Base Prospectus or the CGMFL Base

Prospectus or any other subsequently dated document incorporated by reference therein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus or the CGMFL Base Prospectus.

SECTION C.3 – DOCUMENTS AVAILABLE FOR INSPECTION

1. For so long as the Programme remains in effect or any Notes remains outstanding, the following documents will be available for inspection in electronic form and (in the case of the items listed under (iii), (iv), (ix) and (xi) below) obtainable, during normal business hours free of charge on any weekday (Saturdays, Sundays and public holidays excepted), at the specified office of the Fiscal Agent and each of the other Paying Agents:
 - (i) the Fiscal Agency Agreement, as amended or supplemented (which includes the form of the Global Notes, the Global Registered Note Certificates, the definitive Bearer Notes, the definitive Registered Note Certificates, the Coupons and the Talons);
 - (ii) the Dealership Agreement, as amended or supplemented;
 - (iii) the CGMFL Deed of Guarantee;
 - (iv) the Deeds of Covenant, as amended or supplemented;
 - (v) the Rule 144A Deed Poll, as amended or supplemented;
 - (vi) the Restated Certificate of Incorporation and By-Laws of Citigroup Inc.;
 - (vii) the articles of incorporation of CGMFL;
 - (viii) the articles of association of the CGMFL Guarantor;
 - (ix) the annual report and audited non-consolidated financial statements of CGMFL for the period ended 31 December 2012, the annual report and audited consolidated financial statements of Citigroup Inc. for the years ended 31 December 2012 and 2011 and the annual report and audited consolidated financial statements of the CGMFL Guarantor for the years ended 31 December 2012 and 2011, in each case together with any relevant audit reports prepared in connection therewith;
 - (x) the most recently published unaudited interim consolidated financial statements of Citigroup Inc. and the most recent unaudited interim non-consolidated financial statements of CGMFL;
 - (xi) each Final Terms; and
 - (xii) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus.
2. Copies of the latest annual report and audited consolidated financial statements of Citigroup Inc. and the latest quarterly interim unaudited consolidated financial statements of Citigroup Inc. may be obtained at the specified offices of each of Fiscal Agent and the other Paying Agents during normal business hours so long as any of the Notes issued by Citigroup Inc. is outstanding. Copies of the latest annual report and audited non-consolidated financial statements of CGMFL and the latest half-yearly interim unaudited non-consolidated financial statements of CGMFL may be obtained at the specified offices of each of the Fiscal Agent and the Paying Agents during normal business hours so long as any of the Notes issued by CGMFL is outstanding. Copies of the latest annual report and audited consolidated financial statements of the CGMFL Guarantor may be obtained at the specified offices of each of Fiscal Agent and the other Paying Agents during normal business hours so long as any of the Notes issued by CGMFL is outstanding.

**SECTION C.4 – SUPPLEMENTS TO THE CITIGROUP INC. BASE PROSPECTUS OR THE
CGMFL BASE PROSPECTUS**

Citigroup Inc. and/or CGMFL and/or the CGMFL Guarantor, as the case may be will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in the Citigroup Inc. Base Prospectus and/or the CGMFL Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to the Citigroup Inc. Base Prospectus, and/or the CGMFL Base Prospectus, as the case may be, or publish a new Citigroup Inc. Base Prospectus and/or CGMFL Base Prospectus, as the case may be, for use in connection with any subsequent issue of Notes.

SECTION D – INFORMATION RELATING TO THE ISSUERS AND THE CGMFL GUARANTOR

SECTION D.1 – DESCRIPTION OF CITIGROUP INC.

Citigroup Inc. (**Citi**, the **Company**, or **Citigroup**) is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services. Citigroup Inc. has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citigroup Inc. is a bank holding company within the meaning of the U.S. Bank Holding Company Act of 1956 registered with, and subject to examination by, the Board of Governors of the Federal Reserve System (the **Federal Reserve**). Some of Citi's subsidiaries are subject to supervision and examination by their respective federal and state authorities. At 31 December 2012, Citigroup Inc. had approximately 259,000 full-time employees worldwide.

Citigroup Inc.'s objects and purpose is to "engage in any lawful act or activity for which a corporation may be organised under the General Corporation Law of Delaware", as stated in Article THIRD of Citi's Restated Certificate of Incorporation. Citigroup Inc. operates, for management reporting purposes, via two primary business segments: Citicorp, consisting of Citi's Global Consumer Banking businesses (which consists of Regional Consumer Banking in North America, Europe, the Middle East and Africa, Asia, and Latin America) and the Institutional Clients Group (Securities and Banking, including the Private Bank, and Transaction Services); and Citi Holdings, which consists of Brokerage and Asset Management, Local Consumer Lending, and a Special Asset Pool. There is also a third segment, Corporate/Other.

Citigroup Inc. is a holding company and services its obligations primarily by earnings from its operating subsidiaries. Citigroup Inc. may augment its capital through issuances of common stock, perpetual preferred stock and equity issued through awards under employee benefit plans, among other issuances. Citigroup Inc. has also augmented its regulatory capital through the issuance of debt underlying trust preferred securities, although the treatment of such instruments as regulatory capital will be phased out under Basel III and the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Citigroup Inc.'s subsidiaries that operate in the banking and securities businesses can only pay dividends if they are in compliance with the applicable regulatory requirements imposed on them by federal and state bank regulatory authorities and securities regulators in the United States. Citigroup Inc.'s ability to pay regular quarterly cash dividends of more than \$0.01 per share, or to redeem or repurchase equity securities or trust preferred securities is currently restricted (which restriction may be waived) due to its agreements with certain U.S. government entities, generally for so long as the U.S. government continues to hold any of Citigroup Inc.'s trust preferred securities acquired in connection with the exchange offers consummated in 2009. Citigroup Inc.'s subsidiaries may be party to credit agreements that also may restrict their ability to pay dividends. Citigroup Inc. currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect Citigroup Inc.'s ability to service its own debt. Citigroup Inc. must also maintain the required capital levels of a bank holding company before it may pay dividends on its stock.

Under the regulations of the Federal Reserve, a bank holding company is expected to act as a source of financial strength for its subsidiary banks. As a result of this regulatory policy, the Federal Reserve might require Citigroup Inc. to commit resources to its subsidiary banks when doing so is not otherwise in the interests of Citigroup Inc. or its shareholders or creditors.

The principal offices for Citigroup Inc. are located at 399 Park Avenue, New York, NY 10043, and its telephone number is + 1 212 559-1000. Citigroup Inc. was established as a corporation incorporated in Delaware on 8 March 1988, registered at the Delaware Division of Corporations with perpetual duration pursuant to the Delaware General Corporation Law with file number 2154254. Citi's authorised capital stock consists of 6 billion shares of common stock and 30 million shares of preferred stock. As at 31 March 2013, there were approximately 3.0 billion fully paid common stock shares outstanding and approximately 125,000 preferred shares outstanding. A common stock share carries one vote, and no pre-emptive or other subscription rights or conversion rights. A preferred stock share carries no general voting rights.

No shareholder, or associated group of shareholders acting together, owns enough shares of Citigroup Inc.'s common stock to directly or indirectly exercise control over Citi.

DIRECTORS AND EXECUTIVE OFFICERS OF CITIGROUP INC.

The members of the board of directors of Citigroup Inc. are:

Board of Directors	Title	Main duties outside Citigroup Inc.
Robert L. Joss		Philip H. Knight Professor and Dean Emeritus, Stanford University Graduate School of Business.
Michael E. O'Neill	Chairman	
Michael L. Corbat	CEO	—
Judith Rodin		President, Rockefeller Foundation.
Robert L. Ryan		Chief Financial Officer, Retired, Medtronic Inc.
Anthony M. Santomero		Former President, Federal Reserve Bank of Philadelphia.
Diana L. Taylor		Managing Director, Wolfensohn Fund Management, L.P.
William S. Thompson, Jr.		CEO, Retired, Pacific Investment Management Company (PIMCO).
Ernesto Zedillo Ponce de Leon		Director, Center for the Study of Globalization and Professor in the Field of International Economics and Politics, Yale University
Franz B. Humer		Chairman, Roche Holding Ltd.
Joan E. Spero		Senior Research Scholar, Columbia University School of International and Public Affairs

The executive officers of Citigroup Inc. are: Eric W. Aboaf, Francisco Aristeguieta, Javier Arrigunaga, Stephen Bird, Don Callahan, Michael L. Corbat, James C. Cowles, Sanjiv Das, James A. Forese, John C. Gerspach, Michael Helfer, Bradford Hu, Brian Leach, Jud Linville, Mark Mason, Paul McKinnon, Eugene M. McQuade, Manuel Medina-Mora, William J. Mills, Edward Skyler, CeCe Stewart, Kevin Thurm, Francisco Vanni d'Archirafi, Rohan Weerasinghe and Paco Ybarra.

The business address of each director and executive officer of Citigroup Inc. in such capacities is 399 Park Avenue, New York, New York 10043.

There are no potential conflicts of interest existing between any duties owed to Citigroup Inc. by its senior management listed above and their private interests and/or other duties.

Citigroup Inc. is in compliance with the laws and regulations of the United States relating to corporate governance.

Committees of the Board of Directors

The standing committees of Citi's board of directors are:

*The audit committee consisting of Anthony M Santomero (Chair), Michael E. O'Neill, Robert L. Ryan, and Joan Spero, which assists the board in general fulfilling its oversight responsibility relating to (i) the integrity of Citi's consolidated financial statements and financial reporting process and Citi's systems of internal accounting and financial controls, (ii) the performance of the internal audit function, (iii) the annual independent integrated audit of Citi's consolidated financial statements and effectiveness of Citi's internal control over financial reporting, the engagement of the independent registered public accounting firm (**Independent Auditors**) and the evaluation of the Independent Auditors' qualifications, independence and performance, (iv) policy standards and guidelines for risk assessment and risk management, (v) the compliance by Citi with legal and regulatory requirements, including Citi's disclosure controls and procedures, and (vi) the fulfilment of the other responsibilities set out in its charter, as adopted by the board.*

The nomination, governance and public affairs committee, which is responsible for (i) identifying individuals qualified to become board members and recommending to the board the director nominees for the next annual meeting of stockholders, (ii) leading the board in its annual review of the board's performance, (iii) recommending to the board directors for each committee for appointment by the board (iv) reviewing Citi's policies and programmes that relate to public issues of significance to Citi and to the public at large and (v) reviewing Citi's relationships with external constituencies and issues that impact Citi's reputation, and advising management as to its approach to each.

The personnel and compensation committee, which is responsible for determining the compensation for the CEO, and approving the compensation structure for executive officers, other members of senior management and certain highly compensated employees in accordance with guidelines established by the committee from time to time. The committee annually reviews and discusses the Compensation Discussion and Analysis with management.

The committee meets periodically with Citi's senior risk officers to discuss the risk attributes of Citi's incentive compensation programmes so that such programmes do not encourage excessive risk taking. In consultation with the CEO, the committee regularly reviews Citi's talent development process to ensure it is effectively managed and to identify opportunities, performance gaps and next steps as part of Citi's executive succession planning and development process. The committee is also charged with annually reviewing Citi's performance toward meeting its goals on employee diversity.

*The risk management and finance committee, which has the primary responsibility for (1) oversight of Citigroup's risk management framework, including the significant policies, procedures and practices used in managing credit, market, operational and certain other risks and (2) oversight of Citigroup's policies and practices relating to Treasury matters, including capital, liquidity and financing, as well as to merger, acquisition, and divestiture activity (**M&A**). The committee reports to the board regarding Citigroup's risk profile, as well as its risk management framework, including the significant policies, procedures, and practices employed to manage risks in Citigroup's businesses, as well as the overall adequacy of the Risk Management function. The committee's role is one of oversight, recognizing that management is responsible for executing Citigroup Inc.'s risk management, Treasury and M&A policies.*

SELECTED FINANCIAL INFORMATION RELATING TO CITIGROUP INC.

The following table sets out in summary form selected financial information for Citigroup Inc. and its consolidated subsidiaries. Such information is derived from the consolidated financial statements of Citigroup Inc. contained in the Citigroup Inc. 2012 Form 10-K as filed with the SEC on 1 March 2013.

	<u>At or for the year ended 31 December</u>		
	2012 (audited)	2011 (audited)	2010 (audited)
	<i>(in millions of U.S. dollars)</i>		
Income Statement Data:			
Total revenues, net of interest expense.....	70,173	78,353	86,601
Income from continuing operations.....	7,909	11,103	10,951
Net Income	7,541	11,067	10,602
Balance Sheet Data:			
Total assets	1,864,660	1,873,878	1,913,902
Total deposits.....	930,560	865,936	844,968
Long-term debt ⁽¹⁾	239,463	323,505	381,183
Total stockholders' equity.....	189,049	177,806	163,468

(1) Including U.S.\$29,764 and U.S.\$24,172 at 31 December 2012 and 2011, respectively, at fair value.

The following table sets out in summary form selected financial information for Citigroup Inc. and its consolidated subsidiaries. Such information is derived from the consolidated financial statements of Citigroup Inc. contained in the Citigroup Inc. Q1 Form 10-Q as filed with the SEC on 3 May 2013.

	<u>At or for the three</u> <u>months ended 31 March</u>	
	2013 (unaudited)	2012 (unaudited)
	<i>(in millions of U.S. dollars)</i>	
Income Statement Data:		
Total revenues, net of interest expense.....	20,491	19,406
Income from continuing operations.....	3,965	3,062
Net Income	3,808	2,931
Balance Sheet Data:		
Total assets	1,881,734	1,944,423
Total deposits.....	966,762	906,012
Long-term debt	234,326	311,079
Total stockholders' equity.....	193,359	181,820

Auditors

The auditors of Citigroup Inc. are KPMG LLP of 345 Park Avenue, New York, NY 10154, United States of America. KPMG LLP is a member of the American Institute of Certified Public Accountants and is regulated by the U.S. Public Company Accounting Oversight Board.

KPMG LLP audited the consolidated balance sheets of Citigroup Inc. as of 31 December 2012 and 2011 and the related consolidated statements of income, changes in stockholders' equity and cash flows for each of the years in the three-year period ended 31 December 2012. KPMG LLP expressed an unqualified opinion on such financial statements in its report dated 1 March 2013.

Material Contracts

Citigroup Inc. has no contracts that are material to its ability to fulfil its obligations under any Notes issued by it.

Use Of Proceeds

The net proceeds of the issue of Notes by Citigroup Inc. will be used for general corporate purposes, which may include capital contributions to its subsidiaries and/or the reduction or refinancings of borrowings of Citigroup Inc. or its subsidiaries. Citigroup Inc. expects to incur additional indebtedness in the future.

Corporate authorities

Citigroup Inc. has obtained all necessary consents, approvals and authorisations in the United States in connection with the establishment of the Programme and the issue and performance of the Notes. The establishment of the Programme and the issue of the Notes by Citigroup Inc. under the Programme was authorised by certificates of the Funding Committee of Citigroup Inc. dated 21 June 2012 pursuant to resolutions of the board of directors of Citigroup Inc. dated 18 January 2012 and 21 March 2012.

Legal proceedings

Save as disclosed in the Citigroup Inc. Base Prospectus (including the documents incorporated by reference therein), neither Citigroup Inc. nor any of its subsidiaries is involved in, or has been involved in, any governmental, legal or arbitration proceedings that may have had, in the twelve months before the date of this Base Prospectus, a significant effect on the financial position or profitability of Citigroup Inc. or Citigroup Inc. and its subsidiaries as a whole, nor, so far as Citigroup Inc. is aware, are any such proceedings pending or threatened.

Significant change and material adverse change

The banking environment and markets in which the Group conducts its businesses will continue to be strongly influenced by developments in the U.S. and global economies, including the results of the European Union sovereign debt crisis and the implementation and rulemaking associated with recent financial reform. There has been no significant change in the financial or trading position of Citigroup Inc. or Citigroup Inc. and its subsidiaries as a whole since 31 March 2013 (the date of Citigroup Inc.'s most recently published unaudited interim financial statements), and there has been no material adverse change in the financial position or prospects of Citigroup Inc. or Citigroup Inc. and its subsidiaries as a whole since 31 December 2012 (the date of Citigroup Inc.'s most recently published audited financial statements).

SECTION D.2 – DESCRIPTION OF CGMFL

CITIGROUP GLOBAL MARKETS FUNDING LUXEMBOURG S.C.A.

Citigroup Global Markets Funding Luxembourg S.C.A. (**CGMFL**) was incorporated as a corporate partnership limited by shares (*société en commandite par actions*) on 24 May 2012 under the law of 10 August 1915 on commercial companies as amended (the **Companies Act 1915**) for an unlimited duration and is registered with the Register of Trade and Companies of Luxembourg under number B169 199. CGMFL has been established for the purpose, among others, of granting loans or other forms of funding directly or indirectly in whatever form or means to any entities in the same group.

The issued share capital of CGMFL is two million Euro (EUR2,000,000) divided into one (1) share with a nominal value of one Euro (EUR1.-) (*action de commandité*, the **Unlimited Share**) held by Citigroup Global Markets Funding Luxembourg GP S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 31, Z.A. Bourmicht, L-8070 Bertrange, Grand Duchy of Luxembourg and registered with the Register of Trade and Companies of Luxembourg under number B169 149 (the **Unlimited Shareholder**) and one million nine hundred ninety-nine thousand nine hundred ninety-nine (1,999,999) shares with a nominal value of one Euro (EUR 1.-) each (*actions de commanditaire*, the **Limited Shares**) held (i) by the Unlimited Shareholder for one (1) Limited Share and (ii) by Citigroup Global Markets Limited, a private limited company, incorporated under the laws of the United Kingdom, having its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, registration number 1763297 for one million nine hundred ninety-nine thousand nine hundred ninety-eight (1,999,998) Limited Shares (the **Limited Shareholders** and together with the Unlimited Shareholder the **Shareholders**).

CGMFL is managed by Citigroup Global Markets Funding Luxembourg GP S.à r.l. The Board of Managers (as defined below) provide independent management of CGMFL. CGMFL is a wholly owned indirect subsidiary of Citigroup Inc. No shareholder, or associated group of shareholders acting together, owns enough shares of Citigroup Inc.'s common stock to directly or indirectly exercise control over Citigroup Inc.

CGMFL's registered office is situated at 31, Z.A. Bourmicht, L-8070 Bertrange, Grand Duchy of Luxembourg and the telephone number is +352 451 41 4237/+352 2700 6201.

Management of CGMFL

CGMFL is managed by Citigroup Global Markets Funding Luxembourg GP S.à r.l. in its capacity as manager (the **Manager**).

The following table sets forth the names of the members of the board of managers of the Unlimited Shareholder being the Manager (the **Board of Managers**) as of the date of this Base Prospectus:

- Mr. Laurent Dimanche, with professional address at Rue Hicht 14, L-6212 Consdorf, Luxembourg; and,
- Mr. Charles Denotte, with professional address at 48, avenue Gaston Diderich, L-1420 Luxembourg.

Charles Denotte is the Citi Country Officer (CCO) for Luxembourg and Managing Director, Compliance Cluster Head for Western and Northern Europe (12 countries).

Charles Denotte has over 24 years of Banking experience and prior to joining Citi he worked for Fortis Group, Credit Suisse and Bankgesellschaft Berlin in a variety of positions. In addition to his banking experience, Charles Denotte spent nearly two years as a criminal financial investigator for the Luxembourg judicial authorities.

Charles Denotte is a board member of Citigroup Global Markets Funding Luxembourg GP S.à r.l., a board member of various other Citi entities in Luxembourg, board member of the American Bankers Association Luxembourg, of the AmCham Luxembourg, of the International Bankers Club Luxembourg, of PlanetFinance Luxembourg and of Jonk Entrepreneuren Asbl Luxembourg.

He was recently appointed as representative of Citi at the Luxembourg Stock Exchange (May 2012).

Charles Denotte was also a non executive director and chairman of the board of Citibank Belgium S.A., and member of the audit committee of Citibank Belgium S.A. until the sale of the Consumer business in Belgium in May 2012.

Charles Denotte holds a banking diploma from the Luxembourg University (Centre Universitaire de Luxembourg Cycle Court Section Commerce – Banques) and has a Master of Business Administration from Sheffield Hallam University, UK.

Laurent Dimanche is director and Country Head Trader within Citigroup Global Markets Luxembourg since May 2011.

He has dealt with Structured Finance for 11 years and has over 15 years of Banking experience.

Laurent Dimanche is a board member of Citigroup Global Markets Funding Luxembourg GP S.à r.l.

Laurent Dimanche holds an Msc. in Finance and Banking from the Luxembourg School of Finance, a civil engineer degree in Electromechanics from the University of Liège (Belgium) as well as a post Graduate degree in Management from the same engineering school.

There are no potential conflicts of interest existing between any duties owed to CGMFL by the board of managers listed above and their private interests and/or other duties.

Principal activities

As set out in Clause 3 in the Statutes of CGMFL, the corporate object of CGMFL is the granting of loans or other forms of funding directly or indirectly in whatever form or means to any entities belonging to the same group (e.g. including, but not limited to, by subscription of bonds, debentures, other debt instruments, advances, the granting of pledges or the issuing of other guarantees of any kind to secure the obligations of any entities, through derivatives or otherwise).

CGMFL may finance itself in whatever form including, without limitation, through borrowing or through issuance of listed or unlisted notes and other debt or equity instruments, convertible or not (e.g. including but not limited to bonds, notes, loan participation notes, subordinated notes, promissory notes, certificates and warrants) including under stand-alone issues, medium term note and commercial paper programmes.

CGMFL may also:

- (i) grant security for funds raised, including notes and other debt or equity instruments issued, and for the obligations of CGMFL; and
- (ii) enter into all necessary agreements, including, but not limited to underwriting agreements, marketing agreements, management agreements, advisory agreements, administration agreements and other contracts for services, selling agreements, deposit agreements, fiduciary agreements, hedging agreements, interest and/or currency exchange agreements and other financial derivative agreements, bank and cash administration agreements, liquidity facility agreements, credit insurance agreements and any agreements creating any kind of security interest.

In addition to the foregoing, CGMFL can perform all legal, commercial, technical and financial investments or operations and, in general, all transactions which are necessary or useful to fulfil its objects as well as all operations connected directly or indirectly to facilitating the accomplishment of its purpose in all areas described above.

CGMFL's articles however prohibit it from entering into any transaction which would constitute a regulated activity of the financial sector or require a business licence under Luxembourg law without due authorisation under Luxembourg law.

CGMFL's constitutional documents were published in the "Mémorial C, Recueil des Sociétés et Associations C-N° 1700, p.81554".

CGMFL grants loans and other forms of funding to entities belonging to the same group and therefore competes in any market in which the Group has a presence.

Corporate Governance

No corporate governance regime to which CGMFL would be subject exists in Luxembourg at the date of this Base Prospectus.

Share Capital

Issued shares (2,000,000 of EUR1), all these shares have been partially paid up, for an amount of five hundred thousand Euro (EUR500,000.-).

	Limited Shares:	Unlimited Share:	Subscription Price in Euro
Citigroup Global Markets Funding Luxembourg GP S.à r.l.	1	1	0.50
Citigroup Global Markets Limited	1,999,998	/	499,999.50
TOTAL SHARES	1,999,999	1	500,000

Total Capitalisation EUR2,000,000

Approved Statutory Auditor (*Réviseur d'entreprises agréé*) and financial year

CGMFL's approved statutory auditor (*réviseur d'entreprises agréé*) is KPMG Luxembourg, a *société à responsabilité limitée*, incorporated and existing under Luxembourg law, having its registered office at 9, allée Scheffer, L-2520 Luxembourg and registered with the Register of Commerce and Companies of Luxembourg under number B 149 133 (**KPMG Luxembourg**), who has been appointed by the first extraordinary general meeting of the Shareholders of CGMFL by a resolution dated 24 May 2012. KPMG Luxembourg is a member of the Institut des Réviseurs d'Entreprises.

CGMFL's fiscal year starts on 1 January and ends on 31 December each year, except for the first fiscal year that started on the date of incorporation of CGMFL and ended on 31 December 2012.

KPMG Luxembourg audited the CGMFL 2012 Annual Report. KPMG Luxembourg expressed an unqualified opinion on the CGMFL 2012 Annual Report.

Taxation

CGMFL is subject to the tax laws of Luxembourg on income and does not have any special tax status. It is, therefore, in principle entitled to the benefits of tax treaties concluded between the Grand Duchy of Luxembourg and other countries (subject to the acceptance of such contracting states).

Employees

CGMFL has no employees.

Selected Financial Information

The table below sets out in summary form key financial information for CGMFL. The summary form was extracted from CGMFL's Annual Report for the period ended on 31 December 2012 which was published on 7 June 2013 and from the opening balance sheet of CGMFL as at 24 May 2012:

	At or for the year ended 31 December 2012 (audited)	Opening balance sheet dated 24 May 2012
	EUR (audited)	EUR (audited)
Assets		
Subscribed capital unpaid		
Subscribed capital uncalled	1,500,000	1,500,000
Current assets		
Cash at bank	591,797	500,000
Prepayments and accrued income	1,575	
Total Assets	2,093,372	2,000,000
Liabilities		
Capital and reserves		
Subscribed capital	2,000,000	2,000,000
Loss for the financial period	(6,626)	
Non-subordinated debt		
Amounts owed to affiliated undertakings	99,998	
Total Liabilities	2,093,372	2,000,000

Accounts

CGMFL prepares annual non-consolidated accounts. The first annual accounts were prepared in respect of the period from the date of its incorporation to 31 December 2012 in accordance with the articles of incorporation and were published by CGMFL on 7 June 2013.

In accordance with the provisions of the Companies Act 1915, CGMFL will publish its audited annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of the Shareholders.

Any future published audited annual accounts prepared for CGMFL will be obtainable free of charge from the registered office of CGMFL in Luxembourg, as described in the section "*Documents Available for Inspection*".

Material Contracts

Apart from any agreements entered into by it in connection with the Programme, CGMFL has not entered into any material contracts other than in the ordinary course of its business.

In connection with the issue of Swedish Notes and Finnish Notes, CGMFL expects to enter into a Swedish Notes Issuing and Paying Agent Agreement and a Finnish Notes Issuing and Paying Agent Agreement respectively.

Use Of Proceeds

The net proceeds of the issue of Notes by CGMFL will be used primarily to grant loans or other forms of funding to Citigroup Global Markets Limited and any entity belonging to the same group, and may be used to finance CGMFL itself.

Corporate authorities

The issuance of the Notes by CGMFL and any other relevant corporate actions in relation to the issuance of the Notes have been authorised pursuant to a resolution of the board of managers of the Manager of CGMFL on 25 June 2013.

Legal proceedings

Save as disclosed in the CGMFL Base Prospectus (including the documents incorporated by reference therein), CGMFL has not been involved in any governmental, legal or arbitration proceedings that may have had, since the incorporation of CGMFL, a significant effect on CGMFL's financial position or profitability nor, so far as CGMFL is aware, any such proceedings are pending or threatened.

Significant change and material adverse change

The banking environment and markets in which the Group conducts its businesses will continue to be strongly influenced by developments in the U.S. and global economies, including the results of the European Union sovereign debt crisis and the implementation and rulemaking associated with recent financial reform. There has been no significant change in the financial or trading position of CGMFL since 31 December 2012 (the date of its most recently published audited annual financial statements) and there has been no material adverse change in the financial position or prospects of CGMFL since 31 December 2012 (the date of its most recently published audited annual financial statements).

SECTION D.3 – DESCRIPTION OF CITIGROUP GLOBAL MARKETS LIMITED

Citigroup Global Markets Limited (CGML) is a private company limited by shares and was incorporated in England and Wales on 21 October 1983. CGML is domiciled in England, its registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB and its telephone number is +44 (0)20 7986 4000. The registration number of CGML is 01763297 on the register maintained by Companies House.

Directors of CGML

The directors of CGML are:

<i>Name</i>	<i>Position at CGML</i>
J.P. Asquith	Director
D.J. Challen	Director
J.C. Cowles	Director
D.L. Taylor	Director
S.H. Dean	Director
P. McCarthy	Director

The business address of each director of CGML in his capacity as such is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. There are no potential conflicts of interest nor existing between any duties owed to CGML by the board of directors listed above and their private interests and/or other duties. There are no principal activities performed by the directors outside of CGML which are significant with respect to CGML.

Principal activities

The Articles of Association of CGML do not contain any description of CGML's objects or purposes.

CGML is a wholly-owned indirect subsidiary of Citigroup Inc. and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. It is a broker and dealer in fixed income and equity securities and related products in the international capital markets and an underwriter and provider of corporate finance services, operating globally from the UK and through its branches in Western Europe and the Middle East. CGML also markets securities owned by other group undertakings on a commission basis.

Corporate Governance

To the best of its knowledge and belief, CGML complies with the laws and regulations of England regarding corporate governance.

Share capital of CGML and major shareholders

As at 31 December 2012, the issued share capital of CGML was US\$1,499,626,620 made up of 350,000,000 convertible non-redeemable preference shares of US\$1 and 1,149,626,620 ordinary shares of US\$1. The convertible non-redeemable preference shares each carry an entitlement to a fixed non-cumulative preferential dividend of an amount per share per annum, as detailed in the Company's articles. The convertible non-redeemable preference share dividend shall be paid annually on 31 December in each year

ending on that date or on such date and in respect of such period as the Directors may in their discretion determine. These convertible non-redeemable preference shares confer upon the holders the right to convert such shares into fully paid ordinary shares on each quarter end on the basis of US\$1 nominal of ordinary shares for every US\$1 nominal of convertible non-redeemable preference shares held. These convertible non-redeemable preference shares do not permit holders to vote at general meetings of the Company unless a dividend declared on those shares has not been paid on the due date. On a return of capital on liquidation or otherwise, the convertible non-redeemable preference shares rank in priority to the ordinary shares.

All of the issued share capital of CGML is owned by Citigroup Global Markets Europe Limited, which is an indirect subsidiary of Citigroup Inc. No shareholder or associated group of shareholders acting together owns enough shares of Citigroup Inc.'s common stock to directly or indirectly exercise control over Citigroup Inc.

Selected Financial Information

The following table sets out in summary form selected financial information for CGML. The summary form was derived from the audited financial information of CGML for the year ended 31 December 2012, which was published on 30 April 2013.

	At or for the year ended 31 December		
	2012 (audited)	2011 (audited)	2010 (audited)
	<i>(in millions of U.S. dollars)</i>		
Profit and Loss Account Data:			
Gross Profit	2,767	2,921	3,410
Total Income (Commission income and fees + Net dealing income)	2,830	3,217	3,397
Operating profit/loss ordinary activities before taxation	(313)	(338)	173
Balance Sheet Data:			
Total assets	265,611	306,503	258,030
Debt (Subordinated)	5,700	10,180	11,180
Total Shareholder's funds	10,119	10,415	10,089

Auditor of CGML

CGML's auditor is KPMG Audit Plc, having its registered office at 15 Canada Square, London E14 5GL. KPMG Audit Plc is regulated by the Financial Reporting Council. KPMG are members of the UK's chartered accountants' professional body, ICAEW, of Chartered Accountants' Hall, Moorgate Place, London, EC2R 6EA.

KPMG Audit Plc audited the financial statements of CGML for the fiscal years ended 31 December 2012 and 2011 and expressed an unqualified opinion on such financial statements in its reports dated 3 April 2013 and 23 March 2012.

Material Contracts

CGML has no contracts that are material to its ability to fulfil its obligations under any Notes issued by CGMFL.

Corporate authorities

CGML has obtained all necessary consents, approvals and authorisations in England in connection with the CGMFL Deed of Guarantee.

Significant or Material Change

The banking environment and markets in which the Group conducts its businesses will continue to be strongly influenced by developments in the U.S. and global economies, including the results of the European Union sovereign debt crisis and the implementation and rulemaking associated with recent financial reform. There has been no significant change in the financial or trading position of CGML or CGML and its subsidiaries as a whole since 31 December 2012 (the date of its most recently published audited annual financial statements) and there has been no material adverse change in the financial position or prospects of CGML or CGML and its subsidiaries as a whole since 31 December 2012 (the date of its most recently published audited annual financial statements).

Litigation

Save as disclosed in the CGMFL Base Prospectus (including the documents incorporated by reference therein), CGML is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which CGML is aware) in the twelve months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position or profitability of CGML or CGML and its subsidiaries as a whole.

SECTION E – GENERAL INFORMATION RELATING TO THE PROGRAMME AND THE NOTES

SECTION E.1 – GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, each Issuer may from time to time issue notes (together, the **Securities**) including, for the avoidance of doubt, Notes issued under this Base Prospectus denominated or payable in any currency, subject as set out herein. The applicable terms of any Securities will be agreed between the Issuer and, where applicable, the relevant Dealer prior to the issue of the Securities and will be set out in the terms and conditions of the Securities which, for the purpose of Notes issued pursuant to this Base Prospectus, shall mean the "Terms and Conditions of the Notes" endorsed on, scheduled to, or incorporated by reference into, the Notes, as completed by Part A of the applicable Final Terms or as modified and/or supplemented, as applicable, by Part A of the applicable Pricing Supplement in each case, as attached to, or endorsed on, such Notes.

SECTION E.2 – GENERAL INFORMATION RELATING TO THE ISSUE OF NOTES UNDER THIS BASE PROSPECTUS

1. Application has been made to the Irish Stock Exchange for Notes to be admitted to trading on the Irish Stock Exchange's regulated market and to be listed on the Official List. The Irish Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive.

Application may be made for Notes to be listed on the Italian Stock Exchange and admitted to trading on the MoT or any other relevant market organised and managed by Borsa Italiana S.p.A., but there can be no assurance that any such listing will occur on or prior to the date of issue of any Notes or at all.

Application may be made for Notes issued by Citigroup Inc. to be listed on the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, but there can be no assurance that any such listing will occur on or prior to the date of issue of any Notes or at all.

Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and to trading on the Irish Stock Exchange's global exchange market. The Irish Stock Exchange's global exchange market is not a regulated market for the purposes of the Markets in Financial Instruments Directive.

As specified in the applicable Issue Terms, an issue of Notes may or may not be listed or admitted to trading, as the case may be, on the Irish Stock Exchange and/or the Italian Stock Exchange and/or the Luxembourg Stock Exchange and/or any other stock exchange or market as may be agreed between the Issuer and the relevant Dealer.

2. Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg and DTC. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855, Grand Duchy of Luxembourg and the address of DTC is 55 Water Street, New York, New York 10041, United States.

The Issuer may make an application for any Notes issued by it in registered form to be accepted for trading in book-entry form by DTC. The Common Code and the International Securities Identification Number (ISIN) for each Tranche of Notes will be set out in the applicable Issue Terms.

3. The Issuer may make an application for clearance of Notes through Euroclear Sweden and Euroclear Finland. The address of Euroclear Sweden is Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden, the address of Euroclear Finland is Euroclear Finland Ltd., Visiting Address, Urho Kekkosen katu 5C, PO Box 1110 001001 Helsinki, Finland.

4. None of the Issuers and the CGMFL Guarantor will provide any post issuance information, except if required by any applicable laws and regulations.

SECTION E.3 – ISSUE OF NOTES

Notes will be issued on a continuous basis in series (each a **Series**). The Notes of each Series are intended to be interchangeable with all other Notes of that Series.

Each Series of Notes may be issued in tranches (each a **Tranche**) having different issue dates but the terms otherwise identical to other Tranches constituting such series (or identical other than in respect of the first payment of interest).

The specific terms of each Tranche will be set forth in the applicable Issue Terms.

SECTION E.4 – FORM OF THE NOTES

Subject as provided below in relation to Swedish Notes and Finnish Notes, the Notes of each Series will be in either bearer form, with or without Coupons attached, or registered form, without Coupons attached. Bearer Notes will be offered and sold outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act (**Regulation S**) and Registered Notes may be offered and sold either outside the United States to non-U.S. persons in reliance on Regulation S or, in the case of Registered Notes issued by Citigroup Inc., within the United States to QIBs (as defined below) in reliance on Rule 144A under the Securities Act (**Rule 144A**).

Notes (that are not Swedish Notes or Finnish Notes) and are Bearer Notes

Bearer Notes will only be issued subject to such immobilisation conditions as are agreed by the Issuer, such that the Notes are treated as issued in registered form for U.S. federal income tax purposes.

Each Tranche of Bearer Notes will initially be issued in the form of a permanent Global Note or will be issued as otherwise agreed with the Issuer.

Any permanent Global Note will (i) if the permanent Global Note is stated in the applicable Issue Terms to be issued in NGN form because it is intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg; and (ii) if the permanent Global Note is stated in the applicable Issue Terms to be issued in CGN form because it is not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations, be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream, Luxembourg or as otherwise agreed between the Issuer and the relevant Dealer. Delivering a permanent Global Note to a common safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria established by the European Central Bank from time to time.

Notes which are represented by a permanent Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be. Bearer Notes may not be offered, sold or transferred at any time in the United States or to, or for the account or benefit of, a U.S. person and will bear a legend regarding such restrictions on transfer.

Notes (that are not Swedish Notes or Finnish Notes) and are Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold in offshore transactions to persons that are not U.S. persons (as defined in Regulation S) outside the United States, will be represented by a Regulation S Global Registered Note Certificate (a **Regulation S Global Registered Note Certificate**). Beneficial interests in a Regulation S Global Registered Note Certificate may not be offered, sold or transferred at any time in the United States or to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Registered Note Certificate will bear a legend regarding such restrictions on transfer.

With respect to Notes issued by CGMFL, each time the relevant Register is amended or updated, the Registrar shall send a copy of the relevant Register to CGMFL who will keep an updated copy of the Register at its registered office (the **Duplicate Register**). In the event of inconsistency between the Register and the Duplicate Register, the Duplicate Register shall, for purposes of Luxembourg law, prevail. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes issued by CGMFL, **holder** means the person in whose name such Registered Note is for the time being registered in the Register or the Duplicate Register if different from the Register

(with respect to Registered Notes issued by CGMFL) (or, in the case of a joint holding, the first named thereof) and **Noteholder** shall be construed accordingly. The ownership of the registered Notes shall be construed accordingly. The ownership of the registered Notes shall be established by an entry in the Duplicate Register.

The Registered Notes of each Tranche offered and sold in reliance on Rule 144A, which will be issued by Citigroup Inc., may only be offered and sold in private transactions to "qualified institutional buyers" within the meaning of Rule 144A (**QIBs**). The Registered Notes of each Tranche sold to QIBs will be represented by a Rule 144A Global Registered Note Certificate (a **Rule 144A Global Registered Note Certificate** and, together with a Regulation S Global Registered Note Certificate, the **Global Registered Note Certificates**), and beneficial interests therein may not be offered, sold or otherwise transferred at any time except to a QIB purchasing (or holding) the Notes for its account or for the account of one or more QIBs in reliance on Rule 144A.

Global Registered Note Certificates will either (i) be deposited with a custodian for, and registered in the name of a nominee of, the Depository Trust Company (**DTC**) for the accounts of Euroclear and Clearstream, Luxembourg or (ii) be deposited with a common depository or Common Safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of a common depository for Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper, as specified in the applicable Issue Terms. Persons holding beneficial interests in Global Registered Note Certificates will be entitled or required, as the case may be, to receive physical delivery of definitive Notes in fully registered form.

The Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Swedish Notes

Notwithstanding the foregoing Swedish Notes will be issued in dematerialised and uncertificated book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw: lag (1998:1479) om kontoföring av finansiella instrument*) (the **SFIA Act**), other applicable Swedish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Sweden. Swedish Notes will not be issued in definitive or global form.

Swedish Notes will be registered in a register kept by Euroclear Sweden on behalf of the Issuer (the **Swedish Notes Register**) and payments of principal, interest or any other amounts on Swedish Notes will be made by Euroclear Sweden on behalf of the Issuer to the persons registered as holders of such Swedish Notes in the Swedish Notes Register on the fifth Payment Date prior to the due date of the relevant payment.

Finnish Notes

Notwithstanding the foregoing Finnish Notes will be issued in uncertificated and dematerialised book-entry-form in accordance with the Finnish Act on the Book-Entry System and Clearing, (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*) and with the Finnish Act on Book-Entry Account, (*Fin. laki arvo-osuustileista (827/1991)*) other applicable Finnish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Finland. Finnish Notes will not be issued in definitive form.

Relationship of Accountholders with Clearing Systems

For so long as any of the Notes is represented by a Global Note or a Global Registered Note Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the

account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Registered Note Certificate shall be treated by the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and each Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Registered Note Certificate, as the case may be, and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

So long as DTC or its nominee is the registered owner or holder of a Global Registered Note Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Registered Note Certificate for all purposes under the Fiscal Agency Agreement and such Notes except to the extent that, in accordance with DTC's published rules and procedures, any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note or a Global Registered Note Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, subject to the restrictions on transfer described herein. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg or DTC as the beneficial holder of a particular principal amount of Notes represented by such Global Note or Global Registered Note Certificate, as the case must be, must look solely to Euroclear or Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment made by the Issuer or, where the Issuer is CGMFL, the CGMFL Guarantor to the holder of such Global Note or Global Registered Note Certificate, as the case may be, and the obligations of the Issuer in respect thereof will be discharged by payment to the holder of such Global Note or Global Registered Note Certificate, as the case may be, in respect of each amount so paid.

Exchanges

1. Exchange of Global Notes

A permanent Global Note may be exchanged in whole but not in part (free of charge) for definitive Bearer Notes (with, if applicable, Coupons and/or Talons attached) upon not less than 60 days' written notice being given to the Fiscal Agent by (a) the Issuer in the case of any of (i) to (iii) below or (b) Euroclear and/or Clearstream, Luxembourg acting on the instructions of any holder of an interest in the permanent Global Note in the case of (i) or (ii) below (i) if the Issuer has been notified that Euroclear and/or Clearstream, Luxembourg has/have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has/have announced an intention permanently to cease business or has/have in fact done so and no successor clearing system is available, (ii) upon the occurrence and continuance of an Event of Default (as defined in Condition 9 of the General Conditions), or (iii) the Issuer has or will become subject to adverse tax consequences in respect of such Notes which would not be suffered were the Notes represented by the permanent Global Note in definitive form.

Any exchange of a Global Note for definitive Bearer Notes will be made upon presentation of such Global Note at the specified office of the Fiscal Agent by the bearer of the Global Note on any day (other than a Saturday or Sunday) on which banks are open for general business in London.

2. Exchange of Global Registered Note Certificates

A Global Registered Note Certificate may be exchanged in whole but not in part (free of charge) for definitive Registered Note Certificates only upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (a) an Event of Default (as defined in Condition 9 of the General Conditions) has occurred and is continuing; or
- (b) if the Global Registered Note Certificate is registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper, as the case may be, the Issuer has been notified that Euroclear and/or Clearstream, Luxembourg, as the case may be, has/have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has/have announced an intention permanently to cease business or has/have in fact done so and no successor clearing system is available; or
- (c) if the Global Registered Note Certificate is registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no successor clearing system is available,
- (d) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Global Registered Note Certificate in definitive form.

The Issuer will promptly give notice to Noteholders upon the occurrence of an Exchange Event. In the event of the occurrence of an Exchange Event as described in (a) to (c) above, Euroclear and/or Clearstream, Luxembourg, and/or DTC, as the case may be, acting on the instructions of any holder of an interest in such Global Registered Note Certificate may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (a) to (d) above, the Issuer may also give notice to the Registrar requesting exchange. Any exchange shall occur no later than 10 days after the date of receipt of the relevant notice by the Registrar.

Any exchanges of a Global Registered Note Certificate will be made upon presentation of the Global Registered Note Certificate at the specified office of the Registrar by the holder of it on any day (other than a Saturday or Sunday) on which banks are open for general business in the city of the specified office of the Registrar.

Deed of Covenant

Where any Note is represented by a Global Note or a Global Registered Note Certificate and the Global Note or the Global Registered Note Certificate (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes or the Maturity Date has occurred and, in either case, redemption has not occurred in accordance with the provisions of the Global Note or the Global Registered Note Certificate, then the Global Note or Global Registered Note Certificate will become void and the holders of interests in such Global Note or such Global Registered Note Certificate credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg and/or DTC on and subject to the terms of the relevant Deed of Covenant executed by the Issuer.

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg, DTC, Euroclear Sweden and/or Euroclear Finland shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system specified in the applicable Issue Terms.

SECTION E.5 – BOOK ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, Clearstream, Luxembourg, Euroclear Sweden or Euroclear Finland (together, the **Clearing Systems**) currently in effect.*

The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers believe to be reliable, but none of Citigroup Inc., CGMFL, the CGMFL Guarantor and any Dealer takes any responsibility for the accuracy thereof, except that the Issuers and the CGMFL Guarantor (where the Issuer is CGMFL) accept(s) responsibility for accurately reproducing such information and, as far as the Issuers and the CGMFL Guarantor (where the Issuer is CGMFL) is/are aware and is/are able to ascertain from information published by the relevant Clearing Systems, no facts have been omitted which would render the reproduced information inaccurate or misleading. This paragraph should be read in conjunction with the first two paragraphs set out under the heading "Responsibility Statement" on page 9.

Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of Citigroup Inc., CGMFL and the CGMFL Guarantor, and any other party to the Fiscal Agency Agreement, the Swedish Notes Issuing and Paying Agent Agreement or the Finnish Notes Issuing and Paying Agent Agreement, as the case may be, will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-entry Systems

DTC

DTC has advised the Issuers that it is a limited purpose trust company organised under the New York Banking Law, a **banking organisation** within the meaning of the New York Banking Law, a member of the Federal Reserve System, a **clearing corporation** within the meaning of the New York Uniform Commercial Code and a **clearing agency** registered pursuant to Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants (**Direct Participants**) deposit with DTC. DTC also facilitates the settlement among Direct Participants of sales and other securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**DTCC**). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulation subsidiaries. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**). The DTC rules applicable to its participants are on file with the Securities and Exchange Commission. More information about DTCC can be found at www.dtcc.com and www.dtc.org.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the **Rules**), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system (**DTC Notes**) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (**Owners**) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners.

Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which will be legended as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise

take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Euroclear Sweden

Euroclear Sweden holds securities for its customers and facilitates the clearance and settlement of securities transactions by book-entry transfer between its account holders. Euroclear Sweden offers clearing and settlement of securities denominated in SEK and EUR through the VPC system. The VPC system supports different types of securities, equities and interest-bearing cash instruments as well as the respective derivatives.

Euroclear Finland

Euroclear Finland holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its account holders. Euroclear Finland offers clearing and settlement of securities denominated in EUR through one of its systems, as applicable (RM or HexClear if the securities have been issued in the OM system). The systems support different types of securities, equities and interest-bearing cash instruments as well as the respective derivatives.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Global Registered Note Certificate accepted in its book-entry settlement system. Upon the issue of any such Global Registered Note Certificate, DTC or its custodian will credit, on its internal book-entry system, the respective principal amounts of the individual beneficial interests represented by such Global Registered Note Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Global Registered Note Certificate will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Registered Note Certificate, the respective depositories of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Global Registered Note Certificate accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Global Registered Note Certificate accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all

or a portion of such payment for credit directly to the beneficial holders of interests in the Global Registered Note Certificate in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) or any Agent. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Global Registered Note Certificates

Transfers of any interests in Notes represented by a Global Registered Note Certificate within Euroclear and Clearstream, Luxembourg and DTC will be effected in accordance with the customary rules and operating procedures of the relevant clearing system and will be subject to the transfer restrictions described herein. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Global Registered Note Certificate to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Global Registered Note Certificate accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Global Registered Note Certificate accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Subscription and Sale and Transfer and Selling Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian (**Custodian**) with whom the relevant Global Registered Note Certificates have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Euroclear and Clearstream, Luxembourg and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Euroclear and Clearstream, Luxembourg and DTC have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Registered Note Certificates among participants and accountholders of Euroclear and Clearstream, Luxembourg and DTC. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of Citigroup Inc., CGMFL, the CGMFL Guarantor the Agents and any Dealer will be responsible for any performance by Euroclear or Clearstream, Luxembourg or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Registered Note Certificates or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Euroclear UK and Ireland (CREST)

If so specified in the applicable Issue Terms, Notes will be accepted for settlement through Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited) (**CREST**). Following their delivery into a clearing system, interests in the relevant Notes may be delivered, held and settled in CREST by means of the creation of CREST Depository Interests (**CDIs**) representing the interests in the relevant Notes. The CDIs will be issued by the **CREST Depository** to investors (**CDI Holders**) and will be governed by English Law.

The CDIs will represent indirect interests in the interest of CREST International Nominees Limited (the **CREST Nominee**) in the relevant Notes. Pursuant to the CREST Manual (as defined below), Notes held in global form by a common depository may be settled through CREST, and the CREST Depository will issue CDIs. The CDIs will be independent securities, constituted under English law which may be held and transferred through CREST.

Interests in the relevant Notes will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated by the CREST Depository as if it were a relevant Note, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to CDI Holders any interest or other amounts received by it as holder of the relevant Notes on trust for such CDI Holder. CDI Holders will also be able to receive from the CREST Depository notices of meetings of holders of the relevant Notes and other relevant notices issued by the Issuer or the CGMFL Guarantor (where the Issuer is CGMFL).

Transfers of interests in Notes by a CREST participant to a participant of Euroclear or Clearstream, Luxembourg will be effected by cancellation of the CDIs and transfer of an interest in such Notes to the account of the relevant participant with Euroclear or Clearstream, Luxembourg.

The CDIs will have the same ISIN as the ISIN of the relevant Notes and will not require a separate listing.

Prospective subscribers for Notes represented by CDIs are referred to Chapter 3 of the CREST Manual which contains the form of the CREST Deed Poll to be entered into by the CREST Depository. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) including the CREST Deed Poll (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) executed by the CREST Depository. These rights may be different from those of holders of Notes which are not represented by CDIs.

CDIs will be delivered, held and settled in CREST, by means of the CREST International Settlement Links Service (the **CREST International Settlement Links Service**). The settlement of the CDIs by means of the CREST International Settlement Links Service has the following consequences for CDI Holders:

- (a) CDI Holders will not be the legal owners of the relevant Notes. The CDIs are separate legal instruments from such Notes and represent an indirect interest in such Notes.
- (b) The relevant Notes themselves (as distinct from the CDIs representing indirect interests in such Notes) will be held in account with a custodian. The custodian will hold the relevant Notes through a clearing system. Rights in the relevant Notes will be held through custodial and depository links through the appropriate clearing systems. The legal title to the relevant Notes or to interests in such Notes will depend on the rules of the clearing system in or through which the relevant Notes are held.

- (c) Rights under the relevant Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians described above. The enforcement of rights under the relevant Notes will therefore be subject to the local law of the relevant intermediary. The rights of CDI Holders to the relevant Notes are represented by the entitlements against the CREST Depository which (through the CREST Nominee) holds interests in the relevant Notes. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the relevant Notes in the event of any insolvency or liquidation of the relevant intermediary, in particular where the relevant Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.
- (d) The CDIs issued to CDI Holders will be constituted and issued pursuant to the CREST Deed Poll. CDI Holders will be bound by all provisions of the CREST Deed Poll and by all provisions of, or prescribed pursuant to, the CREST International Manual dated 14 April 2008 as amended, modified, varied or supplemented from time to time (the **CREST Manual**) and the CREST Rules (the **CREST Rules**) (contained in the CREST Manual) applicable to the CREST International Settlement Links Service and CDI Holders must comply in full with all obligations imposed on them by such provisions.
- (e) Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) and the CREST Depository.
- (f) CDI Holders may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them. The attention of potential investors is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from CREST at 33 Cannon Street, London EC4M 5SB or by calling +44 (0)20 7849 0000 or from the CREST website at www.euroclear.com/site/public/EUI.
- (g) Potential investors should note CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the CDIs through the CREST International Settlement Links Service.
- (h) Potential investors should note that none of the Issuers, the CGMFL Guarantor (where the Issuer is CGMFL), any Dealer, any distributor, any Paying Agent, the Registrar and any Transfer Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

SECTION E.6 – ERISA MATTERS

The U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**), prescribes rules pertaining to the management of "plan assets" of pension and other employee benefit plans subject to ERISA (**ERISA Plans**) and the appointment of parties who may manage such assets. Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans, as well as those plans that are not subject to ERISA but that are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans (together with ERISA Plans, **Plans**), and certain investment entities in which Plans invest, from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under Section 4975 of the Code with respect to such Plans.

The rules and regulations applicable under ERISA and Section 4975 of the Code contain certain "look-through" provisions. Under these provisions, if a Plan invests in an equity interest of an entity, the assets of the Plan will be deemed to include not only the equity interest but also an undivided interest in each of the underlying assets of the entity, unless an exception to the look-through rule were to apply. An "equity interest" is defined under the applicable rules as any interest in an entity other than an instrument treated as indebtedness under applicable local law that has no substantial equity features. No assurance can be given that the Notes will not be treated as equity interests for these purposes. The look-through rule would not apply if the Notes or the Issuer qualified for an exception available under applicable rules. If a Plan were to acquire an interest in the Notes, and no exception to the look-through rule were to apply, the Issuer would be regarded as a plan asset entity and the assets and transactions would be attributed to the Plan investor. In this event, the Plan investor could be viewed as having improperly delegated to the Issuer responsibility for the management of the Plan's assets, and the transactions and holdings of the Issuer might involve violations of the prohibited transaction rules of ERISA and Section 4975 of the Code, as well as violations of other rules applicable under ERISA.

Based on the foregoing, the Notes may not be acquired or held by a Plan or any party acting on behalf of or using the assets of a Plan. Any purchaser or subsequent transferee of the Notes or any interest therein will be deemed to have represented by its purchase thereof that it is not a Plan and is not acting on behalf of or using the assets of a Plan.

SECTION E.7 –SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

Subject to the terms and conditions contained in a Dealership Agreement dated 26 June 2013 2013 (the **Dealership Agreement**) between Citigroup Inc., CGMFL, the CGMFL Guarantor, the Arranger and the Dealers, the Notes will be offered on a continuous basis by the Issuer to the Dealers (as defined in the Dealership Agreement). However, each Issuer reserves the right to sell Notes directly on its own behalf to other entities and to offer Notes in specified jurisdictions directly to the public through distributors, in accordance with all applicable rules and regulations. Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the Issuer or the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agent of the Issuer. The Dealership Agreement also provides for Notes to be issued in syndicated Tranches which are jointly and severally underwritten by two or more Dealers.

The Issuer (and the CGMFL Guarantor where the Issuer is CGMFL) has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes issued by such Issuer, including in relation to liabilities arising under the Securities Act. The Dealership Agreement may be terminated in relation to all the Dealers or any of them by Citigroup Inc., CGMFL, the CGMFL Guarantor, in relation to itself and Citigroup Inc., CGMFL, the CGMFL Guarantor only, by any Dealer or the Arranger, at any time on giving not less than ten days' notice.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Notes or any beneficial interest therein, by its acquisition or acceptance thereof, will be deemed to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) (a) in the case of Notes issued by Citigroup Inc. or CGMFL and offered and sold in reliance on Regulation S, as specified in the applicable Issue Terms, that such purchaser is outside the United States and is not a U.S. person; or (b) in the case of Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A, as specified in the applicable Issue Terms, that such purchaser is a "qualified institutional buyer" (a **QIB**), purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that the offer and sale to it is being made in reliance on Rule 144A;
- (ii) that the Notes and, where the Issuer is CGMFL, the CGMFL Deed of Guarantee are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes and the CGMFL Deed of Guarantee have not been and will not be registered under the Securities Act or any U.S. State securities laws and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below with respect to Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A;
- (iii) (a) in the case of Notes issued by Citigroup Inc. or CGMFL and offered and sold in reliance on Regulation S, as specified in the applicable Issue Terms, that such purchaser will not re-sell, pledge or otherwise transfer the Notes or any beneficial interest therein at any time within the United States or to, or for the account or benefit of, a U.S. person, other than the Issuer or any affiliate thereof; and (b) in the case of Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A, as specified in the applicable Issue Terms, that such purchaser will not re-sell, pledge or otherwise transfer the Notes or any beneficial interest therein at any time other than to (1) the Issuer or any affiliate thereof or (2) a person

it reasonably believes is a QIB purchasing (or holding) for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the States of the United States and any other jurisdiction;

- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Notes or any beneficial interest therein from it of the resale restrictions referred to in paragraph (iii) above;
- (v) that Notes offered and sold in the United States to QIBs in reliance on Rule 144A will be represented by one or more Rule 144A Global Registered Note Certificates, and that Notes offered and sold outside the United States to non-U.S. persons in reliance on Regulation S will be represented by one or more Regulation S Global Registered Note Certificates;
- (vi) it is not, and its purchase and holding of the Notes is not made on behalf of or with “plan assets” of, an employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**), a plan, individual retirement account or other arrangement subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or an employee benefit plan or plan subject to any laws, rules or regulations substantially similar to Title I of ERISA or Section 4975 of the Code;
- (vii) that the Rule 144A Global Registered Note Certificates, will bear a legend to the following effect:

"[NEITHER] THIS GLOBAL SECURITY [NOR THE CGMFL DEED OF GUARANTEE]* [HAS NOT BEEN]** [HAS BEEN]* NOR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF AN INTEREST HEREIN, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE NOTES REPRESENTED HEREBY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL, PLEDGE OR OTHERWISE TRANSFER THE NOTES REPRESENTED HEREBY AT ANY TIME OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF OR (2) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; (C) REPRESENTS THAT IT IS NOT, AND ITS PURCHASE AND HOLDING OF THE NOTES IS NOT MADE ON BEHALF OF OR WITH “PLAN ASSETS” OF, AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (**THE CODE**) OR AN EMPLOYEE BENEFIT PLAN OR PLAN SUBJECT TO ANY LAWS, RULES OR REGULATIONS SUBSTANTIALLY SIMILAR TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE; AND (D) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM AN INTEREST IN THIS GLOBAL SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THE NOTES [THE CGMFL

DEED OF GUARANTEE] [AND ANY ENTITLEMENT]*** DO NOT CONSTITUTE, AND HAVE NOT BEEN MARKETED AS, CONTRACTS OF SALE OF A COMMODITY FOR FUTURE DELIVERY (OR OPTIONS THEREON) SUBJECT TO THE U.S. COMMODITY EXCHANGE ACT, AS AMENDED (THE CEA), AND TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION PURSUANT TO THE CEA. THE ISSUER RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT ANY PROPOSED TRANSFER OF ANY INTEREST HEREIN IS BEING MADE IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS, THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

THIS GLOBAL SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE FISCAL AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT WITH NOTICE TO, THE HOLDERS OF INTERESTS IN THIS GLOBAL SECURITY, GIVEN IN ACCORDANCE WITH THE CONDITIONS, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF INTERESTS IN THIS GLOBAL SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. ANY HOLDER OF AN INTEREST IN THIS GLOBAL SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE THEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON SUCH HOLDER AND ALL FUTURE HOLDERS OF INTERESTS IN THIS GLOBAL SECURITY AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON);

(viii) that the Regulation S Global Registered Note Certificates will bear a legend to the following effect:

"[NEITHER] [THIS GLOBAL SECURITY [NOR THE CGMFL DEED OF GUARANTEE]* [HAS NOT BEEN]** [HAS BEEN]* NOR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT AT ANY TIME BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS SUCH TERMS ARE USED IN REGULATION S UNDER THE SECURITIES ACT), OTHER THAN THE ISSUER OR ANY AFFILIATE THEREOF, AND PAYMENTS [AND/OR DELIVERIES] [] ON THE NOTES MAY NOT BE MADE TO ANY U.S. PERSON OR ANY PERSON WITHIN THE UNITED STATES. CERTIFICATION OF NON-U.S. BENEFICIAL OWNERSHIP MAY BE REQUIRED AS A CONDITION TO RECEIVING ANY PAYMENTS [AND/OR DELIVERIES]** ON THE NOTES. BY ITS ACQUISITION OF AN INTEREST HEREIN, THE HOLDER REPRESENTS THAT IT IS NOT, AND ITS PURCHASE AND HOLDING OF THE NOTES IS NOT MADE ON BEHALF OF OR WITH "PLAN ASSETS" OF, AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**) OR AN EMPLOYEE BENEFIT PLAN OR PLAN SUBJECT TO ANY LAWS, RULES OR REGULATIONS SUBSTANTIALLY SIMILAR TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE. THE NOTES [AND THE CGMFL DEED OF GUARANTEE]* [AND ANY ENTITLEMENT]*** DO NOT CONSTITUTE, AND HAVE NOT BEEN MARKETED AS CONTRACTS OF SALE OF A COMMODITY FOR FUTURE DELIVERY (OR OPTIONS THEREON) SUBJECT TO THE U.S. COMMODITY

EXCHANGE ACT, AS AMENDED (THE CEA) AND TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION PURSUANT TO THE CEA. THE ISSUER RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT ANY PROPOSED TRANSFER OF ANY INTEREST HEREIN IS BEING MADE IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS, THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.";

- (ix) that it has been afforded an opportunity to request from the Issuer (and the CGMFL Guarantor, if applicable) and to review all additional information it considers to be necessary to verify the accuracy of the information contained in this Base Prospectus and the applicable Issue Terms or otherwise and it has not relied on the Dealers or any person affiliated with the Dealers in connection with its investigation of the accuracy of such information or its investment decision; and
- (x) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Notes in the United States in reliance on Rule 144A to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount and no Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) of Registered Notes.

United States of America

The Notes and the CGMFL Deed of Guarantee have not been and will not be registered under the Securities Act or any state securities laws. Trading in the Notes has not been approved by the United States Commodity Futures Commission under the United States Commodity Exchange Act, as amended. No issue of Notes may be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except, in the case of Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A, to "qualified institutional buyers" (QIBs), each purchasing (or holding) for its own account or for the account of one or more QIBs, in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the States of the United States and any other jurisdiction. The Notes and the CGMFL Deed of Guarantee do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Notes has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended. Terms used in this section have the meanings given to them by Regulation S or Rule 144A under the Securities Act.

Each Dealer has represented and agreed that it, its affiliates (if any) and any person acting on its or their behalf (i) have not offered or sold and will not offer or sell any Notes at any time within the United States or to, or for the account or benefit of, U.S. persons, except, in the case of Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A, as specified in the applicable Issue Terms, to persons it reasonably believes to be QIBs, each purchasing (or holding) for its own account or for the account of one or more QIBs and (ii) at or prior to confirmation of sale of Notes offered in reliance on Regulation S, as specified in the applicable Issue Terms, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases such Notes from it a confirmation or other notice stating that such distributor, dealer or person is subject to the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons that are set forth herein.

An offer or sale of Notes within the United States or to, or for the account or benefit of, a U.S. person by any dealer (whether or not participating in the offering) at any time may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers, directly or through their respective U.S. broker dealer affiliates, may arrange for the resale of Notes issued by Citigroup Inc. and offered and sold in reliance on Rule 144A to QIBs pursuant to Rule 144A and each purchaser of such Notes is hereby notified that the Dealers are relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A and one or more exemptions and/or exclusions from regulation under the United States Commodity Exchange Act, as amended. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other Relevant Currency). To the extent that Citigroup Inc. is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, Citigroup Inc. has agreed to furnish to holders of Notes offered and sold in reliance on Rule 144A and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Each issuance of Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer(s) may agree with the Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

CGMFL does not intend to issue, offer or sell any Notes within the United States or to, or for the account or benefit of, any U.S. person.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, PROVIDED THAT any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

PROVIDED THAT no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in the Relevant Member State).

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to any of Citigroup Inc., CGMFL and the CGMFL Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia) in relation to the Programme or the Notes has been, or will be, lodged with the Australian Securities Investments Commission (**ASIC**). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the relevant Issue Terms (or any other supplement to this Base Prospectus) otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer for the issue, sale or purchase of the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Base Prospectus or any other offering material or advertisement relating to any Notes in Australia;

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternative currency, and in either case disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to be made to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia;
- (ii) the offer or invitation does not constitute an offer to a "retail client" for the purposes of section 761G of the Corporations Act 2001 of Australia;
- (iii) such action complies with all applicable laws, regulations and directives; and such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

The Kingdom of Bahrain

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with this Base Prospectus and related offering documents may only be offered in registered form to existing account holders and accredited investors as defined by the Central Bank of Bahrain (**CBB**) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in other currency or such other amount as the CBB may determine.

Any offer contemplated by this Base Prospectus will not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Notes, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered the Base Prospectus or related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document. No offer of Notes will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public in the Kingdom of Bahrain generally.

Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes issued in connection with the Base Prospectus and related offering documents except on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors".

For this purpose, an "accredited investor" means:

an individual holding financial assets (either singly or jointly with a spouse) of U.S.\$1,000,000 or more;

a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000; or

a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

Brazil

Notes have not been and will not be issued or publicly placed, distributed, offered or negotiated in the Brazilian capital markets. None of the relevant Issuer (and, where CGMFL is the relevant Issuer, the CGMFL Guarantor) and the issuance of any Notes have been or will be registered with the *Comissão de Valores Mobiliários (CVM)* (Brazilian Securities Commission). Any public offering or distribution, as defined under Brazilian laws and regulations, of Notes in Brazil is not legal without prior registration under Law No. 6,385, of 7 December 1976, as amended, and Instruction No. 400, issued by the CVM on 29 December 2003, as amended. Documents relating to the offering of any Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of any such Notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of Notes to the public in Brazil. Therefore, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell Notes in the Federative Republic of Brazil except in circumstances which do not constitute a public offering or distribution under Brazilian laws and regulations.

Chile

Notes issued under the Programme are being offered as of the date hereof solely to Qualified Investors (*Inversionistas Calificados*) pursuant to the private placement exemption provided by General Rule No. 336 of the *Superintendencia de Valores y Seguros* (the **SVS**). The offering of the Notes has not been and will not be registered with the Chilean Securities Registry or the Registry of Foreign Securities of the SVS and, therefore, the Notes are not subject to oversight by the SVS and may not be sold publicly in Chile. The Issuer of the Notes is not obligated to make information available publicly in Chile regarding the Notes. The Notes may not be subject to a public offer until they are registered in the corresponding Securities Registry.

Colombia

The Notes will not be publicly offered in Colombia, but may be "promoted" (as such term is defined by Article 4.1.1.1.1. of Decree 2555 of 2010) to a limited number of persons in Colombia by the authorised personnel of a firm authorised to execute "promotion" activities of foreign securities in Colombia. The Notes have not been and will not be registered on the Colombian National Registry of Securities and Issuers (*Registro Nacional de Valores y Emisores*) or before the Colombian Stock Exchange. Accordingly, the distribution of any documentation in regards to the Programme will not constitute a public offering of securities.

Costa Rica

Notes have not been and will not be registered with the *Superintendencia General de Valores* (Costa Rica's General Superintendency of Securities or "SUGEVAL") and, therefore, the Notes are not authorised for public offering in Costa Rica and may not be offered, placed, distributed, commercialized and/or negotiated publicly in Costa Rica. Documents relating to the offering of the Notes, as well as information contained therein, may not be offered publicly in Costa Rica, nor be used in connection with any public offering for subscription or sale of the Notes in Costa Rica.

Republic of Cyprus

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell any Notes, except in conformity with the provisions of the Public Offer and Prospectus Law, Law 114/2005 and the provisions of the Cyprus Companies Law, cap.113 (as amended);

- (b) it has not and will not offer or sell any Notes other than in compliance with the provisions of the Investment Services and Activities and Regulated Markets Law, Law 144(I)/2007; and
- (c) it will not be providing from or within Cyprus any "Investment Services", "Investment Activities" and "Non-Core Services" (as such terms are defined in the Investment Services and Activities and Regulated Markets Law, Law 144(I)/2007, (the **ISARM**)) in relation to the Notes or will be otherwise providing Investment Services, Investment Activities and Non-Core Services to residents or persons domiciled in Cyprus. Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not be concluding in Cyprus any transaction relating to such Investment Services, Investment Activities and Non-Core Services in contravention of the ISARM and/or applicable regulations adopted pursuant thereto or in relation thereto.

Denmark

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Securities Trading Act (Consolidation Act No. 219 of 20 February 2013, as amended from time to time) and the Executive Orders issued thereunder.

For the purposes of this provision, an offer of Notes to the public in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the relevant Notes to be offered so as to enable an investor in Denmark to decide to purchase or subscribe for such Notes.

Dominican Republic

Notes have not been and will not be registered with the Superintendencia de Valores of the Dominican Republic (*Superintendencia de Valores de la Republica Dominicana*) and each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it will not offer or sell Notes in the Dominican Republic, except in circumstances which do not constitute a public offering under Dominican laws and regulations.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the **DFSA**); and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

Ecuador

Notes have not been and will not be registered with the *Consejo Nacional de Valores and Bolsa de Valores de Quito or Guayaquil* and each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell Notes in Ecuador except in circumstances which do not constitute a public offering or distribution under Ecuadorian laws and regulations (*Ley de Mercado de Valores*).

El Salvador

Notes have not been and will not be registered with the *Bolsa de Valores de El Salvador* (Stock Exchange of El Salvador) nor the *Registro Público Bursátil* of the *Superintendencia del Sistema Financiero de El Salvador* (Public Stock Exchange Registry of El Salvador's Financial System Superintendence) and each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell Notes in the Republic of El Salvador except in circumstances which do not constitute a public offering or distribution under Salvadoran laws and regulations.

Finland

Notes, including Finnish Notes, issued under the Programme may not be offered or sold, or this Base Prospectus be distributed, directly or indirectly to any resident of the Republic of Finland or in the Republic of Finland, except pursuant to applicable Finnish laws and regulations. Unless the applicable Final Terms specify that a Non-Exempt Offer of such Notes is made in Finland in accordance and compliance with the applicable Finnish laws and regulations, the Notes may not be marketed, offered or sold or this Base Prospectus be distributed, directly or indirectly, to any resident of the Republic of Finland or in the Republic of Finland, other than to a limited number of pre-selected non-qualified investors not exceeding 149, to qualified investors as defined in the Finnish Securities Markets Act (*Arvopaperimarkkinalaki* 14.12.2012/746 as amended) or to be acquired for a consideration of at least EUR 50,000 per investor with regard to an offer or in portions of at least EUR 100,000 in nominal or counter value. This Base Prospectus is strictly for private use by its recipients and may not be passed on to third parties or otherwise distributed publicly. This Base Prospectus has not been approved by the Finnish Financial Supervisory Authority.

France

Each of the Dealers and each Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) *Offer to the public in France:*

it has only made and will only make an offer of Notes to the public in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* (**AMF**), on the date of such publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive No. 2003/71/EC, as amended, on the date of notification of such approval to the AMF, and ending at the latest on the date which is 12 months after the date of approval of the prospectus, all in accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or

(ii) *Private placement in France:*

it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Issue Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals all as defined in, and in accordance with, Articles L. 411-1, L. 411-2 and D. 411-1 of the French *Code monétaire et financier*.

Guatemala

Neither this Base Prospectus nor any Notes have been registered with the *Registro del Mercado de Valores y Mercancías de la República de Guatemala* (Guatemalan's National Registry for the Supervision of the Commercialization of Securities) and, therefore, no Notes may be publicly offered in Guatemala or through Guatemalan broker/dealers.

The Notes are being placed privately or publicly in several markets outside of Guatemala, and Guatemalan residents interested in acquiring the Notes must accept (preferably) in writing that they are the ones making the approach to purchase such Notes, and must do it through the services of broker dealers active in those markets, and enter into transactions under laws other than Guatemalan law.

Neither the Regulations for Initial Public Offerings and Sale of Securities (*Ley del Mercado de Valores y Mercancías*) nor any other Guatemalan Law or Regulation, nor the obligations regarding the information or risk rating applicable to securities registered with the *Registro de Valores y Mercancías de la República de Guatemala* apply to the Notes or any offering thereof.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell Notes publicly in the Republic of Guatemala. The Guatemalan *Registro de Valores y Mercancías de la República de Guatemala* has not reviewed or approved this Base Prospectus. This Base Prospectus may not be publicly distributed in Guatemala, nor shall any advertising of this Prospectus take place in the territory of the Republic of Guatemala.

Guatemalan residents may be subject to Guatemalan tax laws.

Honduras

Neither the Issuers nor any Notes issued under the Programme have been, nor will they be, registered with the Honduran Securities Market Public Registry (*Registro Público de Mercado de Valores*) and therefore, no Notes may be publicly offered in Honduras and each Dealer has represented and agreed, and each further dealer appointed under the Programme will be required to represent and agree, that it will comply with all applicable law and will not offer or sell Notes publicly in Honduras. The Honduran National Banking and Insurance Commission has not reviewed or approved this Base Prospectus.

Hong Kong Special Administrative Region

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China (**Hong Kong**), by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **Securities and Futures Ordinance**)) other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to any Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of

only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Hungary

In addition to the rules applicable to the European Economic Area as described above, in connection with any private placement in Hungary, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) all written documentation prepared in connection with a private placement in Hungary will clearly indicate that it is a private placement, (ii) it will ensure that all investors receive the same information which is material or necessary to the evaluation of the Issuer's current market, economic, financial and legal situation and its expected development, including that which was discussed in any personal consultation with an investor, and (iii) the following standard wording will be included in all such written communication:

"PURSUANT TO SECTION 18 OF ACT CXX OF 2001 ON THE CAPITAL MARKETS, THIS [NAME OF DOCUMENT] WAS PREPARED IN CONNECTION WITH A PRIVATE PLACEMENT IN HUNGARY."

Ireland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it will not underwrite the issue of, or place any Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) of Ireland, including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place any Notes otherwise than in conformity with the provisions of the Companies Acts 1963-2012 (as amended) of Ireland, the Central Bank Acts 1942-2011 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of any Notes otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

Israel

No prospectus in relation to the Programme or the Notes has been, or will be, issued in Israel and/or reviewed by the Israel Securities Authority. Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell Notes in the State of Israel other than private sales to Israeli persons who have confirmed to the Dealer in writing that (i) they are an investor of the type listed in the First Supplement to the Securities Law, 5728-1968, of the State of Israel, and that they are aware of the significance of their being such an investor and consent thereto, and (ii) they are purchasing the Notes for their own account, for investment purposes only and with no present intention of distribution or re-sale.

Italy

Until an offering of Notes has been registered, pursuant to Italian securities legislation, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus (including the Issue Terms) or of any other document relating to Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (**Regulation No. 11971**); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of Notes or distribution of copies of this Base Prospectus or any other document relating to Notes in the Republic of Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

In accordance with Article 100-bis of the Financial Services Act where no exemption from the rules on public offerings applies under (i) and (ii) above, Notes which are initially offered and placed in the Republic of Italy or abroad to qualified investors only but in the following year are regularly ("sistematicamente") distributed on the secondary market in the Republic of Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by such non-qualified investors.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

State of Kuwait

No Notes have been licensed for offering in the State of Kuwait by the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of Notes in the State of Kuwait on the basis of a private placement or public offering is, therefore, restricted in

accordance with Decree Law No. 31 of 1990, as amended, and Ministerial Order No. 113 of 1992, as amended. No private or public offering of Notes is being made in the State of Kuwait, and no agreement relating to the sale of Notes will be concluded in the State of Kuwait. No marketing or solicitation or inducement activities are being used to offer or market Notes in the State of Kuwait.

Mexico

Notes have not been, and will not be, registered with the Mexican National Registry of Securities pursuant to the Mexican Securities Market Law and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell Notes in the United Mexican States. The Mexican National Banking and Securities Commission has not reviewed or approved this Base Prospectus. This Base Prospectus may not be publicly distributed in Mexico.

Norway

Norway has implemented the Prospectus Directive and the 2010 PD Amending Directive, cf. chapter 7 of the Securities Trading Act of 29 June 2007 no. 75, as amended, and chapter 7 of the Securities Trading Regulations of 29 June 2007 No. 876, as amended. Consequently, the selling restrictions set out in the section "*Public Offer Selling Restriction under the Prospective Directive*" above apply.

Notes denominated in Norwegian Kroner may not be offered or sold within Norway or outside Norway to Norwegian citizens abroad, without the Notes prior thereto having been registered with the Norwegian Central Securities Depository (VPS).

The Notes will only be sold in Norway to investors who have sufficient knowledge and experience to understand the risks involved with investing in the Notes.

Oman

This Base Prospectus does not constitute a public offer of securities in the Sultanate of Oman, as contemplated by the Commercial Companies Law of Oman (Royal Decree No. 4/47 as amended) or the Capital Market Law of Oman (Royal Decree No. 80/98), or an offer to sell or the solicitation of any offer to buy securities in the Sultanate of Oman, as contemplated by the Executive Regulations of the Capital Market Law issued by Decision No. 1/2009.

This Base Prospectus is strictly private and confidential. It may be provided to a limited number of sophisticated investors within the Sultanate of Oman solely to enable them to decide whether or not to make an offer to enter into commitments to invest in Notes, outside of the Sultanate of Oman upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

Additionally, this Base Prospectus is not intended to lead to the making of any contract within the territory or under the laws of the Sultanate of Oman.

This Base Prospectus has been approved by the Central Bank of Ireland. Citigroup Inc. and CGMFL and the CGMFL Guarantor are regulated by the Federal Reserve. The Capital Market Authority and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this Base Prospectus or for the performance of any Notes nor shall they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

Panama

The Notes have not been, and will not be, registered with the Superintendency of the Securities Market of Panama. Accordingly (i) the Notes cannot be publicly offered or sold in Panama, except in transactions

exempted from registration under the Securities Laws of Panama, (ii) the Superintendency of the Securities Market of Panama has not reviewed the information contained in this Base Prospectus, and (iii) the Notes and its offer are not subject to the supervision of the Superintendency of the Securities Market of Panama.

Paraguay

Notes have not been and will not be registered with the Comisión Nacional de Valores (the Paraguayan Securities Commission) and each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell Notes in the Republic of Paraguay except in circumstances which do not constitute a public offering or distribution under Paraguayan laws and regulations. Notes placed in Paraguay will be placed on a private placement basis only.

Peru

Notes issued under this Base Prospectus may only be placed privately in Peru. The offering of any Notes is not a public offering in Peru. Neither this Base Prospectus nor any Notes have been registered with the *Superintendencia de Mercado de Valores* (Peru's National Corporations and Securities Supervisory Commission or SMV) or with the Lima Stock Exchange.

Neither the Regulations for Initial Public Offerings and Sale of Securities (CONASEV Resolution 141-98-EF/94.10) nor the obligations regarding the information applicable to securities registered with the *Registro Publico del Mercado de Valores* (Peruvian Stock Market Registry) apply to the Notes or any offering thereof.

Peruvian residents may be taxed under Peruvian tax laws, on the profits obtained from the Notes or the sale thereof. Investors must independently evaluate the application of such taxes before purchasing the Notes.

Poland

In addition to the rules applicable to the European Economic Area as described above, in connection with any private placement in the Republic of Poland (**Poland**), no permit has been obtained from the Polish Financial Supervisory Authority (the **Polish FSA**) in relation to the issue of any Notes nor has the issue of any Notes been notified to the Polish FSA in accordance with applicable procedures. Accordingly, Notes may not be publicly offered in Poland, as defined in the Polish Act on Public Offerings and on the Conditions of Introducing Financial Instruments to an Organised Trading System and on Public Companies of 29 July 2005 (as amended) as an offering to sell or purchase of securities, made in any form and by any means, if the offering is directed at 150 or more people or at an unnamed addressee (a **Polish Public Offering**). Each Dealer has confirmed, and each further Dealer appointed under the Programme will be required to confirm, and each Noteholder, by the purchase of a Note, is deemed to confirm, that it is aware that no such permit has been obtained nor such notification made.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, and each Noteholder is deemed to represent, that it has not offered, sold or delivered and shall not offer, sell or deliver the Notes in Poland in the manner defined as a Polish Public Offering as part of its initial distribution or otherwise to residents of Poland or in Poland. Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, and each Noteholder is deemed to acknowledge, that the acquisition and holding of the Notes by residents of Poland may be subject to restrictions imposed by Polish law (including foreign exchange regulations), and that offers and sales of Notes to Polish residents or in Poland in secondary trading may also be subject to restrictions.

Portugal

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme and any person offering the Notes in Portugal (a **Portuguese Offeror**) will be required to represent and agree, that Notes may only be offered by any such Dealer or any such Portuguese Offeror to the public in the Portuguese Republic (**Portugal**) under circumstances which are deemed to be a public offer (*oferta pública*) under the Portuguese Securities Code (*Código dos Valores Mobiliários*) enacted by Decree Law no. 486/99 of November 13, as amended from time to time, subject to the fulfilment of the requirements and provisions applicable to public offerings in Portugal.

In particular, no offering materials will be publicly distributed in Portugal by any such Dealer or any such Portuguese Offeror and no publicity or marketing activities related to Notes will be conducted in Portugal by any such Dealer or any such Portuguese Offeror unless the requirements and provisions applicable to public offerings in Portugal are met, and in any case Notes will only be distributed or placed or advertised in Portugal if all applicable legal and regulatory requirements are met, including the approval and publication (if required) of a Key Investor Information Document (**KIID**) approved by the Portuguese Securities Market Commission (**CMVM**) under the terms of CMVM Regulation 2/2012 (or of any CMVM Regulation superseding or replacing it) in case the Notes qualify as a complex financial product.

In addition, each Dealer has represented and agreed, and each further Dealer appointed under the Programme and any Portuguese Offeror will be required to represent and agree, that: (i) it has not directly or indirectly taken any action or offered, advertised, marketed, invited to subscribe, gathered investment intentions, sold or delivered and will not directly or indirectly take any action, offer, advertise, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any Notes in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code, notably in circumstances which could qualify as a public offer addressed to individuals or entities resident in Portugal or having a permanent establishment located in Portuguese territory, as the case may be, or in circumstances which could qualify the issue of Notes as an issue in the Portuguese market except in accordance with all applicable laws and regulations; (ii) all offers, sales and distributions by it of Notes have been and will only be made in Portugal in circumstances that, pursuant to the Portuguese Securities Code or other securities legislation or regulations, qualify as a private placement of Notes (*oferta particular*) except if such offers, sales and distributions qualify as and follow the requirements applicable to a public offer (*oferta pública*) pursuant to the aforementioned provisions; (iii) it has not distributed, made available or caused to be distributed and will not distribute, make available or cause to be distributed this Base Prospectus or any other offering material relating to Notes in Portugal except in accordance with all applicable laws and regulations; (iv) it will comply with all applicable provisions of the Portuguese Securities Code, the Prospectus Regulation implementing the Prospectus Directive and any applicable Regulations of the CMVM and all relevant Portuguese securities laws and regulations, in any such case that may be applicable to it in respect of any offer or sale of Notes by it in Portugal or to individuals or entities resident in Portugal or having a permanent establishment located in Portuguese territory (or to whom Portuguese laws and regulations on the distribution of financial instruments otherwise apply), as the case may be, including the publication of a prospectus, when applicable, or commencing a prospectus recognition procedure with the CMVM, and/or filing with the CMVM and disclosing to investors a KIID under the applicable Portuguese regulatory provisions, namely CMVM Regulation 2/2012 (or any CMVM Regulation superseding or replacing it) on complex financial products, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations.

Qatar (excluding the Qatar Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, delivered or sold, and will not offer, deliver or sell at any time, directly or indirectly, any Notes in the State of Qatar, except

- (a) in compliance with all applicable laws and regulations of the State of Qatar; and

- (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar.

Russian Federation

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold or transferred or otherwise disposed of and will not offer or sell or transfer or otherwise dispose of any Notes (as part of their initial distribution or at any time thereafter) to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

Since neither the issuance of the Notes nor a securities prospectus in respect of the Notes has been registered, or is intended to be registered, with the Federal Service for Financial Markets of the Russian Federation, the Notes are not eligible for initial offering or public circulation in the Russian Federation and may not be sold or offered in the Russian Federation in any way other than to Russian "qualified investors" (as defined under Russian law) in a manner that does not constitute "advertisement", "placement" or "public circulation" (as defined under Russian law) of the Notes in the Russian Federation.

Information set forth in this Base Prospectus is not an offer, advertisement or invitation to make offers, to sell, exchange or otherwise transfer the Notes in the Russian Federation or to or for the benefit of any Russian person or entity.

Kingdom of Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a **Saudi Investor**) who acquires Notes pursuant to any offering should note that the offer of Notes is a private placement under Article 10 or Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4 October 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008 (the **KSA Regulations**). The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "sophisticated investors" under Article 10 of the KSA Regulations or by way of a limited offer under Article 11 of the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of the Notes will comply with the KSA Regulations.

Each offer of Notes shall not therefore constitute a "public offer" pursuant to the KSA Regulations but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Notes pursuant to a private placement under Article 10 and/or Article 11 of the KSA Regulations may not offer or sell those Notes to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and: (a) the Notes are offered or sold to a "Sophisticated Investor (as defined in Article 10 of the KSA Regulations)"; (b) the price to be paid for the Notes in any one transaction is equal to or exceeds SR 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the **Securities and Futures Act**). Accordingly, Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section

275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interests (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the relevant Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) pursuant to Section 276(7) of the Securities and Futures Act; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investment) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in Notes described herein. Unless explicitly stated otherwise in the applicable Issue Terms, Notes may not be offered, sold, advertised or otherwise distributed, directly or indirectly, in, into or from Switzerland except to qualified investors as defined in article 10 of the Swiss Collective Investment Schemes Act and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Unless explicitly stated otherwise, neither this Base Prospectus nor any other offering or marketing material relating to Notes issued under the Programme constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations nor a simplified prospectus as such term is understood pursuant to article 5 of the Swiss Collective Investment Schemes Act, and neither this Base Prospectus nor any other offering or marketing material relating to any Notes may be distributed or otherwise made publicly available in Switzerland.

Neither this Base Prospectus nor any other offering or marketing material relating to the offering of any Notes has been or will be filed with or approved by any Swiss regulatory authority. Notes do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Market Supervisory Authority FINMA, and investors in Notes will not benefit from protection under the Swiss Collective Investment Schemes Act or supervision by any Swiss regulatory authority.

Taiwan

The Notes may not be sold, offered or issued to Republic of China (**Taiwan**) resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase outside Taiwan by such investors and/or (ii) in Taiwan, (A) in the case of Structured Notes (as defined below) through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products or (B) in the case of Notes which are not Structured Notes, through properly licensed Taiwan intermediaries (including the specified trust of money services of licensed banks in Taiwan acting as trustees) in such manner as complies with Taiwan law and regulation and/or (iii) in such other manner as may be permitted or exempted in accordance with Taiwan laws and regulations.

For the purpose of the preceding paragraph, **Structured Notes** means combination products issued outside of Taiwan by means of securities that link fixed income products and underlying financial derivative products that derive from equities, interest rates, foreign exchange rates, indexes, commodities, credit events or other interests.

Republic of Turkey

Notes issued under the Programme have not been, and will not be, authorised or approved by the Turkish Capital Markets Board (the **CMB**) under the provisions of Law No. 6362 relating to capital markets (the **Capital Markets Law**) and *Communiqué Serial II*, No. 22 of the CMB. According to Article 15(d)(ii) of Decree 32 of Council of Ministers (as amended from time to time), Turkish residents are free to purchase and sell Notes offshore on an unsolicited (reverse inquiry) basis PROVIDED THAT any such transaction is effected through banks or brokerage firms licensed by the CMB, and that proceeds are transferred outside Turkey via banks. Under the Capital Markets Law and implementing regulations, sale of Notes through invitation to Turkish residents is considered a public offering or a private placement in Turkey and both are subject to approval of the CMB if the invitation is made through advertisements, announcements, video shows or presentations which are open to the public. Neither this Base Prospectus nor any other offering material related to the offering will be utilised in connection with any general offering to the public within Turkey for the purpose of the sale of Notes without the prior approval of the CMB. Notes will not be sold or caused to be sold outside of Turkey to Turkish residents, unless such sale is authorised pursuant to Article 15(d)(ii) of Decree 32 and the CMB regulations

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Uruguay

Notes issued under the Programme are not and will not be registered with the Financial Services Superintendent of the Central Bank of Uruguay to be publicly offered in Uruguay and none of the Issuers qualify as an investment fund regulated by Uruguayan law 16,774, as amended. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Notes placed in Uruguay will be placed relying on a private placement (*oferta privada*) pursuant to section 2 of law 18,627.

General

These selling restrictions may be amended by the agreement of the Issuer, the CGMFL Guarantor (where the Issuer is CGMFL) and the relevant Dealers. Any such amendment will be set out in either the subscription

agreement or the dealer accession letter, as relevant, and/or the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Issue Terms, in any country or jurisdiction where, or under circumstances in which, action for that purpose is required and has not been taken. No offers, sales, resales or deliveries of any Notes, or distribution of any offering material relating to any Notes, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on any of Citigroup Inc., CGMFL, the CGMFL Guarantor and/or any Dealer.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Issue Terms, in all cases at its own expense, and none of Citigroup Inc., CGMFL, the CGMFL Guarantor and any other Dealer shall have responsibility therefor.

SECTION E.8 – TAXATION OF NOTES

GENERAL

Purchasers of Notes may be required to pay taxes (including stamp taxes) and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note.

TRANSACTIONS INVOLVING NOTES MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING NOTES SHOULD CONSULT THEIR TAX ADVISORS.

Unless otherwise expressly provided below, the relevant Issuer and, where the relevant Issuer is CGMFL, the CGMFL Guarantor, do not accept responsibility for the withholding of taxes at source. This statement should be read in conjunction with Condition 7 of the Terms and Conditions of the Notes.

References in this Section E.8 to a **Member State** shall be to a Member State of the European Economic Area.

UNITED STATES FEDERAL TAX CONSIDERATIONS

This discussion was not written and is not intended to be used and cannot be used by any taxpayer for purposes of avoiding United States federal income tax penalties. It was written to support the promotion or marketing of the Notes to be issued pursuant to this Base Prospectus. Each taxpayer should seek advice based on its particular circumstances from an independent tax advisor.

General

The following is a summary of certain U.S. federal income tax consequences that may be relevant to the purchase, ownership and disposition of Notes that the Issuer treats as debt, and that are in registered form, each for U.S. federal income tax purposes. This summary does not purport to be a comprehensive description of all of the tax consequences that may be relevant to the decision to purchase the Notes by any particular investor, including tax consequences that arise from rules of general application to all taxpayers or to certain classes of taxpayers or that are generally believed to be known by investors. This summary also does not address the tax consequences to (i) persons that may be subject to special treatment under U.S. federal income tax law, such as banks, insurance companies, thrift institutions, regulated investment companies, real estate investment trusts, tax-exempt organisations, traders in securities that elect to mark to market for tax purposes and dealers in securities, (ii) persons that will hold the Notes as part of a "straddle", a "hedging", "conversion" or other integrated investment transaction or a constructive sale for U.S. federal income tax purposes, (iii) U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, (iv) Non-U.S. Holders (as defined below) who recognise gain in respect of a Note in a taxable year in which the Non-U.S. Holder is present in the United States for 183 days or more, (v) persons that do not hold the Notes as capital assets, or (vi) except where the context indicates otherwise, persons that did not purchase the Notes in the initial offering. Moreover, this summary does not address alternative minimum tax consequences or the Medicare tax on investment income.

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the **Code**), U.S. Treasury Regulations and judicial and administrative interpretations thereof, in each case as in effect and available on the date hereof. Changes to any of the foregoing could affect the tax consequences described below, possibly with retroactive effect. Further, this summary does not describe any tax consequences arising out of the tax laws of any state, local or foreign jurisdiction. Prospective purchasers of the Notes are urged to

consult their tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of owning Notes in light of their own particular circumstances.

For the purposes hereof, **U.S. Holder** means a person that is (i) an individual citizen or resident of the United States, (ii) a corporation organised in or under the laws of the United States or any state thereof or the District of Columbia or (iii) otherwise subject to U.S. federal income taxation on a net income basis in respect of the Notes. The term **Non-U.S. Holder** means a holder of the Notes that is a non-resident alien individual, a foreign corporation or a foreign estate or trust.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Prospective purchasers that are partnerships are urged to consult their tax advisors regarding the tax consequences to their partners of an investment in the Notes.

This discussion may be supplemented, modified or superseded by further discussion regarding U.S. federal tax considerations set out in the applicable Issue Terms, which a prospective purchaser is urged to read before making a decision to invest in the relevant Notes.

Tax Consequences to U.S. Holders

The following discussion applies only to Notes that the Issuer intends to treat as debt instruments for U.S. federal income tax purposes, as evidenced by the statement under "*United States Tax Considerations*" in the applicable Issue Terms. It generally assumes that the Issuer's intended treatment of the Notes as debt instruments, as well as any specific treatments indicated in the applicable Issue Terms (*e.g.*, as variable rate debt instruments or contingent payment debt instruments, each as discussed below), are respected. The Issuer's intended treatment of the Notes is not binding on the Internal Revenue Service (the **IRS**), and the IRS could disagree with it, in which case the timing and character of a U.S. Holder's income in respect of the Notes could be adversely affected. The general discussion below is subject to special rules applicable to Short-Term Notes, Contingent Notes and Foreign Currency Contingent Notes as described below.

Interest Payments on Notes

Payments of qualified stated interest, as defined below under "*Original Issue Discount*", will be taxable to a U.S. Holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the U.S. Holder's method of tax accounting.

If such payments of interest are made in respect of a Note that is denominated in a single foreign currency, the amount of interest income realised by a U.S. Holder that uses the cash method of tax accounting (a **cash-method holder**) will be the U.S. dollar value of the currency payment based on the spot rate of exchange on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. No foreign currency gain or loss should be recognised by a cash-method holder with respect to the receipt of such payment (other than foreign currency gain or loss realised on the disposition of the currency received). In the case of a Note that provides for payments in U.S. dollars determined by reference to a single foreign currency, a cash-method holder should recognise interest income on the Note in an amount equal to the U.S. dollars received. Both types of Notes are referred to herein as "**Foreign Currency Notes**".

A U.S. Holder that uses the accrual method of tax accounting (an **accrual-method holder**) will accrue interest income on a Foreign Currency Note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on:

the average exchange rate in effect during the interest accrual period, or portion thereof within the holder's taxable year; or

at the holder's election, at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) the date of receipt, if that date is within five business days of the last day of the accrual period.

Such an election must be applied consistently by the accrual-method holder to all foreign currency debt instruments from year to year and can be changed only with the consent of the IRS. An accrual-method holder will recognise foreign currency gain or loss on the receipt of an interest payment made on a Foreign Currency Note if the spot rate of exchange on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. Such foreign currency gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on the Note.

Taxable Disposition of Notes

A U.S. Holder's tax basis in a Note generally will equal the cost of that Note to the holder, increased by any amounts includible in income by the holder as original issue discount (**OID**) and market discount (each as described below) and reduced by any amortised premium and any payments on the Note other than payments of qualified stated interest (each as described below).

In the case of a Foreign Currency Note, the cost of the Note to a U.S. Holder generally will be the U.S. dollar value of the foreign currency purchase price on the date of purchase. In the case of a Foreign Currency Note that is traded on an established securities market, a U.S. Holder generally should determine the U.S. dollar value of the cost of the Note by translating the amount paid in foreign currency into its U.S. dollar value at the spot rate of exchange (1) on the settlement date of the purchase, in the case of a cash-method holder, and (2) on the trade date, in the case of an accrual-method holder, unless the holder elects to use the spot rate applicable to cash-method holders. The amount of any subsequent adjustments to a U.S. Holder's tax basis in a Foreign Currency Note in respect of OID, market discount and premium will be determined in the manner described under "*Original Issue Discount*", "*Market Discount*" and "*Notes Purchased at a Premium*" below. The conversion of U.S. dollars to another currency and the immediate use of that currency to purchase a Foreign Currency Note generally will not result in taxable gain or loss for a U.S. Holder.

Upon the sale, exchange, retirement or other taxable disposition of a Note (each, a **taxable disposition**), a U.S. Holder generally will recognise gain or loss equal to the difference between (1) the amount realised on the taxable disposition, less any accrued qualified stated interest, which will be treated as a payment of interest and taxed in the manner described above under "*Interest Payments on Notes*", and (2) the U.S. Holder's adjusted tax basis in the Note.

If a U.S. Holder receives a currency other than the U.S. dollar in respect of the taxable disposition of a Note, the amount realised generally will be the U.S. dollar value of the currency received calculated at the spot rate of exchange on the date of the taxable disposition of the Note. In the case of a taxable disposition of a Foreign Currency Note that is traded on an established securities market, a U.S. Holder that receives a currency other than the U.S. dollar generally should determine the amount realised by translating that currency into its U.S. dollar value at the spot rate of exchange (1) on the settlement date of the taxable disposition, in the case of a cash-method holder and (2) on the trade date, in the case of an accrual-method holder, unless the accrual-method holder elects to use the spot rate applicable to cash-method holders. Such an election by an accrual-method holder must be applied consistently by the accrual-method holder to all debt instruments from year to year and can be changed only with the consent of the IRS.

Gain or loss recognised by a U.S. Holder on the taxable disposition of a Note (other than a Foreign Currency Note, a Contingent Note, Foreign Currency Contingent Note or a Market Discount Note, each as discussed below) generally will be long-term capital gain or loss if the U.S. Holder has held the Note for more than one year at the time of the taxable disposition and short-term capital gain or loss otherwise.

Gain or loss recognised by a U.S. Holder on the taxable disposition of a Foreign Currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held the Note. A U.S. Holder might be required to file a disclosure statement with the IRS if the U.S. Holder recognises foreign currency loss above certain thresholds.

If the Issuer designates a Substitute for itself, the Notes could be treated for U.S. federal income tax purposes, in whole or in part, as retired and reissued, in which case, a U.S. Holder would be required to recognise gain or loss (subject to the possible application of the wash sale rules) with respect to the Notes.

Original Issue Discount

In General. Notes with a term greater than one year may be issued with original issue discount ("OID") for United States federal income tax purposes (such Notes, **OID Notes**). U.S. Holders generally must accrue OID in gross income over the term of an OID Note on a constant yield basis, regardless of their regular method of tax accounting. As a result, U.S. Holders generally will recognise taxable income in respect of an OID Note in advance of the receipt of cash attributable to such income.

OID generally will arise if the stated redemption price at maturity of a Note exceeds its issue price by an amount equal to or greater than 0.25 per cent. of the Note's stated redemption price at maturity multiplied by the number of complete years to maturity. In the case of an "installment Note" (*i.e.*, a Note that provides for payments prior to maturity other than qualified stated interest), this test is generally applied based on the Note's weighted average maturity. OID may arise if a Note is issued at a discount to its principal amount, and may also arise if a Note has particular interest payment characteristics, such as interest holidays, interest payable in additional securities or stepped interest. For this purpose, the issue price of a Note is the first price at which a substantial amount of Notes is sold for cash, other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a Note is the sum of all payments due under the Note, other than payments of qualified stated interest. The term qualified stated interest generally means stated interest that is unconditionally payable in cash or property, other than debt instruments of the issuer, at least annually during the entire term of a Note at a single fixed rate of interest or, under particular conditions, based on one or more floating interest rates described below under "*Variable Rate Debt Instruments*".

For each taxable year of a U.S. Holder, the amount of OID that must be included in gross income in respect of an OID Note will be the sum of the daily portions of OID for each day during that taxable year or any portion of the taxable year in which the U.S. Holder holds the OID Note. Daily portions are determined by allocating to each day in an accrual period a pro rata portion of the OID allocable to that accrual period. Accrual periods may be of any length and may vary in length over the term of an OID Note. However, accrual periods may not be longer than one year, and each scheduled payment of principal or interest must occur on the first day or the final day of a period.

The amount of OID allocable to any accrual period generally will equal (1) the product of the OID Note's adjusted issue price at the beginning of the accrual period multiplied by its yield to maturity (as adjusted to take into account the length of the accrual period), less (2) the amount, if any, of qualified stated interest allocable to that accrual period. The adjusted issue price of an OID Note at the beginning of any accrual period will equal the issue price of the OID Note, as defined above, (1) increased by previously accrued OID from prior accrual periods, and (2) reduced by any payment made on the Note, other than payments of qualified stated interest, on or before the first day of the accrual period.

The Notes may have special redemption, repayment or interest rate reset features, as indicated in the applicable Issue Terms that may affect whether a Note is an OID Note and, if so, the proper timing of recognition of the OID by a U.S. Holder. Notes containing such features may be subject to special rules that differ from the general rules discussed herein. Accordingly, prospective purchasers of Notes with such features are urged to consult their tax advisors regarding these special rules.

Foreign Currency Notes. In the case of an OID Note that is also a Foreign Currency Note, a U.S. Holder should determine the U.S. dollar amount includible in income as OID for each accrual period by calculating the amount of OID allocable to that accrual period in the relevant currency, using the constant-yield method described above and translating that amount using the average exchange rate in effect during that accrual period (or a portion thereof), or, at the U.S. Holder's election, at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) on the date such OID is treated as paid (as described in the following

paragraph), if that date is within five business days of the last day of the accrual period. Such an election must be applied consistently by the U.S. Holder to all Foreign Currency Notes from year to year and can be revoked only with the consent of the IRS.

Each payment on an OID Note that is a Foreign Currency Note, other than payments of qualified stated interest, generally will be viewed first as a payment of previously accrued OID, to the extent thereof, with the payment attributed first to the earliest accrued OID, and then as a payment of principal. Upon the receipt of an amount attributable to OID, whether in connection with a payment of an amount that is not qualified stated interest or the taxable disposition of the OID Note, a U.S. Holder will recognise foreign currency gain or loss that is ordinary income or loss measured by the difference between (1) the amount received and (2) the corresponding amount(s) previously accrued. The amount received will be translated into U.S. dollars at the spot rate of exchange on the date of receipt, in the case of a payment by the Issuer, or on the date of the taxable disposition of the OID Note. The corresponding amount(s) accrued will be determined by using the rate(s) of exchange applicable to such previous accrual(s). Upon a taxable disposition, the amount of foreign currency income or loss recognised will be limited by the overall amount of gain or loss recognised on the taxable disposition.

Acquisition Premium. A U.S. Holder that purchases an OID Note for an amount less than or equal to the remaining redemption amount (as defined below), but in excess of the OID Note's adjusted issue price, generally is permitted to reduce the daily portions of OID by a fraction. The numerator of this fraction is the excess of the U.S. Holder's adjusted tax basis in the OID Note immediately after its purchase over the OID Note's adjusted issue price at that time. The denominator of the fraction is the excess of the remaining redemption amount over the OID Note's adjusted issue price. For the purposes of this section, "**acquisition premium**" means the excess of the purchase price paid by a U.S. Holder for an OID Note over the OID Note's adjusted issue price and "**remaining redemption amount**" means the sum of all amounts payable on an OID Note after the purchase date other than payments of qualified stated interest. In the case of a Foreign Currency Note, the rules described in this paragraph are applied using units of the relevant currency.

Variable Rate Debt Instruments

Certain Notes may be treated for U.S. federal income tax purposes as variable rate debt instruments (**VRDIs**). Prospective purchasers should note that other Notes providing for variable rates of interest are treated not as VRDIs but as "contingent payment debt instruments", with consequences discussed below under "*Contingent Payment Debt Instruments*".

Interest on VRDIs That Provide for a Single Variable Rate. Stated interest on a VRDI that provides for a single variable rate (a **Single-Rate VRDI**) will be treated as qualified stated interest and will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received, in accordance with the U.S. Holder's method of tax accounting. If the stated principal amount of a Single-Rate VRDI exceeds its issue price by more than the *de minimis* amount described above under "*Original Issue Discount*", this excess will be treated as OID that a U.S. Holder must include in income as it accrues, generally in accordance with the constant-yield method described above under "*Original Issue Discount*". The constant-yield accrual of OID on a VRDI is determined by substituting the value of the variable rate on the issue date for each scheduled payment of the variable rate. A VRDI that provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate where the variable rate on the issue date is intended to approximate the fixed rate (which will be conclusively presumed if the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 0.25 per cent.) will be treated as a Single-Rate VRDI.

Interest on VRDIs That Provide for Multiple Rates. Different rules may apply to a VRDI that provides for (i) multiple variable rates or (ii) one or more variable rates and a single fixed rate (other than a fixed rate described in the preceding paragraph) (a **Multiple-Rate VRDI**). Under applicable Treasury Regulations, in order to determine the amount of qualified stated interest and OID (if any) in respect of a Multiple-Rate VRDI, an equivalent fixed-rate debt instrument must be constructed. The equivalent fixed-rate debt instrument is constructed in the following manner: (i) if the Multiple-Rate VRDI contains a fixed rate, that fixed rate is converted to a variable rate that preserves the fair market value of the Note and (ii) each variable

rate (including a variable rate determined under (i) above) is converted to a fixed rate substitute (which generally will be the value of that variable rate as of the issue date of the Multiple-Rate VRDI) (the **equivalent fixed-rate debt instrument**). The rules discussed in "*Original Issue Discount*" are then applied to the equivalent fixed-rate debt instrument to determine the amount, if any, of OID. A U.S. Holder will be required to include any such OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant-yield method based on a compounding of interest, as described above under "*Original Issue Discount*". If a Multiple-Rate VRDI is issued with OID, potentially complex rules will apply to determine the portion of each interest payment that is treated as qualified stated interest. Any portion of a payment of interest that is not treated as a payment of qualified stated interest will be taken into account in determining the stated redemption price at maturity of the relevant Note, as generally discussed above under "*Original Issue Discount*". Prospective purchasers of Multiple-Rate VRDIs are urged to consult their tax advisors regarding these special rules.

Sale or Other Disposition of a VRDI. Upon the taxable disposition of a VRDI, a U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount realized (other than amounts attributable to accrued qualified stated interest, which will be treated as described above) and the U.S. Holder's tax basis in the VRDI. A U.S. Holder's tax basis in a VRDI will equal the amount the U.S. Holder paid to purchase the VRDI, increased by the amounts of OID (if any) the U.S. Holder has previously included in income with respect to the VRDI and reduced by any payments other than qualified stated interest the U.S. Holder has received. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder has held the VRDI for more than one year at the time of the taxable disposition and short-term capital gain or loss otherwise.

Contingent Payment Debt Instruments

Certain Notes may be treated for U.S. federal income tax purposes as contingent payment debt instruments (**Contingent Notes**). Under applicable U.S. Treasury Regulations, interest on a Contingent Note is treated as OID and must be accrued on a constant-yield basis using (i) a yield to maturity that reflects the rate at which the Issuer would issue a comparable fixed-rate instrument with no contingent payments but with terms and conditions otherwise similar to the Contingent Note (the **comparable yield**) and (ii) a projected payment schedule determined by the Issuer at the time the Contingent Note is issued (the **projected payment schedule**). This projected payment schedule must include each non-contingent payment on the Contingent Note and an estimated amount for each contingent payment, and must produce the comparable yield.

The Issuer is required to provide to holders, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments on the Contingent Notes. The applicable Issue Terms will either contain the comparable yield and projected payment schedule, or will provide contact information through which a U.S. Holder of a Contingent Note can submit a request for this information.

THE COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE ARE NOT DETERMINED FOR ANY PURPOSE OTHER THAN FOR THE DETERMINATION OF INTEREST ACCRUALS AND ADJUSTMENTS THEREOF IN RESPECT OF THE CONTINGENT NOTES FOR U.S. FEDERAL INCOME TAX PURPOSES. THEY ARE BASED UPON A NUMBER OF ASSUMPTIONS AND ESTIMATES AND DO NOT CONSTITUTE A PROJECTION OR REPRESENTATION REGARDING THE ACTUAL AMOUNTS PAYABLE TO THE HOLDERS OF, OR THE ACTUAL YIELD ON, THE CONTINGENT NOTES.

A U.S. Holder generally will be bound by the comparable yield and the projected payment schedule determined by the Issuer unless the U.S. Holder determines its own comparable yield and projected payment schedule and explicitly and timely discloses and justifies such schedule to the IRS. The Issuer's determination, however, is not binding on the IRS, and it is possible that the IRS could conclude that some other comparable yield or projected payment schedule should be used instead.

The amount of OID includible in income by a U.S. Holder of a Contingent Note is the sum of the daily portions of OID with respect to the Contingent Note for each day during the taxable year or portion of the taxable year in which the U.S. Holder holds the Contingent Note, generally as described above in "*Original*

Issue Discount – In General" (determined by substituting in that discussion the comparable yield for the "yield to maturity" and the projected payment schedule for the actual payments on the Note and treating no payment as qualified stated interest). Any net differences between actual payments received by the U.S. Holder on the Contingent Notes in a taxable year and the projected amounts of those payments will be accounted for as additional OID (in the case of a net positive adjustment) or as an offset to interest income in respect of the Contingent Note (in the case of a net negative adjustment) for that taxable year. If the net negative adjustment for a taxable year exceeds the amount of OID on the Contingent Note for that year, the excess will be treated as ordinary loss in that year, but only to the extent the U.S. Holder's total OID inclusions on the Contingent Note exceed the total amount of any ordinary loss in respect of the Contingent Note claimed by the U.S. Holder under this rule in prior taxable years. Such a loss (as well as any ordinary loss incurred in connection with the taxable disposition of a Contingent Note, as described in the following paragraph) is not subject to the limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. Any net negative adjustment that is not allowed as an ordinary loss for the taxable year is carried forward to the next taxable year, and is taken into account in determining whether the U.S. Holder has a net positive or negative adjustment for that year. Any net negative adjustment that is carried forward to a taxable year in which the Contingent Note is sold, exchanged or retired reduces the U.S. Holder's amount realised on the sale, exchange or retirement.

Upon the taxable disposition of a Contingent Note prior to its stated maturity, a U.S. Holder generally will recognise taxable income or loss equal to the difference between the amount received from the taxable disposition and the U.S. Holder's tax basis in the Contingent Note. A U.S. Holder's tax basis in the Contingent Note will equal the cost thereof, increased by any interest income the U.S. Holder has previously accrued (determined taking into account any adjustments made because the U.S. Holder purchased the Contingent Note at more or less than its adjusted issue price, as discussed in the next paragraph, but not taking into account adjustments due to differences between projected and actual payments) and decreased by the projected amounts of any payments previously made on the Contingent Note. At maturity, a U.S. Holder will be treated as receiving the projected amount for that date (reduced by any carry forward of a net negative adjustment), and any difference between the amount received and that projected amount will be treated as a positive or negative adjustment governed by the rules described above. A U.S. Holder generally must treat any income realised on the taxable disposition of a Contingent Note as interest income and any loss as ordinary loss to the extent of previous interest inclusions (reduced by the total amount of net negative adjustments previously taken into account as ordinary losses), and the balance as capital loss. If a U.S. Holder recognises a loss above certain thresholds, the U.S. Holder may be required to file a disclosure statement with the IRS. U.S. Holders should consult their tax advisors regarding this reporting obligation.

The discussions below under "*Market Discount*" and "*Notes Purchased at a Premium*" do not apply to Contingent Notes. If a U.S. Holder purchases a Contingent Note for an amount that is less than its adjusted issue price, the U.S. Holder must (i) make a positive adjustment increasing the interest the U.S. Holder would otherwise accrue to the extent such amount is attributable to a change in interest rates and/or (ii) make a positive adjustment increasing the ordinary income (or decreasing the ordinary loss) that the U.S. Holder would otherwise recognise upon the date of a projected payment to the extent such amount is attributable to a change in expectations as to the amount of that projected payment. If a U.S. Holder purchases a Contingent Note for an amount that is greater than its adjusted issue price, the U.S. Holder must (i) make a negative adjustment decreasing the interest that the U.S. Holder would otherwise accrue to the extent such amount is attributable to a change in interest rates and/or (ii) make a negative adjustment decreasing the ordinary income (or increasing the ordinary loss) that the U.S. Holder would otherwise recognise upon the date of a projected payment to the extent such amount is attributable to a change in expectations as to the amount of that projected payment.

Foreign Currency Contingent Payment Debt Instruments

Special rules apply to determine the accrual of OID and the amount, timing, and character of any gain or loss on a Note that is a contingent payment debt instrument denominated in, or whose payments are determined by reference to, a foreign currency (a **Foreign Currency Contingent Note**).

Under these rules, a U.S. Holder of a Foreign Currency Contingent Note generally will be required to accrue OID in the foreign currency in which the Foreign Currency Contingent Note is denominated, if applicable, or in the foreign currency with reference to which payments on the Note are determined (or, in the case of a Foreign Currency Contingent Note that has payments determined by reference to more than one foreign currency, in the "predominant currency" determined under applicable Treasury Regulations) (the **relevant foreign currency**). A U.S. Holder of a Foreign Currency Contingent Note will apply rules similar to those applicable to Contingent Notes, as described above under "Contingent Payment Debt Instruments," to determine OID accruals, account for net positive or net negative adjustments, and income or loss on the taxable disposition of the Foreign Currency Contingent Note. All such determinations are made in the relevant foreign currency. A highly complex set of rules govern the translation into U.S. dollars of the amounts determined in the relevant foreign currency and the related determination of foreign currency gain or loss. Prospective purchasers of Foreign Currency Contingent Notes are urged to consult their tax advisors regarding these rules. A U.S. Holder might be required to file a disclosure statement with the IRS if the U.S. Holder recognizes foreign currency loss above certain thresholds.

Short-Term Notes

Certain modifications to the general rules apply to Notes with a term of one year or less (from but excluding the settlement date to and including the last possible date that the notes could be outstanding pursuant to their terms) (**Short-Term Notes**).

First, none of the interest on a Short-Term Note is treated as qualified stated interest. Instead, interest on a Short-Term Note is treated as part of the Short-Term Note's stated redemption price at maturity, thereby giving rise to OID equal to the sum of all payments on the Note less the Note's issue price. OID will be treated as accruing on a Short-Term Note ratably, or, at the election of a U.S. Holder, under a constant yield method.

Second, a cash-method holder of a Short-Term Note generally will not be required to include OID in respect of the Short-Term Note in income on a current basis. The cash-method holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry the Note until the maturity of the Note or its earlier taxable disposition. In addition, such a cash-method holder will be required to treat any gain realized on a taxable disposition of the Note as ordinary income to the extent of the holder's accrued OID on the Note, and as short-term capital gain to the extent the gain exceeds accrued OID. A cash-method holder of a Short-Term Note may, however, elect to accrue OID into income on a current basis. In such case, the limitation on the deductibility of interest described above will not apply. An accrual-method holder generally will be required to include OID on a Short-Term Note in income on a current basis.

Third, Short-Term Notes will not be subject to the rules applicable to Contingent Notes. However, a Short-Term Note may have special redemption features or provide for other contingent payments. These features may cause uncertainty regarding the timing and character of income to be recognized on the Short-Term Note. Prospective purchasers of Short-Term Notes with such features are urged to consult their tax advisors regarding these uncertainties.

Market Discount

If a U.S. Holder purchases a Note, other than a Short-Term Note, for an amount that is less than the Note's stated redemption price at maturity or, in the case of an OID Note, for an amount that is less than the Note's revised issue price (*i.e.*, the Note's issue price increased by the amount of accrued OID), the Note will be considered to have market discount (a **Market Discount Note**). The market discount rules are subject to a *de minimis* rule similar to the rule relating to *de minimis* OID described above (in the second paragraph under "*Original Issue Discount*"). Any gain recognized by the U.S. Holder on the taxable disposition of a Market Discount Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by such U.S. Holder.

Alternatively, the U.S. Holder may elect to include market discount in income currently over the term of the Note. Such an election will apply to Market Discount Notes acquired by the U.S. Holder on or after the first

day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS. Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. Unless the U.S. Holder elects to include market discount in income on a current basis, as described above, the U.S. Holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note.

Market discount on a Foreign Currency Note will be accrued by a U.S. Holder in the relevant foreign currency. The amount includible in income by a U.S. Holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued. This is generally calculated at the spot rate of exchange on the date that the Note is disposed of by the U.S. Holder. Any accrued market discount on a Foreign Currency Note that is currently includible in income generally will be translated into U.S. dollars at the average exchange rate for the accrual period or portion of such accrual period within the U.S. Holder's taxable year.

Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of the remaining redemption amount (as defined above under "*Original Issue Discount — Acquisition Premium*") will be considered to have purchased the Note at a premium. The OID rules will not apply to the Note. The holder may elect to amortise the premium, as an offset to interest income, using a constant-yield method, over the remaining term of the Note. This election, once made, generally applies to all debt instruments held or subsequently acquired by the U.S. Holder on or after the beginning of the first taxable year to which the election applies and may be revoked only with the consent of the IRS. A U.S. Holder that elects to amortise bond premium must reduce its tax basis in a Note by the amount of the premium amortized during its holding period. Special rules may apply to defer amortisation of bond premium if a Note may be redeemed at the Issuer's election at a price in excess of the Note's stated redemption price at maturity. Prospective purchasers at a premium of Notes with such features are urged to consult their tax advisors regarding these special rules. If a U.S. Holder does not elect to amortise bond premium, the U.S. Holder generally will be required to treat the premium as capital loss when the Note matures.

Amortisable bond premium in respect of a Foreign Currency Note will be computed in the relevant currency and will reduce interest income in that currency. At the time amortised bond premium offsets interest income, foreign currency gain or loss, which will be taxable as ordinary income or loss, will be realised on the amortised bond premium on such Note based on the difference between (1) the spot rate of exchange on the date or dates such premium is recovered through interest payments on the Note and (2) the spot rate of exchange on the date on which the U.S. Holder acquired the Note.

Tax Consequences to Non-U.S. Holders

In General

This section describes certain generally applicable U.S. federal income tax consequences to Non-U.S. Holders in respect of Notes that the Issuer intends to treat as debt for U.S. federal income tax purposes, as evidenced by the statement under "*United States Tax Considerations*" in the applicable Issue Terms. It generally assumes that the Issuer's intended treatment is respected. Certain exceptions to these general rules are discussed below under "*Effectively Connected Income*", "*Possible Application of Section 871(m) of the Code*" and "*FATCA Legislation*" and therefore this discussion is subject to, and should be read in conjunction with, the discussion contained in those sections. Interest payments on a Note issued by Citigroup Inc. (a **U.S. Issuer**) should not be subject to U.S. federal withholding tax, provided that (1) the Non-U.S. Holder does not actually or constructively own 10 per cent. or more of the total combined voting power of all classes of stock of the U.S. Issuer entitled to vote, (2) the Non-U.S. Holder is not (i) a controlled foreign corporation for U.S. federal income tax purposes that is related to the U.S. Issuer through stock ownership or (ii) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business, (3) such interest is not contingent on the U.S. Issuer's profits, revenues or changes in the value of its property and is not otherwise excluded from the definition of "portfolio interest" by Section 871(h)(4) of the Code, and (4) the Non-U.S. Holder provides a statement signed under penalties of perjury that certifies that it is a non-United States person in compliance with applicable requirements (or satisfies certain documentary evidence requirements for establishing that it is a non-United States person). Interest payments on a Note

issued by CGMFL (a **Non-U.S. Issuer**) generally will not be subject to U.S. federal withholding tax. Gain realised by a Non-U.S. Holder on the taxable disposition of a Note generally will not be subject to U.S. federal withholding or income tax.

Effectively Connected Income

If a Non-U.S. Holder is engaged in a U.S. trade or business, and if income (including gain) from a Note is effectively connected with the conduct of that trade or business, the Non-U.S. Holder generally will be subject to regular U.S. federal income tax with respect to that income in the same manner as if the Non-U.S. Holder were a U.S. Holder, unless an applicable income tax treaty provides otherwise. If such a Non-U.S. Holder is a corporation, the Non-U.S. Holder should also consider the potential application of a 30 per cent. (or lower treaty rate) branch profits tax. A Non-U.S. Holder would be required to provide an IRS Form W-8ECI to the applicable withholding agent to establish an exemption from withholding for amounts, otherwise subject to withholding, paid on a Note.

Possible Application of Section 871(m) of the Code

If a payment with respect to a Note is determined by reference to a U.S.-source dividend, it is possible, under regulations proposed by the U.S. Treasury Department, that Section 871(m) of the Code could apply to the Note. While significant aspects of the application of these regulations to such a Note are uncertain, the Issuer (or other withholding agents) may withhold (at a rate of 30 per cent., subject to reduction under an applicable income tax treaty) on amounts paid with respect to the Note to the extent treated as contingent upon or determined by reference to a U.S.-source dividend under these rules (**dividend equivalents**).

FATCA Legislation

Legislation enacted in 2010 commonly referred to as "FATCA" generally imposes a withholding tax of 30 per cent. on payments to certain foreign entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements (that are in addition to, and potentially significantly more onerous than, the requirement to deliver an IRS Form W-8) have been satisfied. Pursuant to Treasury Regulations, this legislation generally will apply to (1) Notes issued after December 31, 2013 that pay U.S.-source interest or (2) Notes issued more than six months after the effective date of the final Treasury Regulations under Section 871(m) of the Code that could be treated as paying dividend equivalents pursuant to those final regulations. Withholding (if applicable) will apply to payments of interest after December 31, 2013, to payments of dividend equivalents under Section 871(m) made more than six months after the effective date of the final Treasury Regulations under Section 871(m), and to payments of gross proceeds of the taxable disposition of the relevant Notes after December 31, 2016. Withholding may also apply to payments after December 31, 2016 of gross proceeds of other Notes not issued by a U.S. Issuer, but this is a matter left to be resolved by future guidance. Prospective purchasers are urged to consult their tax advisors regarding FATCA, including the availability of certain refunds or credits.

U.S. Federal Estate Tax

An individual Non-U.S. Holder or an entity the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that a Note that is treated as a debt obligation for U.S. federal estate tax purposes and that is issued by a U.S. Issuer generally will not be treated as U.S. situs property subject to U.S. federal estate tax if payments on the Note, if received by the decedent at the time of death, would not have been subject to U.S. federal withholding or income tax because of the exemption from withholding of "portfolio interest." A holder that is such an individual or entity should consult its tax advisor regarding the U.S. federal estate tax consequences of investing in the Notes. A Note that is issued by a Non-U.S. Issuer generally will not be treated as U.S. situs property.

Information Reporting and Backup Withholding

Amounts paid on the Notes, and the proceeds of a taxable disposition of the Notes, may be subject to information reporting and, if a holder fails to provide certain identifying information (such as an accurate taxpayer identification number for a U.S. Holder) or meet certain other conditions, may also be subject to backup withholding at the rate specified in the Code. A Non-U.S. Holder that provides an appropriate IRS Form W-8 generally will establish an exemption from backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against a holder's U.S. federal income tax liability, provided the relevant information is timely furnished to the IRS.

THE TAX CONSEQUENCES TO HOLDERS OF OWNING AND DISPOSING OF NOTES MAY BE UNCLEAR. HOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF OWNING AND DISPOSING OF NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN U.S. FEDERAL OR OTHER TAX LAWS.

UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuers' understanding of current United Kingdom law and published HM Revenue & Customs (HMRC) practice relating to certain aspects of United Kingdom taxation. Some aspects do not apply to certain classes of person (such as dealers) to whom special rules may apply. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Interest on Notes

Payments of interest on the Notes may be made without deduction or withholding for or on account of United Kingdom income tax where such interest is not regarded as having a United Kingdom source for United Kingdom tax purposes. This will depend on the terms of the relevant Notes and prospective Noteholders should therefore take legal advice on the question of whether any particular Notes carry a right to United Kingdom source interest. In the case of interest on Notes which is regarded as having a United Kingdom source, such payments of interest may be made without deduction of or withholding on account of United Kingdom income tax in the following circumstances:

- (i) where the Notes are listed on a "recognised stock exchange", within the meaning of section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in Ireland, Italy or Luxembourg in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Irish Stock Exchange's regulated market, the electronic "Bond Market" organised and managed by Borsa Italiana S.p.A and the Luxembourg Stock Exchange's regulated market, as applicable. Provided, therefore that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax;
- (ii) where interest on the Notes is paid by a company and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest; provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that the above exception is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax; or

- (iii) where the maturity of the Notes is less than 365 days (and the Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days).

In other cases where interest on the Notes is regarded as having a United Kingdom source, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

HMRC has powers, in certain circumstances, to obtain information about: payments derived from securities (whether income or capital); certain payments of interest (including the amount payable on the redemption of a deeply discounted security); and securities transactions.

The persons from whom HMRC can obtain information include: a person who receives (or is entitled to receive) a payment derived from securities; a person who makes such a payment (received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to securities transactions (which includes an issue of securities) on behalf of others; registrars or administrators in respect of securities transactions; and each registered or inscribed holder of securities.

The information HMRC can obtain includes: details of the beneficial owner of securities; details of the person for whom the securities are held, or the person to whom the payment is to be made (and, if more than one, their respective interests); information and documents relating to securities transactions; and, in relation to interest paid or credited on money received or retained in the United Kingdom, the identity of the security under which interest is paid. HMRC is generally not able to obtain information (under its power relating solely to interest) about a payment of interest to (or a receipt for) a person that is not an individual. This limitation does not apply to HMRC's power to obtain information about payments derived from securities.

HMRC has indicated that it will not use its information-gathering power on interest to obtain information about amounts payable on the redemption of deeply discounted securities which are paid before 6 April 2014.

IN CERTAIN CIRCUMSTANCES THE INFORMATION WHICH HMRC HAS OBTAINED USING THESE POWERS MAY BE EXCHANGED WITH TAX AUTHORITIES IN OTHER JURISDICTIONS LUXEMBOURG TAXATION

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject. *Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.*

Taxation of the holders of Notes

Withholding Tax

- (i) *Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 as amended (the **Laws**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in

respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the Council Directive 2003/48/EC of 3 June 2003 (the **EU Savings Directive**) on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of Member States (the **Territories**), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, a Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the competent Luxembourg fiscal authorities in order for such information to be communicated to the competent tax authorities of the beneficiary's country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under EU Savings Directive.

(ii) *Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the **Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg or to a residual entity (within the meaning of the Savings Laws) established in an EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

AUSTRIAN TAXATION

This section on taxation contains a brief summary of the Issuers' understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Notes in the Republic of Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This summary furthermore only refers to investors which are subject to unlimited (corporate) income tax liability in Austria. It is based on the currently valid tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments

may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential purchasers of the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes (in particular from a potential qualification as a foreign investment fund within the meaning of sec. 188 of the Austrian Investment Funds Act 2011 (*Investmentfondsgesetz 2011*)) shall in any case be borne by the purchaser. For the purposes of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons.

General remarks

Individuals having a permanent domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*) in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a permanent domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of effective management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*) in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of effective management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Income taxation of the Notes

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the sale, redemption and other realisation of assets that lead to income from the letting of capital, zero coupon bonds and also broken-period interest; and
- income from derivatives (*Einkünfte aus Derivaten*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates.

Also the withdrawal of the Notes from a bank deposit (*Depotentnahme*) and circumstances leading to a loss of Austria's taxation right regarding the Notes vis-à-vis other countries, e.g., a relocation from Austria (*Wegzug*), are in general deemed to constitute a sale (cf. sec. 27(6)(1) of the Austrian Income Tax Act).

Individuals subject to unlimited income tax liability in Austria holding the Notes as a non-business asset are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income that is paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to a withholding tax of 25 per cent.; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec.

97(1) of the Austrian Income Tax Act). In case of investment income without an Austrian nexus, the income must be included in the income tax return and is subject to a flat income tax rate of 25 per cent. In both cases upon application the option exists to tax all income subject to the tax rate of 25 per cent. at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realised increases in value and from derivatives may not be offset against interest and other claims against credit institutions as well as income from Austrian or foreign private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*); income subject to the flat tax rate of 25 per cent. may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income.

Individuals subject to unlimited income tax liability in Austria holding the Notes as a business asset are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (as described above) the income is subject to a withholding tax of 25 per cent. While this withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must on the other hand be included in the income tax return (nevertheless flat income tax rate of 25 per cent.). In case of investment income without an Austrian nexus, the income must always be included in the income tax return (flat income tax rate of 25 per cent.). In both cases upon application the option exists to tax all income subject to the tax rate of 25 per cent. at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the sale, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to the special tax rate of 25 per cent., are primarily to be offset against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets; only half of the remaining negative difference may be offset against other types of income (and carried forward).

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on interest from the Notes at a rate of 25 per cent. In case of investment income with an Austrian nexus (as described above) the income is subject to a withholding tax of 25 per cent., which can be credited against the corporate income tax liability. However, under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act no withholding tax is levied in the first place. Income from the sale of the Notes is subject to corporate income tax of 25 per cent. Losses from the sale of the Notes can be offset against other income (and carried forward).

Private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Notes as a non-business asset are subject to interim taxation at a rate of 25 per cent. on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the tax period. In case of investment income with an Austrian nexus (as described above) income is in general subject to a withholding tax of 25 per cent., which can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act no withholding tax is levied.

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian agent is obliged to automatically offset negative investment income against positive investment income, taking into account all of a taxpayer's bank deposits with the custodian agent. If negative and at the same time or later positive income is earned, then the negative income is to be offset against the positive income. If positive and later negative income is earned, then the withholding tax on the positive income is to be credited, with such tax credit being limited to 25 per cent. of the negative income. In certain cases, the offsetting is not permissible. The custodian agent has to issue a written confirmation on the offsetting of losses for each bank deposit.

Pursuant to sec. 188 of the Austrian Investment Funds Act 2011, a foreign investment fund is defined as any assets subject to a foreign jurisdiction which, irrespective of the legal form they are organized in, are invested according to the principle of risk-spreading on the basis either of a statute, of the entity's articles or of customary exercise. Certain collective investment vehicles investing in real estate are exempted. It should be noted that the Austrian tax authorities have commented upon the distinction between index certificates of foreign issuers on the one hand and foreign investment funds on the other hand in the Investment Fund Regulations (*Investmentfondsrichtlinien*). Pursuant to these, no foreign investment fund may be assumed if for the purposes of the issuance no predominant actual purchase of the underlying assets by the issuer or a trustee of the issuer, if any, is made and no actively managed assets exist. Directly held bonds shall not be considered as foreign investment funds if the performance of the bonds depends on an index, notwithstanding the fact of whether the index is a well-known one, an individually constructed "fixed" index or an index which is changeable at any time.

EU withholding tax

Sec. 1 of the Austrian EU Withholding Tax Act (*EU-Quellensteuergesetz*) implementing Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent to a beneficial owner who is an individual resident in another EU Member State (or in certain dependent or associated territories, which currently include Anguilla, Aruba, the British Virgin Islands, Guernsey, the Isle of Man, Jersey, Montserrat, the Netherlands Antilles and the Turks and Caicos Islands) are subject to a withholding tax of 35 per cent. if no exception from such withholding applies. Sec. 10 of the Austrian EU Withholding Tax Act provides for an exemption from EU withholding tax if the beneficial owner presents to the paying agent a certificate drawn up in his/her name by the competent authority of his/her EU Member State of residence for tax purposes, indicating the name, address and tax or other identification number or, failing such, the date and place of birth of the beneficial owner, the name and address of the paying agent, and the account number of the beneficial owner or, where there is none, the identification of the security; such certificate shall be valid for a period not exceeding three years.

Regarding the issue of whether Notes linked to an index or indices are subject to the EU withholding tax, the Austrian tax authorities distinguish between such Notes with and without a capital guarantee, a capital guarantee being the promise of repayment of a minimum amount of the capital invested or the promise of the payment of interest. The exact tax treatment of Notes linked to an index or indices (e.g. a Security Index, an Inflation Index, a Commodity Index or a Proprietary Index) furthermore depends on the underlying index or indices.

Tax treaty between Austria and Switzerland

On 1 January 2013 the Treaty between the Republic of Austria and the Swiss Confederation on Cooperation in the Areas of Taxation and Capital Markets entered into force. The treaty provides that a Swiss paying agent has to withhold a tax amounting to 25 per cent. on, *inter alia*, interest income, dividends and capital gains from assets booked with an account or deposit of such Swiss paying agent, if the relevant holder of such assets (i.e. in general individuals on their own behalf and as beneficial owners of assets held by a domiciliary company (*Sitzgesellschaft*)) is tax resident in Austria. For Austrian income tax purposes the withholding tax has the effect of final taxation regarding the underlying income if the Austrian Income Tax Act provides for the effect of final taxation for such income. The treaty, however, does not apply to interest covered by the Agreement between the European Community and the Swiss Confederation providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments. The taxpayer can opt for voluntary disclosure instead of the withholding tax by expressly authorising the Swiss paying agent to disclose to the competent Austrian authority the income and capital gains; these subsequently have to be included in the income tax return.

Austrian inheritance and gift tax

Austria does not levy inheritance or gift tax.

However, it should be noted that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to the special tax rate of 25 per cent. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is in general 2.5 per cent., with a higher rate of 25 per cent. applying in special cases.

In addition, a special notification obligation exists for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may lead to the levying of fines of up to 10 per cent. of the fair market value of the assets transferred.

Further, it should be noted that gratuitous transfers of the Notes may trigger income tax on the level of the transferor pursuant to sec. 27(6)(1) of the Austrian Income Tax Act (see above).

BELGIAN TAXATION

*Set out below is a summary of certain Belgian tax consequences of acquiring, holding and selling Notes. This summary is not intended to be an exhaustive description of all relevant Belgian tax considerations and investors should consult their own tax advisors regarding such considerations in relation to their own particular circumstances. The description of certain taxes in the Kingdom of Belgium (**Belgium**) set out below is for general information only and does not purport to be comprehensive.*

This summary is based on current legislation, published case law and other published guidelines and regulations as in force at the date of this document and remains subject to any future amendments, which may or may not have retroactive effect.

Belgian income tax

For Belgian tax purposes, interest income includes any interest paid on Notes as well as the difference between the redemption amount of the relevant Note and its original issued amount.

– Belgian resident individuals

For individuals subject to Belgian personal income tax, and who are not holding Notes as a professional investment, all interest payments (as defined in the Belgian Income Tax Code) will be subject to the tax regime described below. It should be noted that the tax regime described here below is applicable for income distributed as from 1 January 2013.

Interest income paid or attributed as from 1 January 2013 is subject to a 25 per cent. withholding tax rate.

Movable withholding tax levied on interest income has again a liberating character, which implies that it will become the final tax on the income received. As a consequence, interest income that has already been subject to Belgian withholding tax (e.g. through involvement of a Belgian financial intermediary), does not have to be declared in the Belgian personal income tax return in relation to assessment year 2014. Income declared in the personal income tax return is generally taxed at progressive tax rates. It should be noted however that in specific cases, it may be beneficial to individuals to opt to 'globalise' the interest income with other types of income by declaring the interest income in their personal income tax return, thereby subjecting the interest income to the progressive tax rates (instead of the fixed 25 per cent. withholding tax rate). Individuals will normally only do so when application of the progressive tax rates is more advantageous than the application of the fixed 25 per cent. withholding tax rate. In such case the taxpayer can opt to declare the interest income in his personal income tax return in order to benefit from the more advantageous regime (article 171 ITC '92).

On the other hand, if interest is collected outside Belgium (i.e. without involving a Belgian financial intermediary), the taxpayer must declare that interest in his/her personal income tax return. Such interest will be taxed separately at a rate of 25 per cent., unless globalisation of the income is more favourable. The standard tax rate will not be increased by municipal taxes since the European Court of Justice (ECJ) has condemned the supplementary municipal tax which applied to interest directly received by residents of Belgium from sources established in other Member States. As a result, Belgium has changed its tax law and no longer applies the supplementary municipal tax to interest and dividends.

Any capital gain upon a sale of Notes to a party other than the Issuer, provided it is not allocated to the professional activity of the individual, is in principle tax exempt (unless the tax authorities can prove that the capital gain does not result from the normal management of the individual's private estate, in which case the capital gains will be taxed at a fixed rate of 33 per cent. to be increased with municipal taxes). However, the interest accrued at the moment of the transaction is taxable as interest income and to be declared in the personal income tax return, unless it can be demonstrated that the withholding tax has been paid at maturity. This amount is determined on a pro rata basis. Capital losses on Notes are in principle not deductible.

– Belgian companies

Interest paid through an intermediary established in Belgium to a Belgian company subject to corporate income tax will generally be subject to Belgian withholding tax. However, an exemption may apply PROVIDED THAT certain formalities are complied with. The current applicable withholding tax rate is 25 per cent. For Belgian companies, the withholding tax is not the final tax as they need also to declare the interest income in their annual corporate income tax return, where it is taxed at the normal corporate income tax rate which in most cases is 33.99 per cent.

Belgian companies are, in principle, entitled to credit Belgian withholding tax against their corporate income tax liability provided certain conditions are fulfilled. However, the Belgian withholding tax may only be credited to the extent the Belgian resident company has kept the full legal ownership of the relevant Notes during the period to which the interest payments relate. Any excess withholding tax is refundable.

For any Belgian company subject to Belgian corporate income tax, all interest and any gain on a sale of Notes will form part of that company's taxable basis. Losses on Notes are, in principle, tax deductible.

– Other Belgian legal entities subject to the legal entities income tax

For other Belgian legal entities subject to the legal entities income tax, all interest payments (as defined by the Belgian Income Tax Code) will (subject to certain exceptions) be subject to withholding tax, currently at a rate of 25 per cent.

If interest is paid through a Belgian intermediary, such intermediary must levy withholding tax, currently at a rate of 25 per cent. This withholding tax is in principle a final tax. If no Belgian intermediary is involved, the withholding tax must be declared and paid by the legal entity itself.

Any capital gain on a sale of Notes to a party other than the relevant Issuer or the CGMFL Guarantor will, in principle, be tax exempt. However, the interest accrued at the moment of the transaction will be taxed as movable income in the hands of the seller. The interest accrued (but not yet paid) at the moment of sale is deemed to have been received by the seller (even though this interest has not yet been paid). Such interest is in principle subject to withholding tax at the rate of 25 per cent. This withholding tax must be paid by the legal entity itself, unless it can demonstrate that the withholding tax will be paid at maturity.

Capital losses on Notes are (subject to certain exceptions) not tax deductible.

Tax on stock exchange transactions

The acquisition of Notes upon their issuance is not subject to the tax on stock exchange transactions.

The sale and acquisition of Notes on the secondary market is subject to a tax on stock exchange transactions if executed in Belgium through a professional intermediary. As of 1 January 2012, the tax is generally due at a rate of 0.09 per cent. (reduced rate) on each sale and acquisition separately, with a maximum of EUR650.00 per taxable transaction. Exemptions may apply for certain categories of institutional investors and non-residents.

REPUBLIC OF CYPRUS

The following is a general summary of certain tax aspects of the Notes under Cypriot law practice in force and applied as at the date of this Base Prospectus and does not purport to be a comprehensive description of all tax aspects relating to Notes. This summary does not analyse the tax position of the Issuer and it does not constitute, nor should it be construed as, tax or legal advice. Prospective investors should consult their tax and other professional advisers as to the specific tax consequences of acquiring, holding and disposing of Notes and of receiving interest on any Notes.

Introduction

In accordance with the provisions of the Income Tax Law, Law 118(I)/2002 (as amended) (the **Income Tax Law**) a person (natural or legal) is liable to tax on its worldwide income on the basis of residency.

A person is resident in Cyprus for the purposes of the Income Tax Law where, in the case of a natural person, that person is present in Cyprus for a period (or periods in aggregate) exceeding 183 days in the tax year and, in the case of a company, its management and control is exercised in Cyprus. The tax year for the purposes of the Income Tax Law coincides with the calendar year.

Non-Cyprus tax residents are taxed on income derived from sources in Cyprus or from a business activity which is carried out through a permanent establishment in Cyprus. A company is regarded as having a "permanent establishment" in Cyprus, if it has a fixed base of business through which the business is carried out fully or partially, including a management base, a branch or an office.

Interest Income

Non-Cyprus Tax Residents

Persons (natural and legal) who are not resident for tax purposes pursuant to the provisions of the Income Tax Law will not be liable for any income tax or for the special contribution defence tax (as described below). Payments of interest made by the Issuer to such persons will not be subject to any Cyprus withholding taxes.

Cyprus tax resident individuals

Interest income received by or credited to a Cyprus tax resident individual is subject to special defence contribution levy at the rate of 30 per cent. pursuant to the provisions of the Special Defence Contribution Law, Law 117(I)/2002 (as amended) (the **SCDF Law**). Interest received or credited by a Cyprus tax resident individual, considered to arise in the ordinary course of the individual's business or considered closely connected thereto shall be treated as personal income and subject to income tax pursuant to the Income Tax Law.

Cyprus tax resident companies that pay interest in respect of which special contribution defence tax is due to Cyprus tax resident individuals are obliged to withhold the special contribution defence tax at source and remit the tax to the Cypriot tax authorities.

Cyprus tax resident companies

Any interest accruing or received by a Cyprus resident company which is considered to arise in the ordinary course of the business or is considered closely connected thereto shall be subject only to (corporate) income tax at the rate of 12.50 per cent. Such income will not be liable to any tax under the SCDF Law.

Interest income not arising in the ordinary course of business or being considered closely connected thereto shall be exempt from (corporate) income tax and shall be subject to tax under the SCDF Law at the rate of 30 per cent.

Profit from the Disposal of the Notes

Any gains derived from the disposal of Notes by a Cyprus resident individual or company are exempt from income tax in Cyprus.

Any gains from the disposal of Notes are not subject to Cyprus income tax, irrespective of the trading nature of the gain, the number of Notes held or the period for which the Notes were held. Any gain is also outside the scope of application of the Capital Gains Tax Law 1980-2002 (as amended).

Interest income is, however, subject to the treatment set out above.

Savings Directive

Cyprus has enacted into Cyprus law EU Directive 2003/48/EC relating to the taxation of savings by virtue of the provisions of the Assessment and Collection of Taxes (Amendment) Law 146(I) of 2004. Pursuant to this law, the Cypriot Council of Ministers issued the Assessment and Collection of Tax (Provision of Information Regarding Interest Payments) Regulations of 2005. These regulations impose Savings Directive standards on Cypriot financial institutions making EU cross-border savings interest payments to individuals resident in other EU Member States of (a) an individual's identity and permanent address, (b) the name and address of the paying agent and (c) the bank account details.

Stamp Duty

Following the enactment of the Stamp Duty (Amendment) (No. 2) Law 2002, section 4 of the Stamp Duty Law, Law 19/1963 as amended provides that:

"(1) every instrument specified in the First Schedule shall be chargeable with duty of the amount specified in the said Schedule as the proper duty therefore respectively if it relates to any asset situated in the Republic or to matter or things which shall be performed or done in the Republic irrespective of the place where the document is made."

In accordance with the principles of rulings of the Commissioner of Stamp Duty, an issue of Notes by the Issuer will not be liable to stamp duty where the proceeds of the issue will remain outside Cyprus, will be utilised for purposes outside Cyprus and the obligation under such Notes will be repaid outside Cyprus.

Transfers of Notes effected outside of Cyprus between non-residents of Cyprus do not attract stamp duty in Cyprus, provided that the transferor and the transferee are not residents of Cyprus.

CZECH TAXATION

General

The information set out below is only a summarised description of Czech withholding tax treatment and it does not deal with any other Czech tax consequences of the purchase, holding and disposition of Notes. The holders of Notes should consult their own tax advisors as to the consequences under the tax laws of the country of which they are residents for tax purposes and the tax laws of the Czech Republic concerning the purchase, holding and disposition of Notes and receiving payments of interest, principal and/or other payments under Notes, including, in particular, the application to their concrete situation of the tax considerations discussed below as well as the application of the state, local, foreign or other tax laws.

This summary is based on the tax laws of the Czech Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary.

For the purposes of this summary, it has been assumed that the Issuer is not resident for tax purposes nor has it any permanent establishment in the Czech Republic.

Withholding tax

All interest payments to be made by the Issuer under the Notes may be made free of withholding or deduction of, for or on the account of any taxes of whatsoever nature imposed, levied, withheld or assessed by the Czech Republic or any political subdivision or taxing authority thereof or therein.

Securing tax

In general, pursuant to the Czech tax law, Czech tax residents (or Czech permanent establishments of Czech non-residents) acquiring the Notes are required, under their own responsibility, to withhold and to remit to Czech tax authorities a 1 per cent. securing tax from the purchase price when purchasing investment instruments, such as the Notes, from a seller who is resident for tax purposes outside the European Union or the European Economic Area. Such obligation can be eliminated under a tax treaty concluded between the Czech Republic and the country in which the seller is a tax resident. Furthermore, it can be waived in advance based on a decision of Czech tax authorities.

DUTCH TAXATION

General

The following summary outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. For the purposes of Netherlands tax law, a holder of Notes may include an individual or entity who does not have the legal title to the relevant Notes, but to whom nevertheless such Notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in such Notes or the income thereof. This summary is intended as general information only for holders of Notes who are residents or deemed residents of the Netherlands for Netherlands tax purposes. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of in the acquisition, holding, settlement, redemption and disposal of any Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (i) Investment institution (*fiscale beleggingsinstellingen*);
- (ii) Pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are not subject to or exempt from Netherlands corporate income tax;
- (iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the relevant Issuer and holders of Notes of whom a certain related person holds a substantial interest in the relevant Issuer. Generally speaking, a substantial interest in the relevant Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (a) an interest of 5 per cent. or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the relevant Issuer, (b) rights to acquire, directly or indirectly, such interest or (c) certain profit sharing rights in the relevant Issuer;
- (iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, and such Notes are attributable to such permanent establishment or permanent representative; and
- (vi) individuals to whom Notes or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands.

For the purpose of the Netherlands tax consequences described herein, it is assumed that the relevant Issuer is neither a resident of the Netherlands nor deemed to be a resident of the Netherlands for Netherlands tax purposes.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Netherlands Withholding Tax

All payments made by the relevant Issuer under Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Netherlands Corporate and Individual Income Tax

If a holder of Notes is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (at up to a maximum rate of 25 per cent.).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes or has opted to be treated as a resident of the Netherlands, for individual income tax purposes income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 52 per cent.) under the Netherlands Income Tax Act 2001, if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds any Notes, must determine taxable income with regard to such Notes on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a rate of 4 per cent. of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The 4 per cent. deemed return on income from savings and investments is taxed at a rate of 30 per cent.

Netherlands Gift and Inheritance Tax

Netherlands gift or inheritance taxes will not be levied on the occasion of the transfer of any Notes by way of gift by, or on the death of, a holder of such Notes, unless:

- (i) the holder of such Notes is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions of The Netherlands gift and inheritance tax; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions of The Netherlands gift and inheritance tax.

Netherlands Value Added Tax

In general, no value added tax will arise in respect of payments in consideration for the issue of Notes or in respect of a cash payment made under any Notes, or in respect of a transfer of any Notes.

Other Netherlands Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of any Notes.

FINNISH TAXATION

The following is a general description of certain tax considerations relating to Notes. They relate only to payments by the relevant Issuer or the CGMFL Guarantor (where the Issuer is CGMFL) to beneficial owners of the Notes and may not apply to certain classes of persons such as Dealers. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Finland or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date, including changes with retroactive effect.

For the purpose of the Finnish tax consequences described herein, it is assumed that each of the relevant Issuer and the CGMFL Guarantor (where the Issuer is CGMFL) is neither a resident nor deemed to be a resident of Finland for Finnish tax purposes.

General

Finnish residents and non-residents are treated differently for tax purposes in Finland. Finnish residents are subject to taxation in Finland on their worldwide income. Non-residents who are not generally liable for tax in Finland are subject to taxation in Finland solely in respect of their Finnish source income. Generally, an individual is deemed to be a Finnish resident if such an individual continuously resides in Finland for more than six months or if the permanent home and dwelling of such an individual is in Finland. A citizen of Finland who has moved abroad is regarded as resident for Finnish tax purposes until three years have passed after the end of the year of emigration, even though the individual does not reside in Finland over six months or the permanent home and dwelling are not located in Finland, if such an individual cannot prove that he/she has not had any essential relationship to Finland in the tax year in question. Entities established under the laws of Finland are regarded as residents of Finland in accordance with domestic tax law. Double tax treaties may restrict the authority of the Finnish state to tax foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

Resident holders of Notes

Under present Finnish domestic tax law, holders of Notes, who are resident in Finland for tax purposes, are as a general rule subject to Finnish tax on interest payments received under the Notes and on gains realised on the sale, exchange, redemption or other disposition of the Notes.

Individuals

Interest and any similar income (e.g. interest compensation, FI: *jälkimarkkinahyvitys* and index compensation, FI: *indeksihyvitys*) received by individual holders of Notes and capital gain accrued on the Notes is generally taxed as capital income unless the Notes are considered to belong to the business activity of an individual. Capital income is taxed at a flat rate of 30 per cent. to the extent the annual capital income

of the individual does not exceed EUR 50,000. If the capital income exceeds EUR 50,000 the tax rate is 32 per cent.

Losses realised on the sale or redemption of Notes should be deductible against capital gains. The losses are only deductible against capital gains arising in the same year and the following five years.

Income and gains from Notes considered to belong to the business activity of an individual for Finnish tax purposes are included in the total business income of such individual. The business income will be divided according to the Finnish Income Tax Act to be taxed as capital income (taxed at the rate of 30 or 32 per cent.) and earned income taxed at a progressive tax rate.

Corporates

Interest and any similar income (e.g. interest compensation, FI: *jälkimarkkinahyvitys* and index compensation, FI: *indeksihyvitys*) received by corporate holders of Notes and capital gain accrued on the Notes is generally taxed as business income or other income, taxed at the corporate income tax rate of 24.5 per cent. Losses realised should be deductible against business income (where the Notes are considered business assets) or against capital gains in the other income source.

Tax exemptions may apply with respect to certain categories of corporate holders of Notes, such as tax exempt investment institutions, pension funds or other entities that are exempt from Finnish corporate income tax.

Non-Resident Holders of Notes

Holders of Notes who are not resident in Finland for tax purposes and who do not conduct business through a permanent establishment in Finland will not be subject to Finnish taxes either on payments in respect of the Notes or gains realised on the sale, exchange, redemption or other disposition of the Notes. Where the income under the Notes is attributable to a permanent establishment of a Non-resident holder of the Notes, the taxation would generally follow the taxation of resident holders of the Notes (see *Corporates* above).

Withholding

Neither the relevant Issuer nor the CGMFL Guarantor is under an obligation to perform any withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by Finland or any political subdivision or taxing authority thereof or therein in respect of any payments under the Notes. Further, such payments may be made free of any withholding when the recipient of the payment is not resident in Finland for tax purposes, or is a corporate resident in Finland for tax purposes.

An agent or intermediary resident in Finland shall deduct a preliminary withholding tax of 30 per cent from any interest, interest compensation (FI: *jälkimarkkinahyvitys*) or index compensation, (FI: *indeksihyvitys*) paid to an individual residing in Finland where such payment is made through the agent or intermediary.

Transfer Taxation

A transfer of the Notes is not subject to Finnish transfer taxation.

FRENCH TAXATION

The following is a summary addressing only the French compulsory withholding tax treatment of income arising from the Notes. This summary is (i) based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect, and (ii) prepared on the assumption that Citigroup Inc., CGMFL and the CGMFL Guarantor are not French residents for French tax purposes and the Notes and the CGMFL Deed of

Guarantee (and any transaction in connection therewith) are not attributed or attributable to a French branch, permanent establishment or fixed place of business of the Issuer or the CGMFL Guarantor. Investors should be aware that the comments below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisors so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or sale of the Notes.

Withholding tax

All payments by the Issuer and, if the Issuer is CGMFL, the CGMFL Guarantor in respect of the Notes will be made free of any compulsory withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

However, if the paying agent is established in France and subject to certain limited exceptions, interest and other similar revenues received from 1 January 2013 by individuals who are fiscally domiciled in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. on interest and other similar revenues paid by paying agents established in France to individuals who are fiscally domiciled in France.**EU Savings Directive**

The EC Council Directive 2003/48/EC on the taxation of savings income has been implemented into French law under article 242 *ter* of the French tax code (*Code général des impôts*), which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners resident in another Member State, including the identity and address of the beneficial owner and a detailed list of different categories of interest paid to the beneficial owner.

GERMAN TAXATION

The following is a general discussion of certain German tax consequences of the acquisition, ownership and the sale, assignment or redemption of Notes and the receipt of interest thereon. It does not purport to be a comprehensive description of all tax considerations, which may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

As each Series or Tranche of Notes may be subject to a different tax treatment due to the specific terms of such Series or Tranche, the following section only provides some very generic information on the possible tax treatment and has to be read in conjunction with the more specific information on the taxation of each Series or Tranche of Notes as provided in the relevant Final Terms. Furthermore, the taxation of the different types of Notes may differ from each other. The following summary only describes the tax treatment of Notes in general and certain particularities with respect to individual types of Notes. Where the term "certificates" is used in the following summary it refers – according to a German understanding of the term – to certain types of Notes linked to an underlying.

Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the acquisition, the ownership and the sale, assignment or redemption of Notes and the receipt of interest thereon, including the effect of any state or local taxes, under the tax laws of Germany and each country of which they are residents. Only these advisers will be able to take into account appropriately the details relevant to the taxation of the respective holders of the relevant Notes.

Tax Residents

Private Investors

Interest/Capital gains

Interest payable on Notes to persons holding such Notes as private assets (**Private Investors**) who are tax residents of Germany (i.e., persons whose residence or habitual abode is located in Germany) qualifies as investment income (*Einkünfte aus Kapitalvermögen*) according to Sec. 20 para 1 German Income Tax Act (*Einkommensteuergesetz*) and is, in general, taxed at a separate flat tax rate of 25 per cent. (*Abgeltungsteuer*, in the following also referred to as **flat tax**), plus 5.5 per cent. solidarity surcharge thereon according to Sec. 32d para. 1 German Income Tax Act and, if applicable, church tax. Capital gains from the sale, assignment or redemption of Notes, including the original issue discount and interest having accrued up to the disposition of a Note and credited separately (**Accrued Interest, Stückzinsen**), if any, qualify – irrespective of any holding period – as investment income pursuant to Sec. 20 para. 2 German Income Tax Act and are also taxed at the flat tax rate of 25 per cent., plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax. If the Notes are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than sold, as a rule, such transaction is treated like a sale.

Capital gains are determined by taking the difference between the sale, assignment or redemption price (after the deduction of expenses directly and factually related to the sale, assignment or redemption) and the acquisition price of the relevant Notes. Where the relevant Notes are issued in a currency other than Euro the sale, assignment or redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the acquisition date and the sale, assignment or redemption date respectively.

Expenses (other than such expenses directly and factually related to the sale, assignment or redemption) related to interest payments or capital gains under Notes are – except for a standard lump sum (*Sparer Pauschbetrag*) of Euro 801 (Euro 1,602 for married couples filing jointly) – not deductible.

According to the flat tax regime losses from the sale, assignment or redemption of Notes can only be set-off against other investment income including capital gains. If the set-off is not possible in the assessment period in which the losses have been realised, such losses can be carried forward into future assessment periods only and can be set-off against investment income including capital gains generated in these future assessment periods. Losses from so-called private disposal transactions (*private Veräußerungsgeschäfte*) according to Sec. 23 German Income Tax Act as applicable until 31 December 2008 may only be set-off against capital gains under the flat tax regime until 31 December 2013.

Particularities apply with respect to so-called full risk certificates with several payment dates. According to the decree of the German Federal Ministry of Finance (*Bundesfinanzministerium*) dated 9 October 2012 (IV C1 – S 2252/10/10013), which is subject to controversial discussions among tax experts, all payments to the investor under such full risk certificates that are made prior to the final maturity date shall qualify as taxable income from an "other capital receivable" (*sonstige Kapitalforderung*) pursuant to Sec. 20 para 1 no. 7 German Income Tax Act, unless the offering terms and conditions contain that such payments shall be redemption payments. If there is no final redemption payment, the final maturity date shall not constitute a sale-like event in the meaning of Sec. 20 para. 2 German Income Tax Act. Therefore, capital losses, if any, shall not be deductible. The same applies with respect to so-called knock-out and other certificates, if the investor does not receive any payment at the final maturity date or the relevant certificate will be prematurely cancelled according to its terms and conditions because the underlying reaches or breaks any knock-out threshold or barrier prior to the final maturity date.

Although this decree only refers to certain types of certificates, it cannot be excluded that the German tax authorities may apply the above described principles to other kinds of certificates as well. Further, the German Federal Ministry of Finance in its decree dated 9 October 2012 (IV C.1 – S 2252/10/10013) has taken the position that a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*)

shall, in general, not be treated as a sale, so that losses suffered upon such bad debt loss or waiver shall not be deductible for tax purposes. Again, this position is subject to controversial discussions among tax experts. In this respect, it is not clear, as well, whether the position of the tax authorities may affect securities which are linked to a reference value in case such value decreases. Furthermore, restrictions with respect to the claiming of losses may also apply if certain types of Notes would have to be qualified as derivative transactions (*Termingeschäfte*) and mature worthless. Moreover, according to the decree dated 9 October 2013 (IV C 1 – S 2252/10/10013) the German Federal Ministry of Finance holds the view that a disposal (*Veräußerung*) (and, as a consequence, a tax loss resulting from such disposal) shall not be recognized if the sales price does not exceed the actual transaction cost.

Withholding

If Notes are held in custody with or administered by a German credit institution, financial services institution (including a German permanent establishment of such foreign institution), securities trading company or securities trading bank (**Disbursing Agent**), the flat tax at a rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be withheld by the Disbursing Agent on interest payments and the excess of the proceeds from the sale, assignment or redemption (after the deduction of expenses directly and factually related to the sale, assignment or redemption) over the acquisition costs for the relevant Notes (if applicable converted into Euro terms on the basis of the foreign exchange rates as of the acquisition date and the sale, assignment or redemption date respectively). The Disbursing Agent will provide for the set-off of losses against investment income including capital gains from other securities. If, in the absence of sufficient investment income derived through the same Disbursing Agent, a set-off is not possible, the holder of Notes may – instead of having a loss carried forward into the following year – file an application with the Disbursing Agent until 15 December of the current fiscal year for a certification of losses in order to set-off such losses against investment income derived through other institutions in the holder's personal income tax return. If custody has changed since the acquisition and the acquisition data is not proved as required by Sec. 43a para. 2 German Income Tax Act or not relevant, the flat tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be imposed on an amount equal to 30 per cent. of the proceeds from the sale, assignment or redemption of the relevant Notes. In the course of the tax withholding provided for by the Disbursing Agent foreign taxes may be credited in accordance with the German Income Tax Act. Taxes withheld on the basis of the EU Savings Directive may be credited in the course of the tax assessment procedure.

If Notes are not kept in a custodial account with a Disbursing Agent, the flat tax will apply on interest paid by a Disbursing Agent upon presentation of a coupon (whether or not presented with the relevant Note to which it appertains) to a holder of such coupon (other than a non-German bank or financial services institution) (*Tafelgeschäft*), if any. In this case proceeds from the sale, assignment or redemption of the relevant Notes will also be subject to the withholding of the flat tax.

In general, no flat tax will be levied if the holder of a Note filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent (in the maximum amount of the standard lump sum of Euro 801 (Euro 1,602 for married couples filing jointly)) to the extent the income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no flat tax will be deducted if the holder of a Note has submitted to the Disbursing Agent a valid certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent tax office.

For Private Investors, the withheld flat tax is, in general, definitive. Exceptions apply, if and to the extent the actual investment income exceeds the amount which was determined as the basis for the withholding of the flat tax by the Disbursing Agent. In such case, the exceeding amount of investment income must be included in the Private Investor's income tax return and will be subject to the flat tax in the course of the assessment procedure. According to the decree of the German Federal Ministry of Finance dated 9 October 2012 (IV C 1 – S 2252/10/10013), however, any exceeding amount of not more than Euro 500 per assessment period will not be claimed on grounds of equity, provided that no other reasons for an assessment according to Sec. 32d para. 3 German Income Tax Act exist. Further, Private Investors may request that their total investment

income, together with their other income, be subject to taxation at their personal, progressive income tax rate rather than the flat tax rate, if this results in a lower tax liability. In order to prove such investment income and the withheld flat tax thereon, the investor may request a certificate in officially required form from the Disbursing Agent.

Investment income not subject to the withholding flat tax (e.g. if there is no Disbursing Agent) must be included in the personal income tax return and will be subject to the flat tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax), unless the investor requests the investment income to be subject to taxation at lower personal, progressive income tax rate. In the course of the assessment procedure withholding tax levied on the basis of the EU Savings Directive and foreign taxes on investment income may be credited in accordance with the German Income Tax Act.

Application of the tax provisions of the German Investment Tax Act

Tax consequences different from those discussed above would arise if the respective Notes were to be regarded as foreign investment fund units (*Investmentanteile*). In such case, withholding tax requirements for the Disbursing Agent as well as the taxation of the holder of the relevant Notes would depend on whether the disclosure and reporting requirements of the German Investment Tax Act (*Investmentsteuergesetz*) have been fulfilled. If this were not the case, the holder of the relevant Notes may be subject to unrealised or fictitious income. A foreign investment fund is defined as a pool of assets subject to foreign law, invested pursuant to the principle of risk diversification in one or more of certain asset classes listed in the German Investment Act (*Investmentgesetz*). A foreign investment fund unit exists if the investor has the right to request a redemption of his or her interest against cash equivalent to his or her pro rata portion of the net asset value of the foreign investment fund or, in the absence of such right of redemption, the foreign investment fund is subject to regulatory supervision of collective investments. According to the circular no. 14/2008 concerning the scope of application of the German Investment Act issued by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin*) dated 22 December 2008 (BaFin, WA 41-Wp 2136-2008/0001) and the tax decree with respect to the application of the German Investment Tax Act dated 18 August 2009 (German Federal Ministry of Finance, IV C 1 – S 1980-1/08/10019), index or fund linked securities are, however, in principle not considered to represent foreign investment fund units. Recently, the German government submitted the draft of the German Act on the Adoption of the German Investment Tax Act in connection with the AIFM Directive (**AIFM Adoption Act Draft**). The AIFM Adoption Act Draft provides for significant changes with respect to the taxation of funds and their investors from 22 July 2013 onwards. In this respect, it is not all clear whether index or fund linked securities will remain to be exempted from the scope of application of the German Investment Tax Act although there are good arguments that this should be the case.

Business Investors

Interest payable on Notes to persons holding the relevant Notes as business assets (**Business Investors**) who are tax residents of Germany (i.e. Business Investors whose residence, habitual abode, statutory seat or place of effective management and control is located in Germany) and capital gains from the sale, assignment or redemption of Notes, including the original issue discount and Accrued Interest, if any, are subject to income tax at the Business Investor's personal, progressive income tax rate (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax), or, in case of corporate entities, to corporate income tax at a uniform 15 per cent. tax rate (plus 5.5 per cent. solidarity surcharge thereon). Such interest payments and capital gains may also be subject to trade tax if the relevant Notes form part of the property of a German trade or business. Losses from the sale, assignment or redemption of Notes are, in general, recognised for tax purposes; this may be different if certain (in particular index linked) Notes qualify as derivative transactions.

Withholding tax, if any, including solidarity surcharge thereon is credited as a prepayment against the Business Investor's personal, progressive or corporate income tax liability and the solidarity surcharge in the course of the tax assessment procedure, i.e. the withholding tax is not definitive. Any potential surplus will be refunded. However, in general and subject to further requirements, no withholding deduction will apply

on capital gains from the sale, assignment or redemption of Notes if (i) such Notes are held by a corporation, association or estate in terms of Sec. 43 para. 2 sentence 3 no. 1 German Income Tax Act or (ii) the proceeds from such Notes qualify as income of a domestic business and the investor notifies this to the Disbursing Agent by use of the required official form according to Sec. 43 para. 2 sentence 3 no. 2 German Income Tax Act (*Erklärung zur Freistellung vom Kapitalertragsteuerabzug*).

Withholding tax levied on the basis of the EU Savings Directive and foreign taxes may be credited in accordance with the German Income Tax Act. Alternatively, foreign taxes may also be deducted from the tax base for German income tax purposes.

Non-residents

Interest payable on Notes and capital gains, including Accrued Interest, if any, are not subject to German taxation, unless (i) the relevant Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the holder of the relevant Notes; (ii) the interest income otherwise constitutes German-source income; or (iii) the relevant Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the sale, assignment or redemption of the relevant Notes are paid by a Disbursing Agent upon presentation of a coupon to a holder of such coupon (other than a non-German bank or financial services institution) (*Tafelgeschäft*), if any. In the cases (i), (ii) and (iii) a tax regime similar to that explained above under "*Tax Residents*" applies.

Non-residents of Germany are, as a rule, exempt from German withholding tax and the solidarity surcharge thereon, even if the relevant Notes are held in custody with a Disbursing Agent. However, where the investment income is subject to German taxation as set forth in the preceding paragraph and the relevant Notes are held in a custodial account with a Disbursing Agent or in case of a *Tafelgeschäft*, withholding tax is levied as explained above under "*Tax Residents*", the withholding tax may be refunded based upon German national tax law or an applicable tax treaty.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Note will arise under the laws of Germany if, in the case of inheritance tax, neither the decedent nor the beneficiary or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Note is not attributable to a trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery, execution or conversion of Notes. Currently, net assets tax is not levied in Germany.

European Directive on the Taxation of Savings Income

Germany has implemented the EU Savings Directive (2003/48/EC) into national legislation by means of an Interest Information Regulation (*Zinsinformationsverordnung, ZIV*) in 2004. Starting on 1 July 2005, Germany has therefore begun to communicate all payments of interest on Notes and similar income with respect to Notes to the beneficial owner's Member State of residence if such Notes have been kept in a custodial account with a Disbursing Agent.

GREEK TAXATION

The following summary describes the principal Greek taxation consequences of the subscription, holding, redemption and disposal of the Notes by tax residents in the Hellenic Republic (Greece) or investors otherwise subject to Greek taxation (due to a permanent establishment in Greece) (for the purposes of this

summary, the **Greek Investors**), but it is not intended as tax advice to any particular investor nor does it purport to be a comprehensive description of all Greek taxation considerations thereof.

As a general remark, Greek tax laws are very volatile and may be amended or interpreted differently from their current interpretation and application at any time and more than once during the life of an issue of Notes. This summary is based on the tax legislation, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date of this Base Prospectus and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. The Greek taxation framework was significantly amended and reformed by virtue of Greek Laws 3842/2010 and 3943/2011 as well as the recent PSI+ related laws 4046/2012, 4050/2012, 4051/2012 and 4110/2013 and as interpreted through Circulars 1161/2011, 1092/2007 and 1023/2013. Since no or very limited precedent, administrative guidelines or evidence of practical application of the Greek taxation framework on withholding taxes, as amended, exists, the discussion below on Greek withholding tax is qualified in its entirety. Holders of the Notes who are in doubt as to their personal tax position should consult their professional advisers.

This summary does not constitute a complete analysis and, therefore, potential investors should consult their own tax advisers as to the tax consequences of such purchase, ownership and disposal by reference to the particular characteristics of each investor. There may be special tax laws and rates applicable to specific categories of investors (such as mutual funds and insurance companies), which are not dealt with by this summary. In addition, no reference is made to any credit or exemption mechanisms applying in the context of international treaties for the avoidance of double taxation.

For the purposes of this section, it is assumed that none of Citigroup Inc., CGMFL and the CGMFL Guarantor is a resident of Greece for Greek taxation purposes.

Furthermore, it is noted that the Greek tax legislation does not explicitly provide for specific rules for the tax treatment of combined instruments in terms of Notes, the performance of which is linked to the performance of an underlying, financial index or basket of assets. Therefore, the discussion below is limited to the payment of interest under the Notes and their corresponding treatment as debt securities.

Greek withholding tax on interest income

A withholding tax of 15 per cent. will be imposed on interest paid or credited from 1 January 2013 onwards to holders of the Notes who are tax residents in Greece and on holders who maintain, for tax purposes, a permanent establishment in Greece. The withholding will be applied on the date of payment of the interest under the Notes or on any date on which a holder sells any Notes with reference to the interest accrued during the relevant interest period up to the time of such sale. In any case, the tax basis for withholding is the amount of interest accrued from the date the holder acquired the Notes to the following interest payment date or from the date the holder acquired the Notes to the date of sale thereof if no interest payment date has occurred, in each case, determined with reference to the nominal value of the disposed Notes.

Such withholding will be imposed on payments by credit institutions registered or established in Greece, qualifying as paying agents within the meaning of article 4(2) (a) of Law 3312/2005 implementing into Greek Law Directive 2003/48/EC on taxation of savings income in the form of interest payments – the **Implementing Law**), upon collection of interest on behalf of the Greek tax residents. Such withholding exhausts the tax liability of certain categories of Greek tax residents, including among others, individuals, partnerships, joint ventures, insurance companies and non-for-profit entities.

No withholding tax on account of Greek tax laws will be imposed on holders who are not Greek tax residents and do not maintain, for tax purposes, a permanent establishment in Greece.

Capital gains realised from the disposal of the Notes

Capital gains realised from the sale of the debt securities issued by Greek or foreign corporate issuers qualify as income from transferable securities and are subject to a 20 per cent. withholding tax provided that such capital gains are realized by Greek tax-residents. Therefore, in the case of Notes, no such withholding tax shall apply in case of capital gains realised by non-Greek tax residents.

The same withholding tax rate (20 per cent.) applies to holders who are companies or legal entities which maintain for tax purposes a permanent establishment in Greece. Such 20 per cent. withholding does not exhaust the tax liability of the above holders. If the holders of such bonds are companies or legal entities who are not tax residents in Greece and do not maintain for tax purposes a permanent establishment in Greece then the applicable withholding tax rate would be 33 per cent., which exhausts the tax liability of such holders.

In cases where Greece has executed a bilateral tax treaty with a country for the avoidance of double taxation then the provisions of such bilateral treaty shall prevail over the provisions of internal Greek tax law and shall apply, provided an appropriate tax residence certificate will be provided by the holder of bonds (the holder of the bonds being an individual tax resident of such country or a legal entity of such country which does not maintain for tax purposes a permanent establishment in Greece).

Implementation of EU Savings Directive

Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other Member State. However, for a transitional period, Austria and Luxembourg will (unless during such period they elect otherwise) instead operate a withholding system in relation to such payments. Under such a withholding system, the beneficial owner of the interest payment must be allowed to elect that certain provision of information procedures should be applied instead of withholding. The rate of withholding is 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information procedures relating to interest and other similar income.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted or agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within their respective jurisdictions to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those countries and territories in relation to payments made by a person in a Member State to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, one of those countries or territories. A proposal for amendments to the EU Savings Directive has been published, including a number of suggested changes which, if implemented, would broaden the scope of the rules described above.

Greece implemented the EU Savings Directive by virtue of the Implementing Law. Under the Implementing Law, Greek paying agents paying interest payable under the Notes, or securing the payment of interest for the benefit of, any individual holder (natural person), who is not a resident of Greece for tax purposes, shall be required to report to the Greek competent authority, being the Directorate of International Financial Affairs of the Ministry of Economy and Finance, certain information, consisting of, at least, the identity and residence of such individual holder of the Notes, the name and address of the paying agent, the account number of such individual holder of the Notes and information concerning such interest payment. The Directorate of International Financial Affairs of the Ministry of Economy and Finance shall in turn communicate the above information to the respective competent authority of the Member State in which such holder of Notes retains its residence for tax purposes. A reporting process is established in certain cases also

where the paying agent is paying interest payable under the Notes to or securing the payment of interest for the benefit of certain categories of EU-based entities (other than Greek), as defined in the Implementing Law, which interest is secured, or collected for the benefit of the ultimate individual holder of the Notes. Also, specific obligations have been imposed on Greek entities, collecting or receiving interest for the benefit of the ultimate individual holder of the Notes, by a Ministerial Decision of the Ministry of Economy and Finance. The enactment of the Implementing Law commenced on 1 July 2005.

HUNGARIAN TAXATION

The following is a general discussion of certain Hungarian tax consequences relating to the acquisition and ownership of Notes. It does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is based on laws currently in force in Hungary and applicable on the date of this Base Prospectus, but subject to change, possibly with retrospective effect. The acquisition of Notes by non-Hungarian holders, or the payment of interest under Notes may trigger additional tax payments in the country of residence of the relevant holder, which is not covered by this summary, but where the provisions of the treaties on the avoidance of double taxation should be taken into consideration. Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.

Withholding tax (foreign resident individual holders)

The payments of interest on and capital gains realised upon the redemption or sale of publicly offered and traded Notes (**Interest Income**) is taxed at 16 per cent. Notes listed on a regulated market of a Member State are considered publicly offered and traded Notes.

The proceeds paid on privately placed Notes which are not listed on a regulated market of a Member State is considered as other income (**Other Income**) which is part of the individual's aggregated tax base and is taxed at a rate of 16 per cent. (and may be subject to a health care contribution of 27 per cent., as well). The capital gains realised on the sale or redemption of such Notes is considered, as a general rule, capital gains income (**Capital Gains Income**). The tax rate applicable to Capital Gains Income is 16 per cent., while health care contribution of 14 per cent. (capped at 450,000 Hungarian Forint (**HUF**)) may also be payable on the basis of Capital Gains Income.

Foreign resident individual holders are subject to tax in Hungary only if they realise Interest Income from Hungarian sources or income that is otherwise taxable in Hungary if the international treaty or reciprocity so requires. Interest Income should be treated as having a Hungarian source where:

- (a) the relevant Issuer is resident in Hungary for tax purposes;
- (b) the relevant Issuer has a permanent establishment in Hungary and Interest Income realised on the basis of the Notes issued by it is paid by the Hungarian permanent establishment of the relevant Issuer; or
- (c) the foreign resident individual holder has a permanent establishment in Hungary to which the Interest Income is attributable.

The tax on payments of the Interest Income is to be withheld by the "Payor" (*kifizető*) (as defined below).

Pursuant to Act XCII of 2003 on the Rules of Taxation (**ART**) a **Payor** means a Hungarian resident legal person, organisation or private entrepreneur who provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, Payor shall mean the borrower of a loan or the issuer of a note, including the investment service provider or

credit institution providing the interest instead of it. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, **Payor** shall mean such stockbroker. The Hungarian permanent establishment of a foreign resident entity is also considered as a **Payor**.

Interest, as defined by Schedule 7 of the ART (which implements the provisions of the Savings Directive), realised on Notes by citizens of any other Member State is not subject to Hungarian tax where a paying agent based in Hungary provides data to the Hungarian state tax authority on the basis of Schedule 7 of the ART.

A foreign resident individual holder who does not have a permanent establishment in Hungary is not subject to tax in Hungary if he realises Capital Gains Income from Hungary since such income is not considered as Hungarian source income.

Please note that the provisions of applicable double tax conventions, if any, should be considered when assessing the Hungarian tax liabilities of a foreign resident individual holder.

Withholding tax (foreign resident corporate holders)

Interest on Notes paid to foreign resident corporate holders who do not have a permanent establishment in Hungary by resident legal entities or other persons and any capital gains realised by such foreign resident holders on the sale of the Notes is not subject to tax in Hungary.

The tax liability of a foreign resident corporate holder, which has a permanent establishment in Hungary is limited, in general, to the income from business activities realised through its Hungarian permanent establishment.

Taxation of Hungarian resident individual holders

The Act CXVII of 1995 on Personal Income Tax (the **Personal Income Tax Act**) applies to the tax liability of Hungarian and foreign private individuals. The tax liability of Hungarian resident private individuals covers the worldwide income of such persons.

According to the provisions of the Personal Income Tax Act, in the case of individual holders, Interest Income is the income paid as interest and the capital gains realised upon the redemption or the sale of publicly offered and publicly traded debt securities. Notes listed on a regulated market of a Member State are considered publicly offered and traded Notes. The withholding tax on Interest Income is currently 16 per cent.

The proceeds paid on privately placed Notes which are not listed on a regulated market of a Member State are considered as Other Income which is taxable at a rate of 16 per cent. (and may be subject to a health care contribution of 27 per cent., as well). The capital gains realised on the sale or redemption of such Notes is considered, as a general rule, Capital Gains Income. The tax rate applicable to Capital Gains Income is 16 per cent., while the rate of health care contribution payable on the basis of Capital Gains Income is 14 per cent. (capped at HUF450,000).

The rules of the Personal Income Tax Act may in certain circumstances impose a requirement upon the "Payor" (kifizető) (as defined below) to withhold tax on the interest payments to individual holders.

Pursuant to the ART the definition of a **Payor** covers a Hungarian resident legal person, other organisation, or private entrepreneur that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, **Payor** shall mean the borrower of a loan or the issuer of a note, including the investment service provider or credit institution providing the interest instead of it. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, **Payor** shall mean such stockbroker. In respect of income that is earned in a foreign country and taxable in Hungary, **Payor** shall mean the "paying agent" (*megbízott*) (legal

person, organisation or private entrepreneur) having tax residency in Hungary, except in cases where the role of a financial institution is limited to performing the bank transfer or payment.

Taxation of Hungarian resident corporate holders

Under Act LXXXI of 1996 on Corporate Tax and Dividend Tax (the **Corporation Tax Act**), Hungarian resident taxpayers have a full, all-inclusive tax liability. In general, resident entities are those established under the laws of Hungary (i.e. having a Hungarian registered seat). Foreign persons having their place of management in Hungary are also considered as Hungarian resident taxpayers.

In general, interest and capital gains realised by Hungarian resident corporate holders on Notes will be taxable in the same way as the regular income of the relevant holders. The general corporation tax rate in Hungary is 10 per cent. up to the first HUF 500 million of the taxpayer's annual profit and 19 per cent. for the part above this threshold.

Financial institutions, financial enterprises, insurance companies and investment enterprises may be subject to local business tax and innovation tax on the basis of the proceeds realised on Notes.

IRISH TAXATION

The following is a summary of the principal Irish tax consequences of ownership of the Notes for individuals who are resident and ordinarily resident in Ireland for tax purposes and for companies that are resident in Ireland for tax purposes. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the date of this Base Prospectus and may be subject to change. The statements in this summary are based on the understanding that Notes will be treated as debt for Irish tax purposes. This summary applies to Noteholders who beneficially own Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes including dealers in Notes and trusts. This summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes (including, but not limited to, social insurance and the Universal Social Charge ("USC")). Prospective investors in any Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of Notes and the receipt of payments thereon under any laws applicable to them.

Taxation of Noteholders

(a) Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on any Notes so long as such payments do not constitute Irish source income. Interest paid on Notes should not be treated as having an Irish source unless:

- i) the relevant Issuer is resident in Ireland for tax purposes; or
- ii) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on such Notes; or
- iii) the Issuer is not resident in Ireland for tax purposes but the register for such Notes is maintained in Ireland or if the Notes are in bearer form such Notes are physically held in Ireland; or

It is anticipated that (i) neither Citigroup Inc. nor CGMFL are not and will not be resident in Ireland for tax purposes; (ii) neither Citigroup Inc. nor CGMFL will have a branch or permanent

establishment in Ireland; (iii) that Bearer Notes will not be physically located in Ireland; and (iv) neither Citigroup Inc. nor CGMFL will maintain a register of any Registered Notes in Ireland.

(b) Taxation of Payments

Notwithstanding that a Noteholder may receive payments of interest, premium or discount on the Notes free of Irish withholding tax, such Noteholder may still be liable to pay Irish income tax (currently up to 41 per cent. and in the case of individuals, the Universal Social Charge) or corporation tax (generally at the rate of 25 per cent.) on such interest and/or any payment in the nature of interest if (i) such interest has an Irish source, (ii) such Noteholder is resident or (in the case of a person other than a body corporate) ordinarily resident in Ireland for tax purposes (in which case there would also be a social insurance (PRSI) liability for an individual in receipt of interest on such Notes) or (iii) such Notes are attributed to a branch or agency in Ireland.

Ireland operates a self-assessment system in respect of income and corporation tax, and each person must assess its own liability to Irish tax.

Relief from Irish tax may also be available under the specific provisions of a double taxation agreement between Ireland and the country of residence of the recipient.

(c) Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from any interest paid on Notes issued by a company not resident in Ireland, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder who is Irish resident. Encashment tax does not apply where the Noteholder is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

(d) Capital Gains Tax

A Noteholder will be subject to Irish tax on capital gains on a disposal of Notes unless such holder is neither resident nor ordinarily resident in Ireland and does not carry on a trade or business in Ireland through a permanent establishment, branch or agency in respect of which the Notes are or were held.

(e) Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax (which, subject to available exemptions and reliefs, is currently levied at 33 per cent. if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland or (ii) the Notes are regarded as property situate in Ireland. Bearer Notes are generally regarded as situated where they are physically located. Registered Notes are situated in Ireland if the register is in Ireland. A foreign domiciled individual will not be regarded as being resident or ordinarily resident in Ireland at the date of the gift or inheritance unless that individual (i) has been resident in Ireland for the five consecutive tax years preceding that date, and (ii) is either resident or ordinarily resident in Ireland on that date.

(f) Stamp Duty on Transfer of Notes

No stamp duty, capital duty or similar tax is imposed in Ireland on the issue, transfer or redemption of Notes unless (i) the relevant Notes are regarded as property situated in Ireland; or (ii) a document of transfer of the Notes is executed in Ireland; or (iii) the transfer relates to Irish property or to any matter or thing done or to be done in Ireland. Even if the Notes were considered to be within the

scope of Irish territoriality, no Irish stamp duty should arise if the Notes were considered to be loan capital and met the required conditions as set down in Irish stamp duty legislation.

(g) European Union Directive On Taxation Of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Ireland has implemented the directive but will not levy a withholding pursuant to it.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of Notes. The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of Notes.

Prospective Noteholders are advised to consult their own tax advisers concerning the overall tax consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Tax treatment of Notes

Legislative Decree No. 239 of 1 April 1996, as subsequently amended, (**Decree No. 239**) provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers.

For these purposes, debentures similar to bonds are defined as debentures that incorporate an unconditional obligation to pay, at maturity, an amount not less than their principal amount (whether or not providing for interim payments) and that do not give any right to directly or indirectly participate in the management of the relevant Issuer or of the business in relation to which they are issued nor any type of control on such management.

Where an Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the relevant Notes are connected (unless he has opted for the application of the "*risparmio gestito*" regime – see "*Capital Gains Tax*" below), (ii) a non-commercial partnership pursuant to Article 5 of the Italian Income Consolidated Code (**TUIR**) (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 20

per cent. In the event that Noteholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the relevant Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Where an Italian resident Noteholder is a company or similar commercial entity pursuant to Article 73 of TUIR or a permanent establishment in Italy of a foreign company to which Notes are effectively connected and such Notes are deposited with an authorised intermediary, interest, premium and other income from such Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation (**IRES**) and, in certain circumstances, depending on the "status" of the Noteholder, also to the regional tax on productive activities (**IRAP**).

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, as clarified by the Italian Ministry of Economics and Finance through Circular No. 47/E of 8 August 2003, payments of interest in respect of Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund or a SICAV (an investment company with variable capital) established in Italy and either (i) the fund or SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the **Fund**), and the relevant Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a substitute tax of 20 per cent., will apply, in certain circumstances to distributions made in favour of unitholders or shareholders (the **Collective Investment Fund Substitute Tax**).

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) and Notes are deposited with an authorised intermediary, interest, premium and other income relating to such Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 11.00 per cent. substitute tax.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each an **Intermediary**).

An Intermediary to be entitled to apply the *imposta sostitutiva* must (i) be (a) resident in Italy or (b) a permanent establishment in Italy of a non-Italian resident financial intermediary or (c) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree 239; and (ii) intervene, in any way, in the collection of interest or in the transfer of Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which such Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Noteholder.

Non-Italian Resident Noteholders

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Noteholder of interest or premium relating to Notes provided that, if Notes are held in Italy, the non-Italian resident Noteholder declares itself to be a non-Italian resident according to Italian tax regulations.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) may be subject to a withholding tax, levied at the rate of 20 per cent. For this purpose, debentures similar to bonds are debentures that incorporate an unconditional obligation to pay, at redemption, an amount not lower than their nominal value.

The 20 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership (with the exception of general partnership, limited partnership and similar entities), or (iii) a commercial private or public institution.

Payments made by a non-resident guarantor

With respect to payments made to Italian resident Noteholders by a non-Italian resident guarantor, in accordance with one interpretation of Italian tax law, any such payment made by the Italian non-resident guarantor could be treated, in certain circumstances, as a payment made by the Issuer and would thus be subject to the tax regime described in the previous paragraphs of this section.

Notes issued by CGMFL will be guaranteed by the CGMFL Guarantor pursuant to the CGMFL Deed of Guarantee. Notes issued by Citigroup Inc. will not be guaranteed by the CGMFL Guarantor or any other entity.

Capital Gains Tax

Any gain obtained from the sale, early redemption or redemption of Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the relevant Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the relevant Notes are connected.

Where an Italian resident Noteholder is an individual not holding Notes in connection with an entrepreneurial activity and certain other persons, any capital gain realised by such Noteholder from the sale, early redemption or redemption of such Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 20 per cent. Under some conditions and limitations, Noteholders may set off losses with gains.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the "tax declaration" regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in entrepreneurial activity to which the relevant Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual Noteholder holding Notes not in connection with an entrepreneurial activity pursuant to all sales, early redemption or redemptions of the relevant Notes carried out during any given tax year. Italian resident individuals holding Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale, early redemption or redemption of the relevant Notes (the "*risparmio amministrato*" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 September 1997, the **Decree No. 461**). Such separate taxation of capital gains is allowed subject to (i) Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale, early redemption or redemption of Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale, early redemption or redemption of Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in its annual tax return. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

Any capital gains realised or accrued by Italian resident individuals holding Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including Notes, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 20 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in its annual tax return.

Any capital gains realised by a Noteholder which is a Fund will be included in the result of the relevant portfolio accrued at the end of the tax period. The Fund will not be subject to taxation on such result, but the Collective Investment Fund Substitute Tax will apply.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, as clarified by the Italian Revenue Agency (*Agenzia delle Entrate*) through Circular No. 47/E of 8 August 2003, payments of interest, premiums or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, or pursuant to Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund.

Any capital gains realised by a Noteholder which is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. substitute tax.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes are not subject to Italian taxation, provided that the relevant Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006 (**Decree No. 262**), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding Euro 1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding Euro 100,000; and
- (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

Transfer Tax

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at a rate of Euro 168; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

Stamp duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 (**Decree 201**), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the Notes deposited therewith. The stamp duty applies at a rate of 0.15 per cent.; this stamp duty is determined on the basis of the market value or, if no market value figure is available, the nominal value or redemption amount of the Notes held. The stamp duty can be no lower than EUR34.20, nor (for taxpayers other than individuals) exceed EUR4,500.

In the absence of specific guidelines the stamp duty applies both to Italian resident and non-Italian resident Noteholders, to the extent that the Notes are held with an Italian-based financial intermediary.

Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.15 per cent.

This tax is calculated on the market value of the Notes at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value of such Notes held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (**Decree No. 84**). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner. See also the section entitled "*EU Savings Directive*" on page E-58 below.

NORWEGIAN TAXATION

Below is a summary of certain Norwegian tax matters related to the purchase, holding and disposal of the Notes. The summary is based on Norwegian Laws, rules and regulations applicable as of the date of this Base Prospectus, and is subject to any changes in law occurring after such date. Such changes could possibly be made on a retroactive basis. The summary does not address foreign tax laws.

The summary is of a general nature and does not purport to be a comprehensive description of all the Norwegian tax considerations that may be relevant for a decision to acquire, own or dispose of Notes. Specific tax consequences may occur for different categories of Noteholders, e.g. if the Noteholder ceases to be tax resident in Norway etc.

Norwegian tax legislation does not currently include statutory legislation relating specifically to Notes. Instead, taxation treatment must be derived from general tax rules and principles applicable to capital income and capital gains. Norwegian tax law is based on substance over form. If the applicable Final Terms includes conditions which are common to equity instruments and the relevant Notes, after an overall assessment, have more characteristics of equity instruments rather than debt, the economic reality might overrule the formalities for income tax purposes. *Thus the applicable Final Terms may cause the taxation of the relevant Notes to depart from the taxation treatment described in this summary. In the following, it is assumed that the Notes do not qualify as equity instruments for income tax purposes.*

The summary is solely related to holders of Notes who are resident in Norway for tax purposes ("**Norwegian Noteholders**"). However, companies incorporated and resident abroad are liable to tax in Norway on distribution and gains from Notes in the same manner as Norwegian resident companies, if the Notes are effectively connected with a business carried out through a permanent establishment in Norway.

Due to the general nature of this summary, potential investors are advised to consult with and rely on their own tax advisers.

Taxation on Distribution to the Noteholder

Norwegian Noteholders, both physical persons and companies, are liable to tax in Norway on payments in respect of Coupons, interest or similar payments in respect of Notes classified as debentures for Norwegian tax purposes. The tax rate is 28 per cent.

Taxation on sale and redemption of Notes

Norwegian Noteholders, both physical persons and companies, are taxable in Norway in respect of capital gains on the sale and redemption of Notes and have a corresponding right to deduct losses that arise from such redemption or realisation. The tax liability applies irrespective of how long the Notes have been owned and the number of Notes that have been redeemed or realised.

Gains or losses are calculated per Notes as the consideration received in respect of the Note less the tax basis of the Note. The tax basis of each Note is generally the Norwegian Noteholder's purchase price for the Note. Costs incurred in connection with the acquisition, redemption or realisation of the Note may be deducted from the Norwegian Noteholder's taxable ordinary income in the year of redemption or realisation.

Gains are taxable as ordinary income in the year of sale or redemption, and losses can be deducted from ordinary income in the year of sale or redemption. The tax rate for ordinary income is 28 per cent.

If the Norwegian Noteholder owns Notes acquired at different points in time, the Notes that were acquired first will be regarded as the first to be disposed of, on a first-in, first-out basis (the FIFO principle).

Norwegian Withholding tax

Norwegian withholding tax is not applicable to payments in respect of Coupons, interest or similar payments on Notes or on capital gains on sale or redemption of Notes.

Net wealth tax

Norwegian Noteholders that are limited liability companies and similar entities ("**Norwegian Corporate Noteholders**") are not subject to net wealth taxation in Norway.

Norwegian Noteholders that are physical persons ("**Norwegian Individual Noteholders**") are subject to net wealth taxation in Norway. Notes are included as part of the taxable base for this purpose. The Notes will be valued at market value on 1 January in the year after the income year. The maximum aggregate rate of net wealth tax is currently 1.1 per cent.

Stamp duty

There is no stamp duty or other charges in Norway on the purchase, redemption or realisation with cash settlement of Notes.

Foreign taxes

Income taxes or capital gains taxes payable by Norwegian Noteholders in other jurisdictions, or withholding tax payable on redemption amounts in respect of the Notes, may be deducted when calculating the Norwegian tax payable on the same income. The deduction is limited, however, to the corresponding amount of Norwegian tax applicable. The right for both Norwegian and other jurisdictions to tax Norwegian Noteholders directly or through the application of withholding taxes may be limited by an applicable tax treaty.

Inheritance tax

When Notes are transferred either through inheritance or as a gift, such transfer may give rise to inheritance or gift tax in Norway if the decedent, at the time of death, or the donor, at the time of the gift, is a resident or citizen of Norway, or if the Notes are effectively connected with a business carried out through a permanent establishment in Norway.

The basis for the computation of inheritance tax is the market value at the time the transfer takes place. The rate is progressive from 0 per cent to 15 per cent. For inheritance and gifts from parents to children, the maximum rate is 10 per cent.

POLISH TAXATION

General Information

The following is a discussion of certain Polish tax considerations relevant to an investor resident in Poland or which is otherwise subject to Polish taxation. This statement should not be deemed to be tax advice. It is based on Polish tax laws and, as its interpretation refers to the position as at the date of this Base Prospectus, it may thus be subject to change, including a change with retroactive effect. Any change may negatively affect the tax treatment, as described below. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their individual circumstances. Prospective purchasers of Notes are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of Notes.

The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.

Taxation of a Polish tax resident individual

(a) Withholding Tax on Interest Income

According to Article 30a of the Personal Income Tax (**PIT**) Act (the **PIT Act**), interest income, including discount, derived by a Polish tax resident individual (a person who has his/her centre of personal or business interests located in Poland or who stays in Poland for longer than 183 days in a year) does not cumulate with general income subject to the progressive tax rate but is subject to 19 per cent. flat rate tax.

Withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent. tax on the interest amount, could be deducted from the Polish tax liability. Particular double tax treaties can provide other methods of withholding tax settlements.

Under Article 41.4 of the PIT Act, the interest payer, other than an individual not acting within the scope of his/her business activity, should withhold the Polish 19 per cent. tax upon any interest payment. In practice, the obligation to withhold tax applies only to Polish interest payers and not foreign interest payers. Moreover, given that the term "interest payer" is not precisely defined in the law, under some interpretations issued by Polish tax authorities, in certain cases Polish banks or Polish brokerage houses maintaining securities accounts may refuse to withhold the tax based on the fact that they are acting only as an intermediary and therefore should not be obliged under the Polish law to remit due tax. According to Article 45.3b of the PIT Act, if the tax is not withheld, the individual is obliged to settle the tax himself/herself by 30 April of the following year.

If an individual holds the Notes as a business asset, in principle, interest should not be subject to withholding tax but taxed in the same way as other business income. The tax, at 19 per cent. flat rate or the 18 per cent. to 32 per cent. progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

(b) Income from capital investments

Income other than interest derived by a Polish tax resident individual from financial instruments, such as the Notes, held as non-business assets, qualify as capital income according to Article 17 of the Polish Personal Income Tax Act. Such income does not cumulate with the general income subject to the progressive tax scale but is subject to a 19 per cent. flat rate tax. The costs of acquiring the financial instruments are recognised at the time the revenue is achieved. In principle, this income should be settled by the taxpayer by 30 April of the year following the year in which the income was earned. However, if the individual is also a taxpayer as referred to in Articles 31, 33, 34 and 35 of the PIT Act (which are mostly persons who obtain income from employment or pensions), under one of the possible interpretations of Article 40 of the PIT Act he/she is obliged to pay 19 per cent. monthly instalments by the twentieth day of the month following the month in which the income was earned. There are arguments as to whether this interpretation is incorrect, as it puts certain individuals in a worse financial position than they would otherwise have been in. Individuals are encouraged to seek professional advice in this respect.

If an individual holds the Notes as a business asset, in principle, the income should be taxed in the same way as other business income. The tax, at 19 per cent. flat rate or the 18 per cent. to 32 per cent. progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

Taxation of a Polish tax resident corporate income taxpayer

A Polish tax resident corporate income taxpayer will be subject to 19 per cent. income tax in respect of the Notes (both on any capital gain and on interest/discount) following the same principles as those which apply to any other income received from business activity. As a rule, for Polish income tax purposes interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued. In respect of capital gains, the cost of acquiring the Notes will be recognised at the time the revenue is achieved.

Notes held by a non-Polish tax resident (natural person or corporation)

Non-Polish residents are subject to Polish income tax only with respect to their income earned in Poland. If the Notes are issued by a foreign entity, in principle, interest should not be considered as having been earned in Poland. Capital gains should also not be considered as arising in Poland unless the Notes are sold at a stock exchange in Poland (the Warsaw Stock Exchange). If the latter is the case, however, most of the tax treaties concluded by Poland provide for Polish tax exemption with respect to capital gains derived from Poland by a foreign tax resident. The treaties also mitigate Polish domestic withholding tax of 20 per cent. on interest (down to 15 per cent., 10 per cent., 5 per cent. or 0 per cent. depending on the relevant treaty and occasionally on the status of the recipient of the interest) if Polish withholding tax is applicable (with respect to Notes issued by a Polish entity). In order to benefit from a tax treaty, a foreign investor should present a relevant certificate of its tax residency.

If a foreign recipient of income acts through a permanent establishment in Poland, as a matter of principle it should be treated in the same manner as a Polish tax resident.

Notes held on omnibus accounts

Under Article 30a.2a of the PIT Act, if the Notes are held on omnibus accounts for the benefit of individuals whose identity has not been revealed to the tax remitter, the tax remitter is obliged to withhold 19 per cent. tax from any interest paid to the omnibus account holder.

If the identity of the beneficiaries of income from the Notes on omnibus accounts is not revealed to the tax remitter, it should be expected that the tax remitter will withhold 19 per cent. on account of Personal Income Tax regardless of whether the beneficiary is a Polish or non-Polish tax resident, individual or corporate.

PORTUGUESE TAXATION

The following is a summary of the current Portuguese tax treatment at the date hereof in relation to certain aspects of payments of principal and income in respect of Notes. The statements do not deal with other Portuguese tax aspects regarding Notes and relate only to the position of persons who are absolute beneficial owners of Notes. The following is a general guide, does not constitute tax or legal advice and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

The reference to "investment income" and "capital gains" in the paragraphs below means "investment income" and "capital gains" as understood in Portuguese tax law. The statements below do not take any account of any different definitions of "investment income" or "capital gains" which may prevail under any other law or which may be created by the Conditions of the Notes or any related documentation.

Noteholder's Income Tax

Income generated by the holding (distributions) and disposal of Notes is generally subject to the Portuguese tax regime for debt securities (*obrigações*).

Economic benefits derived from amortisation, reimbursement premiums and other types of remuneration arising from Notes are designated as investment income (*rendimentos de capital*) for Portuguese tax purposes.

Withholding tax

Under current Portuguese law, investment income payments in respect of Notes made to Portuguese tax resident companies are included in their taxable income and are subject to a corporate income tax according to which a 25 per cent. tax rate will be applicable, to which is added a municipal surcharge (*derrama municipal*) of up to 1.5 per cent. over the Portuguese corporate Noteholders' taxable profits, where applicable. A state surcharge (*derrama estadual*) of 3 per cent. will be due on the part of the taxable profits exceeding Euro 1,500,000 up to Euro 7,500,000 and of 5 per cent. will be due on the part of the taxable profits exceeding Euro 7,500,000.

As regards to investment income on Notes made to Portuguese tax resident individuals, they are subject to personal income tax which shall be withheld at the current final withholding rate of 28 per cent. if there is a Portuguese resident paying agent, unless the individual elects to include it in his taxable income, subject to tax at the current progressive rates of up to 48 per cent. An additional income tax rate will be due on the part of the taxable income exceeding Euro 80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding Euro 80,000 up to Euro 250,000, and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding Euro 250,000. Also, if the option of income aggregation is made an additional surcharge at the rate of 3.5 per cent. will also be due over the amount that exceeds the annual amount of the monthly minimum guaranteed wage. In this case, the tax withheld is deemed to be a payment on account on the final tax due.

Investment income payments due by non-resident entities to Portuguese tax resident individuals are subject to an autonomous taxation at a rate of 28 per cent. whenever those payments are not subject to Portuguese withholding tax unless the individual elects to include it in his taxable income, subject to tax at the current progressive rates of up to 48 per cent. An additional income tax rate will be due on the part of the taxable income exceeding Euro 80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding Euro 80,000 up to Euro 250,000, and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding Euro 250,000. Also, if the option of income aggregation is made an additional surcharge at the rate of 3.5 per cent. will also be due over the amount that exceeds the annual amount of the monthly minimum guaranteed wage. In this case, the tax withheld is deemed to be a payment on account on the final tax due.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

None of the relevant Issuer and, where the relevant Issuer is CGMFL, the CGMFL Guarantor, are responsible for withholding at source any amount in respect of Portuguese withholding tax, whenever applicable, on interest payments arising from the Notes.

Payments of principal on Notes are not subject to Portuguese withholding tax. For these purposes, principal shall mean all payments carried out without any income component.

Capital Gains

Under current Portuguese law, capital gains obtained by Portuguese tax resident companies on the disposal of Notes issued by non-resident entities are included in their taxable income and are subject to progressive corporate income tax rate of 25 per cent., to which is added a municipal surcharge of up to 1.5 per cent. over the Portuguese corporate Noteholders' taxable profits, where applicable. A state surcharge of 3 per cent. will

be due on the part of the taxable profits exceeding Euro 1,500,000 up to Euro 7,500,000 and of 5 per cent. will be due on the part of the taxable profits exceeding Euro 7,500,000.

Capital gains obtained by individuals who are resident in Portugal for tax purposes on the disposal of Notes are subject to a special tax rate of 28 per cent., levied on the positive difference between the capital gains and capital losses of each year unless the individual opts to include the income in his taxable income, subject to tax at the current progressive rates of up to 48 per cent. An additional income tax rate will be due on the part of the taxable income exceeding Euro 80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding Euro 80,000 up to Euro 250,000, and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding Euro 250,000. Also, if the option of income aggregation is made, an additional surcharge at the rate of 3.5 per cent. will also be due over the amount that exceeds the annual amount of the monthly minimum guaranteed wage.

EU Savings Directive

Portugal has implemented EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income into Portuguese law through Decree-Law no 62/2005, of 11 March 2005, as amended by Law no 39-A/2005, of 29 July 2005.

SPANISH TAXATION

The following is a summary of the main Spanish tax consequences deriving from the ownership, transfer, redemption or reimbursement of the Notes referred to in this Base Prospectus by individuals or legal persons who are resident in Spain for tax purposes and by Spanish Non-Resident Income Tax (NRIT) taxpayers acting, with respect to the Notes, through a permanent establishment in Spain.

This summary is based on Spanish law in force as of the date of approval of this Base Prospectus and on administrative interpretations thereof, and therefore is subject to any changes in such laws and interpretations thereof occurring after that date, including changes having retroactive effect. In particular, this description is based on the provisions established in the Individual Income Tax Law (the IIT Law) (Law 35/2006, of 28 November 2006, as amended), the Consolidated Text of the Corporate Income Tax Law (the CIT Law) (approved by Royal Legislative Decree 4/2004, of 5 March 2004, as amended) and in the Consolidated Text of the NRIT Law (the NRIT Law) (approved by Royal Legislative Decree 5/2004, of 5 March 2004, as amended) which may not apply to those individuals or legal persons subject to special tax regimes (such as financial entities, exempt entities, cooperatives or look-through entities). In addition, the following section does not cover those tax laws in force in the Spanish Basque provinces and Navarra as well as the particularities in force in the Spanish autonomous communities (comunidades autónomas), or the special rules applicable to transactions among related persons for Spanish tax purposes.

Accordingly, prospective investors in the Notes should consult their own tax advisors as to the applicable tax consequences of their purchase, ownership and disposition of the Notes, including the effect of tax laws of any other jurisdiction, based on their particular circumstances.

For the purposes of our analysis, we have assumed that the relevant Issuer is, in the case of Citigroup Inc. a company resident for tax purposes in the United States and for the purposes of the Convention between the Kingdom of Spain and the United States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed on 22 February 1990, and entitled to its benefits, and, in the case of CGMFL, is resident for tax purposes in Luxembourg and for the purposes of the Convention between the Kingdom of Spain and the Grand Duchy of Luxembourg for the avoidance of Double Taxation with respect to Taxes on Income and on Capital and the Prevention of Fiscal Fraud and Evasion signed on 4 August 1987, as amended, and entitled to its benefits, and that the investors in the Notes are resident in Spain for tax purposes or NRIT taxpayers acting, with respect to such Notes, through a permanent establishment in Spain.

Spanish tax resident individuals

(a) Individual Income Tax (**IIT**) (*Impuesto sobre la Renta de las Personas Físicas*)

The Spanish IIT is regulated by the IIT Law and supplemented by the IIT Regulations approved by Royal Decree 439/2007, of 30 March 2007, as amended (the **IIT Regulations**).

The Notes are deemed securities (*activos financieros*), in accordance with the definition set forth in Article 91 of the IIT Regulations and its interpretation by the Spanish tax authorities, and hence the rules provided with regard to securities must be taken into consideration.

According to Article 25.2 of the IIT Law and its interpretation by the Spanish tax authorities, interest as well as income arising on the transfer, redemption or reimbursement of the Notes obtained by individuals who are resident in Spain for tax purposes will be deemed income from movable property and therefore will be included in the investor's IIT savings taxable base and taxed, together with the other savings income obtained by such investor in that same tax year, at a flat tax rate of 21 per cent. on the first EUR6,000, 25 per cent. on the following EUR18,000 and 27 per cent. for any amount in excess of EUR24,000.

Holders of Notes shall compute the gross interest obtained in the taxable base of the tax period in which it is due, including amounts withheld, if any. Income arising on the transfer, redemption or reimbursement of Notes will be calculated as the difference between (i) the transfer, redemption or reimbursement value of such Notes (deducting the additional costs and expenses incurred in the transfer, if they are duly justified) and (ii) their acquisition or subscription value (adding the additional costs and expenses incurred in the acquisition, if they are duly justified).

Should a holder of Notes acquire homogeneous securities within the two-month period prior or subsequent to the transfer of such Notes, negative income that may derive from such transfer cannot be included in his or her IIT taxable base until the homogeneous securities are transferred.

The net taxable income shall be determined by deducting the management and deposit expenses from the gross income, excluding those pertaining to discretionary or individual portfolio management.

Additionally, tax credits for the avoidance of international double taxation in accordance with the IIT Law or any applicable convention for the avoidance of double taxation entered into by Spain may apply in respect of taxes paid abroad, if any, on income deriving from Notes.

(b) Net Wealth Tax (*Impuesto sobre el Patrimonio*)

For tax year 2013, Spanish tax resident individuals are subject to Spanish Net Wealth Tax (Law 19/1991, of 6 June 1991, as amended), which imposes a tax on property and rights in excess of EUR700,000 held by each relevant taxpayer on the last day of any year. Spanish tax resident individuals whose net worth is above EUR700,000 and who hold Notes on the last day of any year would therefore be subject to the Spanish Net Wealth Tax for such year at marginal rates varying between 0.2 and 2.5 per cent. of the relevant tax base.

(c) Inheritance and Gift Tax (**IGT**) (*Impuesto sobre Sucesiones y Donaciones*)

IGT is governed by Law 29/1987, of 18 December 1987, as amended, and supplemented by the IGT Regulations approved by Royal Decree 1629/1991, of 8 November 1991, as amended.

In the case of Spanish tax resident individuals, IGT is levied on their worldwide assets passing to them either by gift or upon death. Therefore, transfers of Notes upon death or by gift to Spanish tax resident individuals will be subject to IGT, the taxpayer being the transferee.

The applicable IGT tax rates for 2013 range between 7.65 and 34 per cent. although depending on certain particular circumstances, such as the age and previous net worth of the heir or donee and the kinship with the deceased person or donor, the effective tax payable could range between 0 and 81.6 per cent. of the relevant tax base, subject to the specific rules passed by the relevant Spanish autonomous communities (*comunidades autónomas*) with respect to this tax.

Legal persons resident in Spain for tax purposes are not subject to IGT, thus the income that they may obtain from gift or inheritance, as the case may be, will be subject to Spanish Corporate Income Tax (**CIT**) on the market value of Notes received, provided that the legal persons obtaining such income are Spanish CIT taxpayers.

Tax credits for the avoidance of international double taxation may apply in respect of similar taxes paid abroad, if any, in respect of Notes.

Spanish legal persons subject to Corporate Income Tax (CIT) (Impuesto sobre Sociedades)

Interest and income arising on the transfer, redemption or reimbursement of Notes obtained by legal entities resident for tax purposes in Spain and regarded as CIT taxpayers shall be computed as taxable income of the tax period of its accrual, in accordance with the rules contained in the CIT Law and supplemented by the CIT regulations, approved by Royal Decree 1777/2004, of 30 July 2004 (the **CIT Regulations**).

The general CIT rate for Spanish CIT taxpayers is currently 30 per cent. However, small or medium size companies, as defined by the CIT Law, can benefit from the reduced tax rate of 25 per cent. on the first EUR300,000 of their taxable base.

Tax credits for the avoidance of international double taxation in accordance with the CIT Law or any applicable convention for the avoidance of double taxation entered into by Spain may apply in respect of taxes paid abroad, if any, on income deriving from Notes.

Non-resident entities acting with respect to Notes through a permanent establishment in Spain subject to NRIT (Impuesto sobre la Renta de no Residentes)

Based on the fact that none of the Issuers are resident in Spain for tax purposes, no Spanish NRIT should, in principle, be levied on investors that are not resident in Spain for tax purposes, unless they are acting with respect to Notes through a Spanish permanent establishment. According to the general principles of the Spanish NRIT Law, Spanish permanent establishments of non-Spanish tax resident persons are taxed under the NRIT Law in a similar manner to Spanish CIT taxpayers, although some specific rules may apply. Due to the complexity of this matter, non-Spanish tax resident investors acting in Spain, with respect to Notes, through a permanent establishment are strongly urged to seek appropriate advice in respect of their own tax position in this regard.

Spanish withholding tax

Where a financial institution (either resident in Spain for tax purposes or acting through a permanent establishment in Spain) (a) acts as depositary of Notes, (b) manages the collection of any income under Notes, (c) intervenes in their transfer or (d) carries out the redemption or reimbursement of the Notes, on behalf of Noteholders either (i) resident in Spain for tax purposes or (ii) holding the Notes through a permanent establishment located in Spain, such financial institution will be responsible for making the relevant withholding on account of Spanish tax on any income deriving from the relevant Notes. The current withholding tax rate in Spain is 21 per cent. Amounts withheld in Spain, if any, can be credited against the

final Spanish IIT, CIT or NRIT liability, as applicable to the Noteholder. In addition, Noteholders who are Spanish CIT taxpayers or NRIT taxpayers acting, with respect to the Notes, through a permanent establishment in Spain, can benefit from a withholding tax exemption on income arising with respect to Notes when the latter are listed on an OECD official stock exchange.

Other Spanish taxes (indirect taxation)

The acquisition, transfer, redemption and reimbursement of Notes will be exempt from indirect taxes in Spain, i.e. exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax approved by Royal Legislative Decree 1/1993, of 21 September 1993, and exempt from Value Added Tax, in accordance with Law 37/1992, of 28 December 1992, regulating such tax.

SWEDISH TAXATION

The following summary outlines certain Swedish tax consequences relating to holders of Notes that are considered to be Swedish residents for Swedish tax purposes. This summary is based on the laws of Sweden as currently in effect and is intended to provide general information only. This summary does not address situations where Notes are held in an investment savings account (Sw. *investeringssparkonto*) or the rules regarding reporting obligations for, among others, payers of interest. Further, the summary does not address credit of foreign taxes. Investors should consult their professional tax advisors regarding the Swedish tax and other tax consequences (including the applicability and effect of tax treaties for the avoidance of double taxation) of acquiring, owning and disposing of Notes in their particular circumstances.

Holders resident in Sweden

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Securities) will be taxable. Specific tax consequences, however, may be applicable to certain categories of corporations, e.g. life insurance companies. Further, specific tax consequences may be applicable if, and to the extent, a holder of Notes realises a capital loss on the Notes and to any currency exchange gains or losses.

If amounts that are considered to be interest for Swedish tax purposes are paid by a legal entity domiciled in Sweden, including a Swedish branch, to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes, Swedish preliminary taxes are normally withheld by the legal entity on such payments. Swedish preliminary taxes should normally be withheld also on other return on Notes (but not capital gains), if the return is paid out together with such a payment of interest referred to above.

SWISS TAXATION

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Notes issued by any of the Issuers where the Holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Notes where the Paying Agent, custodian or Notes dealer is located in Switzerland. The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Notes. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Notes (or options embedded therein) in light of their particular circumstances.

Swiss Withholding Tax

Payments on a Note are currently not subject to Swiss federal withholding tax provided that the respective Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

On 24 August 2011 the Swiss Federal Council issued draft legislation, which, if enacted, may require a paying agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment of interest in respect of a Note to an individual resident in Switzerland.

Income Taxation

Notes held as Private Assets by a Swiss resident Holder

(a) *Structured Notes*

If a Note classifies as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the Note classifies as a structured note with or without a predominant one-time interest payment:

- *Non-transparent derivative financial instruments:* If the embedded bond is not recorded separately from the embedded derivative financial instrument(s), the Note classifies as a non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "*Transparent derivative financial instruments with a predominant one-time interest payment*".
- *Transparent derivative financial instruments without a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time interest payment (see below "*Transparent derivative financial instruments with a predominant one-time interest payment*"), then any periodic interest payment and the one-time interest payment, if any, is taxed when paid to the holder of the Note. A gain, including interest accrued, realised on the sale of a Note is a tax-free private capital gain. A loss realised on the sale of a Note is a non-tax-deductible private capital loss, (see below "*Capital Gains, Notes held as Private Assets by a Swiss resident Holder*"). The same applies if the Note is redeemed except that interest accrued is taxed when paid.
- *Transparent derivative financial instruments with a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time interest payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and on the redemption or sale of the Note the difference between the value of the embedded bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the embedded bond respectively realised on the sale or redemption of the Note may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a

non-tax-deductible private capital loss, respectively (see below "*Capital Gains, Notes held as Private Assets by a Swiss resident Holder*")

(b) *Bonds*

Bonds without a predominant one-time interest payment: If a Note classifies as a pure bond without a predominant one-time interest payment (i.e., the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time interest payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, if any, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, realised on the sale of a Note is a tax-free private capital gain. A loss, realised on the sale of a Note is a non-tax-deductible private capital loss (see below "*Capital Gains, Notes held as Private Assets by a Swiss resident Holder*").

Bonds with a predominant one-time interest payment: If a Note classifies as a pure bond with a predominant one-time interest payment (i.e., the yield-to-maturity predominantly derives from a one-time interest payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any periodic interest payments and on any gains, including capital and foreign exchange gains, realised on the Notes (differential taxation method).

(c) *Pure Derivative Financial Notes*

Periodic and one-time dividend equalisation payments realised on a Note which classifies as a pure derivative financial instrument (such as pure call and put options, including low exercise price options with a maturity not exceeding one year, pure futures, static Notes replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of their private assets constitute taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "*Capital Gains, Notes held as Private Assets by a Swiss resident Holder*").

(d) *Low Exercise Price Options*

According to the current practice of the Swiss Federal Tax Administration low exercise price options are given if the underlying of an option has been pre-financed by at least 50 per cent. at the time of issuance.

For low exercise price options with a maturity exceeding one year the interest component of the low exercise price option (i.e. issue discount) constitutes taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "*Capital Gains, Notes held as Private Assets by a Swiss resident Holder*").

(e) *Fund-like Notes*

A Note classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Note as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss on the underlying investments is a non-tax-

deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised a non-tax-deductible capital loss (see below "*Capital Gains*" Notes held as Private Assets by a Swiss resident Holder").

Notes held as Assets of a Swiss Business

Corporate entities and individuals who hold Notes as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Notes (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who for income tax purposes, are classified as "professional Notes dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in Notes.

Capital Gains Taxation

Notes held as Private Assets by a Swiss resident Holder

A gain, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Note held as part of his or her private assets is a tax-free private capital gain. A loss, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Note held as part of his or her private assets is a non-tax deductible capital loss. In the case of a gain or a loss, unless such individual is classified, for income tax purposes, as a "professional Notes dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in Notes. If an individual is classified as a "professional Notes dealer" he or she will be taxed in accordance with the principles set forth above under "*Notes held as Assets of a Swiss Business*". Concerning the bifurcation of a tax exempt capital gains component, non-tax deductible capital loss component, respectively, from taxable income components of a Note see the bifurcation principles set forth above with regard to the different instruments under "*Income Taxation, Notes held as Private Assets by a Swiss resident Holder*".

Notes held as Assets of a Swiss Business

Capital gains realised on Notes held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "*Income Taxation, Notes held as Swiss Business Assets*").

Stamp Taxes

Swiss Federal Issue Stamp Tax

The Notes are not subject to Swiss federal stamp tax on the issuance of Notes.

Swiss Federal Notes Turnover Tax

Dealings in Notes which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent., static Notes replicating an index or a basket of at least five shares and with a fixed maturity on an annual redemption right) are not subject to the Swiss federal Notes turnover tax.

Dealings in Notes which have been issued by an issuer outside of Switzerland and which classify as structured notes, share-like instruments (including Low Exercise Price Warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal Notes turnover tax of 0.3 per

cent. on the consideration paid, however, only if a Swiss Notes dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Dealing in bonds and structured notes with a maturity not exceeding one year are exempt from Swiss federal turnover tax.

The delivery of an underlying taxable Note at exercise or redemption to the holder of the Note is subject to Swiss federal Notes turnover tax of 0.3 per cent. if a Swiss domestic Notes dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international scenario, transfers of Notes may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Notes are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at very low rates (up to 6 per cent.). Gifts and inheritances received from unrelated persons attract rates ranging from 20 per cent. to 40 per cent. The taxable base is usually the market value of the property transferred.

Net Worth and Capital Taxes

A holder of Notes who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Notes as part of a Swiss business operation or a Swiss permanent establishment is required to report Notes as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Notes), in the case of non-Swiss resident individual holding Notes as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Notes are subject to cantonal and communal capital tax on net taxable equity, in the case of a non-Swiss resident person holding Notes as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

Non-Swiss resident Holders

A holder of a Note who is not resident in Switzerland for tax purposes and who during the taxation year has not engaged in trade or business carried on through a business operation or permanent establishment in Switzerland, will neither be subject to income tax and capital gains tax nor net wealth or capital tax in Switzerland.

EU Savings Tax

The Agreement between the European Community and the Confederation of Switzerland dated as of 26 October 2004 provides for measures equivalent to those laid down in the EU Savings Tax Directive and requires a Swiss paying agent to deduct EU savings tax on an interest payment to an individual resident in a EU Member State. The tax is withheld at a rate of 35 per cent. with the option of the individual to have the paying agent and Switzerland provide to the tax authorities of the EU Member State the details of the interest payments in lieu of the withholding. The individual may be entitled to a tax credit or refund of the withholding, provided that he or she is the beneficial owner of the interest payments and certain other conditions are met.

Final Foreign Withholding Taxes

On 1 January 2013 treaties on final withholding taxes between Switzerland and the United Kingdom and between Switzerland and Austria entered into force. The treaties, *inter alia*, require a Swiss paying agent to levy final withholding tax at specified rates in respect of an individual resident in the United Kingdom or resident in Austria, as applicable, on interest or capital gain paid, or credited to an account, relating to the Notes. The final withholding tax substitutes the United Kingdom or Austrian income tax, as applicable, on such income of interest or capital gain. Such a person may, however, in lieu of the final withholding tax opt for voluntary disclosure of the interest or capital income to the tax authority of his or her country of residency. Note that Switzerland may conclude similar treaties with other European countries: negotiations are currently being conducted with Greece and Italy.

EU SAVINGS DIRECTIVE

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015 in favour of automatic information exchange under the Directive.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

The proposed financial transactions tax ("FTT")

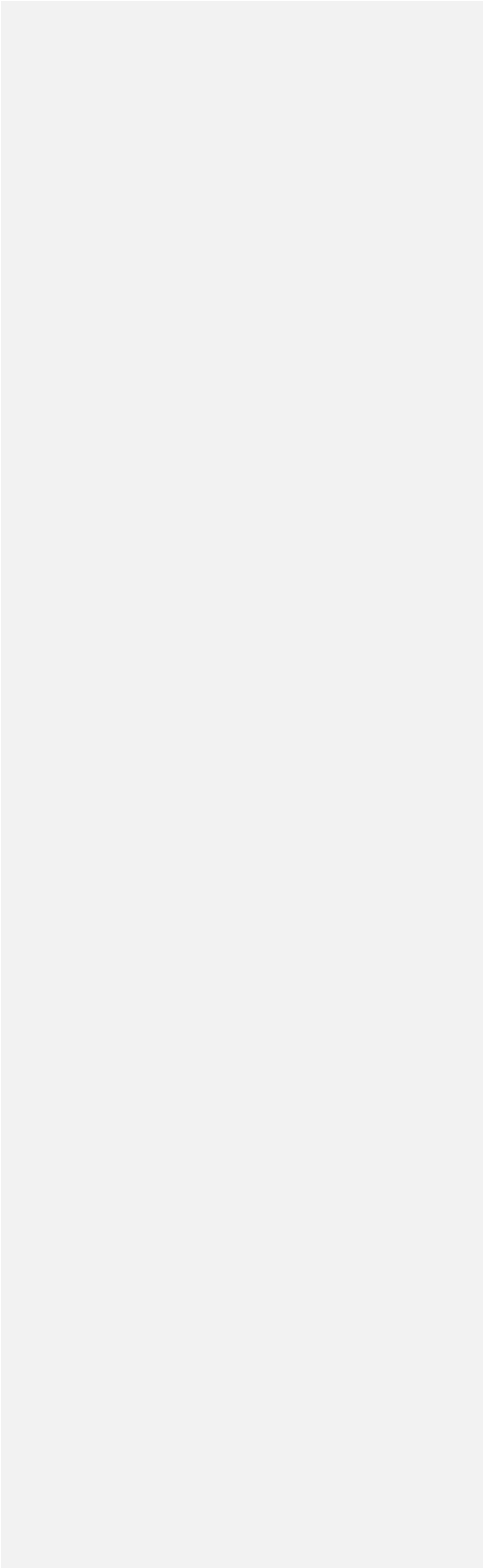
The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

SECTION F –TERMS AND CONDITIONS OF THE NOTES



SECTION F.1 – GENERAL CONDITIONS OF THE NOTES

*Except as indicated below, the following is the text of the terms and conditions of the Notes which will include the additional terms and conditions contained in the Valuation and Settlement Schedule, the additional terms and conditions contained in Underlying Schedule 1 in the case of Inflation Index Linked Notes, and the additional terms and conditions contained in Underlying Schedule 2 in the case of Rate Linked Notes, or which will include the additional terms and conditions contained in another appropriate Underlying Schedule (each an **Underlying Schedule** and together the **Underlying Schedules** and, the Underlying Schedules together with the Valuation and Settlement Schedule, the **Schedules**). References herein to a Condition shall be deemed to be a reference to a Condition of the General Conditions of the Terms and Conditions of the Notes, unless otherwise specified.*

References in these Conditions (the **General Conditions**) and in the applicable Schedules (together, subject as provided below in relation to the applicable Final Terms or the applicable Pricing Supplement as the case may be, the **Conditions**) to the **Notes** shall be references to the Notes of this Series, which shall be "English Law Notes", and shall mean (a) in relation to any Bearer Notes (as defined below) represented by a global Note (a **Global Note**) or any Registered Notes (as defined below) represented by a global Note (a **Global Registered Note Certificate**), units of each Specified Denomination in the Specified Currency; (b) any Global Note or Global Registered Note Certificate; (c) any definitive Bearer Notes issued in exchange for a Global Note; (d) any definitive Registered Notes (**Registered Note Certificates**) whether or not issued in exchange for a Global Note; (e) in relation to any Swedish Notes, units of each Specified Currency in the Specified Denomination and (f) in relation to any Finnish Notes, units of each Specified Currency in the Specified Denomination.

Whether the Notes are of the type of Bearer Notes, Registered Notes, Swedish Notes or Finnish Notes will be specified in the applicable Issue Terms but one type of Notes cannot be exchanged for another.

Notes are issued in Series and each Series may comprise one or more Tranches of Notes. Each Tranche is the subject of a Final Terms document (the **Final Terms**) or, in the case of Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under Directive 2003/71/EC (as amended) (**Exempt Notes**), a pricing supplement (the **Pricing Supplement**) which, in the case of the Final Terms, completes or, (in the case of Exempt Notes) amends and/or replaces the Conditions and the applicable Schedule(s). In the event of any inconsistency between the Conditions and the relevant Issue Terms, the relevant Issue Terms shall prevail.

For the purposes hereof, "**Issue Terms**" means either (i) where the Notes are not Exempt Notes, the applicable Final Terms or (ii) where the Notes are Exempt Notes, the applicable Pricing Supplement, and references should be construed accordingly.

The Notes (other than Swedish Notes and Finnish Notes) are issued pursuant to a Fiscal Agency Agreement dated 26 June 2013 (as amended, supplemented and/or restated from time to time, the **Fiscal Agency Agreement**) between Citigroup Global Markets Funding Luxembourg S.C.A. (**CGMFL**) and Citigroup Inc. each as an issuer, Citigroup Global Markets Limited (**CGML**) as guarantor in respect of Notes issued by CGMFL where it is specified as such in the applicable Issue Terms (in its capacity as such guarantor, the **CGMFL Guarantor**), Citibank, N.A., London branch as issuing agent and fiscal agent (in such capacity, the **Fiscal Agent**, which expression shall include any successor fiscal agent and together with any other paying agent from time to time, the **Paying Agents**, which expression shall include any additional or successor paying agents) and as principal paying agent, Citigroup Global Markets Deutschland AG as registrar (in such capacity, the **Registrar**, which expression shall include any successor registrar) and as a transfer agent (in such capacity, a **Transfer Agent**, which expression shall include any additional or successor transfer agent, and the Fiscal Agent, the Registrar (if applicable), all Paying Agents and all Transfer Agents (if applicable) are together referred to herein as the **Agents**) and Citibank, N.A. as calculation agent if so specified in the applicable Issue Terms (in such capacity, the **Calculation Agent**, which expression shall include any

successor calculation agent or such other entity as may be specified as the Calculation Agent in the applicable Issue Terms) and as exchange agent (in such capacity, the **Exchange Agent**, which expression shall include any successor exchange agent).

The only provisions of the Fiscal Agency Agreement applicable to the Swedish Notes and the Finnish Notes are those in Clauses 2.2, 16, 20.7, 26, 27 and 28 and Schedule 3 (Provisions for Meetings of Noteholders) and Clauses 21, 22 and 23 in relation to the appointment of the Calculation Agent only.

In relation to any Series, either Citigroup Inc. or CGMFL will be the Issuer thereof as specified in the applicable Issue Terms and references in the Conditions to "the Issuer" shall be to whichever of Citigroup Inc. or CGMFL is so specified in the applicable Issue Terms.

Notes issued by Citigroup Inc. are issued with the benefit of a Deed of Covenant dated 26 June 2013 (as amended, supplemented and/or restated from time to time, the **Citigroup Inc. Deed of Covenant**) executed by Citigroup Inc. in relation to such Notes.

Notes issued by CGMFL are issued with the benefit of a Deed of Covenant dated 26 June 2013 (as amended, supplemented and/or restated from time to time, the **CGMFL Deed of Covenant** and, together with the Citigroup Inc. Deed of Covenant, the **Deeds of Covenant** and references herein to the **relevant Deed of Covenant** shall mean the Citigroup Inc. Deed of Covenant where the Issuer is Citigroup Inc., and the CGMFL Deed of Covenant where the Issuer is CGMFL) executed by CGMFL in relation to such Notes. Notes issued by CGMFL are, where CGMFL is specified as the guarantor in the applicable Issue Terms, the subject of a Deed of Guarantee (as amended, supplemented and/or restated from time to time, the **CGMFL Deed of Guarantee**), dated 26 June 2013 executed by the CGMFL Guarantor.

Notes issued by Citigroup Inc. are not guaranteed by the CGMFL Guarantor and are not the subject of the CGMFL Deed of Guarantee and references to the CGMFL Guarantor and the CGMFL Deed of Guarantee shall be ignored in relation to the Notes issued by Citigroup Inc. and the Conditions shall be construed accordingly.

The holders of the Notes, the holders of the interest coupons (the **Coupons**) appertaining to interest bearing definitive Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the **Talons**) are deemed to have notice of all of the provisions of the Fiscal Agency Agreement applicable to them.

Copies of the Fiscal Agency Agreement, the Deeds of Covenant and the CGMFL Deed of Guarantee are available for inspection during normal business hours at the specified office of each of the Paying Agents. Copies of the applicable Final Terms are obtainable during normal business hours at the specified office of each of the Paying Agents. If the Notes are not admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system and are not publicly offered, the applicable Pricing Supplement will only be obtainable by a Noteholder during normal business hours at the specified office of each of the Paying Agents holding one or more of the Notes if such Noteholder produces evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Notes and identity.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Swedish Notes will be issued and governed by a Swedish Notes issuing and paying agent agreement (as amended, supplemented and/or restated from time to time, the **Swedish Notes Issuing and Paying Agent Agreement**) to be entered into between, *inter alios*, the Issuer and Nordea Bank AB (publ) as Swedish Notes issuing and paying agent (in such capacity the **Swedish Notes Issuing and Paying Agent**, which expression shall include any successor as Swedish Notes issuing and paying agent and such successor shall be duly

authorised under the Swedish Financial Instruments Accounts Act 1998 (Sw. *Lagen (1998:1479) om kontoföring av finansiella instrument*) (the **SFIA Act**). Any references in the Conditions to "Fiscal Agency Agreement" shall be deemed to include, where the context so admits, reference to the Swedish Notes Issuing and Paying Agent Agreement. Copies of the Swedish Notes Issuing and Paying Agent Agreement are available for inspection during normal business hours at the specified office of the Swedish Notes Issuing and Paying Agent. The holders of the Swedish Notes are deemed to have notice of all of the provisions of the Swedish Notes Issuing and Paying Agent Agreement applicable to them.

Finnish Notes will be issued and governed by a Finnish Notes issuing and paying agent agreement (as amended, supplemented and/or restated from time to time, the **Finnish Notes Issuing and Paying Agent Agreement**) to be entered into between, inter alios, the Issuer and Nordea Bank Finland Plc as Finnish Notes issuing and paying agent (in such capacity the Finnish Notes Issuing and Paying Agent, which expression shall include any successor as Finnish Notes issuing and paying agent and such successor shall be duly authorised under the Finnish Act on the Book-Entry system (Fin. *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*). Any references in the Conditions to "Fiscal Agency Agreement" shall be deemed to include, where the context so admits, reference to the Finnish Notes Issuing and Paying Agent Agreement. Copies of the Finnish Notes Issuing and Paying Agent Agreement are available for inspection during normal business hours at the specified office of the Finnish Notes Issuing and Paying Agent. The holders of the Finnish Notes are deemed to have notice of all of the provisions of the Finnish Notes Issuing and Paying Agent Agreement applicable to them.

All capitalised terms which are not defined in the Conditions will have the meanings given to them in the applicable Issue Terms.

1. Form, Denomination and Title

Subject as provided below, the Notes are issued in bearer form (**Bearer Notes**) or in registered form (**Registered Notes**) as specified in the applicable Issue Terms and in each case, in the Specified Denomination(s). All Registered Notes shall have the same Specified Denomination.

Definitive Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, unless the Valuation and Settlement Schedule and the applicable Issue Terms do not specify that the Notes bear interest, in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in the Conditions are not applicable.

Each Registered Note Certificate represents a holding of one or more Registered Notes by the same holder (as defined below).

Subject as provided below, title to any Bearer Notes and the related Coupons and Talons, if any, shall pass by delivery and title to any Registered Notes shall pass by registration in the register which the Issuer or CGMFL Guarantor shall procure to be kept as provided in Condition 2. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note and the related Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone but, in the case of any Global Note or Global Registered Note Certificate, without prejudice to the provisions set out below.

In the Conditions, **holder** (in relation to a Note, Coupon or Talon) means, in the case of Bearer Notes, the bearer of any Bearer Note, Coupon or Talon and, in the case of Registered Notes, the person in whose name a Registered Note is registered, as the case may be, PROVIDED THAT, in relation to any Notes represented by a Global Note or a Global Registered Note Certificate, it shall be construed as provided below and **Noteholder** and, in the case of Coupons, **Couponholder**, shall

have correlative meanings AND PROVIDED THAT in the case of Registered Notes issued by CGMFL, "holder" shall be construed as provided in Condition 2(b).

If Certificates is specified as applicable in the applicable Issue Terms, references in the Conditions to "Note(s)", "Noteholder(s)", "Global Note" and "Global Registered Note Certificate" shall be deemed to refer to "Certificate(s)", "Certificateholder(s)", "Global Certificate(s)" and "Global Registered Certificate Certificate" and related expressions herein or in the Fiscal Agency Agreement, any Global Note or Global Registered Note Certificate and any notes in definitive form shall be construed accordingly.

For so long as any of the Notes is represented by a Global Note or a Global Registered Note Certificate held on behalf of Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the CGMFL Guarantor and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Registered Note Certificate shall be treated by the Issuer, the CGMFL Guarantor and each Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Registered Note Certificate, as the case may be, and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

For so long as the Depository Trust Company (**DTC**) or its nominee is the registered owner or holder of a Global Registered Note Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Registered Note Certificate for all purposes under the Fiscal Agency Agreement and the Notes except to the extent that, in accordance with DTC's published rules and procedures, any ownership rights may be exercised by its participants or beneficial owners through participants.

Interests in Notes which are represented by a Global Note or a Global Registered Note Certificate will be transferable only in accordance with the rules and procedures for the time being of the Relevant Clearing System and in accordance with Condition 2 below.

Relevant Clearing System means, as appropriate, Euroclear, Clearstream, Luxembourg, DTC and/or such other relevant clearing system, as the case may be, through which interests in Notes are to be held and through an account at which the Notes are to be cleared, as specified in the applicable Issue Terms.

In the case of Swedish Notes, the following provisions of this Condition 1 shall apply in lieu of the foregoing provisions of this Condition 1 in the event of any inconsistency:

Swedish Notes are issued in dematerialised uncertificated book-entry form in accordance with the SFIA Act in the Specified Denomination(s).

No global or definitive Swedish Notes will be issued and the Conditions shall be construed accordingly. The Swedish Notes will be transferable only in accordance with the provisions of the SFIA Act, other applicable Swedish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Sweden AB (**Euroclear Sweden**).

The person appearing in the register for the Swedish Notes kept by Euroclear Sweden on behalf of the Issuer (the **Swedish Notes Register**) will be treated as the **holder** of the relevant Swedish Notes

in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden and title to the Swedish Notes passes only by registration in the Swedish Notes Register. In the Conditions, **holder**, in relation to a Swedish Note, means the person in whose name such Swedish Note is registered in the Swedish Notes Register. Where a nominee (Sw. *förvaltare*) is so evidenced it shall be treated as the holder of the relevant Swedish Note.

The Issuer shall have access to the register of creditors (Sw. *skuldboken*) in respect of the Swedish Notes, unless the applicable Issue Terms specify that the Issuer shall not have such access.

In the case of Finnish Notes, the following provisions of this Condition 1 shall apply in lieu of the foregoing provisions of this Condition 1 in the event of any inconsistency:

Notwithstanding the above, the holder of a Finnish Note will be the person in whose name such Finnish Note is registered in a book-entry account in the book-entry system of Euroclear Finland (including a nominee account holder, as the case may be) in accordance with Finnish Laws, rules, regulations and operating procedures applicable to, and/or issued by, Euroclear Finland (Euroclear Finland Rules) and the terms Noteholder and holder of Notes shall be construed accordingly. Where a nominee is so evidenced it shall be treated as the holder of the relevant Finnish Notes.

Notwithstanding the above, the Issuer may issue Notes in uncertificated and dematerialised book entry form (Finnish Notes). No Global Notes or Global Registered Note Certificates representing Finnish Notes will be issued and the Conditions of such shall be construed accordingly. Finnish Notes will be transferable only in accordance with the provisions of the Finnish Act on the Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)), other applicable Finnish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Finland. References in the Conditions to Coupons, to Global Notes or Global Registered Note Certificates shall not apply to Finnish Notes.

2. Exchanges and Transfers of Notes

(a) Exchange of Notes

Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes. Registered Notes may not be exchanged for Bearer Notes. Finnish Notes of one Specified Denomination, as applicable, may not be exchanged for Finnish Notes of another Specified Denomination.

(b) Transfer of Registered Notes

Subject to Conditions 2(c) and (d) below, if definitive Registered Notes are issued, one or more of such Registered Notes may be transferred upon the surrender of the Registered Note Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Registered Note Certificate duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a holding of Registered Notes represented by one Registered Note Certificate, a new Registered Note Certificate in respect of the balance not transferred will be issued to the transferor. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Registered Note Certificate representing the enlarged holding shall only be issued against surrender of the Registered Note Certificate representing the existing holding.

With respect to Notes in registered form issued by CGMFL, each time the relevant Register is amended or updated, the Registrar shall send a copy of the relevant Register to CGMFL who will keep an updated copy of the relevant Register at its registered office (the **Duplicate Register**). In the event of inconsistency between the Register and the Duplicate Register, the Duplicate Register shall, for purposes of Luxembourg law, prevail. Each Note certificate will be numbered serially with

an identifying number which will be recorded in the Register. In the case of Registered Notes issued by CGMFL, **holder** means the person in whose name such Registered Note is for the time being registered in the Register or the Duplicate Register if different from the Register (or, in the case of a joint holding, the first named thereof) and **Noteholder** shall be construed accordingly. The ownership of the registered Notes shall be construed accordingly. The ownership of the registered Notes shall be established by an entry in the Duplicate Register.

Subject to Conditions 2(c) and (d) below, transfers of beneficial interests in a Global Registered Note Certificate will be effected by the Relevant Clearing System only in accordance with the terms and conditions specified in the Fiscal Agency Agreement and, in turn, by other participants and, if appropriate, indirect participants in such Relevant Clearing Systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Registered Note Certificate will only be exchangeable for a definitive Registered Note Certificate as described in, and subject to, the provision of such Global Registered Note Certificate and only in accordance with the rules and operating procedures for the time being of the Relevant Clearing System and in accordance with the terms and conditions specified in the Fiscal Agency Agreement. Transfers of a Global Registered Note Certificate registered in the name of a nominee for DTC shall be limited to transfers of such Global Registered Note Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

(c) *Transfers of interests in Regulation S Global Registered Note Certificates*

Interests in a Regulation S Global Registered Note Certificate may not be sold, pledged or otherwise transferred at any time within the United States or to, or for the account or benefit of, a U.S. person, other than the Issuer or any affiliate thereof. Furthermore, interests in a Regulation S Global Registered Note Certificate may not be held otherwise than through Euroclear or Clearstream, Luxembourg. Each Regulation S Global Registered Note Certificate, and any Note issued upon exchange, transfer or replacement of such Regulation S Global Registered Note Certificate, shall bear a permanent legend regarding such restriction on transfer.

(d) *Transfers of interests in Rule 144A Global Registered Note Certificates*

Interests in a Rule 144A Global Registered Note Certificate may not be sold, pledged or otherwise transferred at any time other than (i) to the Issuer or any affiliate thereof or (ii) to a person the seller reasonably believes to be a QIB purchasing (or holding) the Notes for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State of the United States or any other jurisdiction. Each Rule 144A Global Registered Note Certificate, and any Note issued upon exchange, transfer or replacement of such Rule 144A Global Registered Note Certificate, shall bear a permanent legend regarding such restriction on transfer.

(e) *Definitions*

In the Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

QIB means a **qualified institutional buyer** within the meaning of Rule 144A.

Regulation S means Regulation S under the Securities Act.

Regulation S Global Registered Note Certificate means a Global Registered Note Certificate representing Notes sold in offshore transactions outside the United States in reliance on Regulation S.

Rule 144A means Rule 144A under the Securities Act.

Rule 144A Global Registered Note Certificate means a Global Registered Note Certificate representing Notes sold in the United States to QIBs.

Securities Act means the United States Securities Act of 1933, as amended.

U.S. person has the meaning given to such term under Regulation S.

(f) *Partial Redemption in Respect of Registered Notes*

In the case of a partial redemption of a holding of Registered Notes represented by a single definitive Registered Note Certificate, a new definitive Registered Note Certificate shall be issued to the holder to reflect the balance of the holding not redeemed. New Registered Note Certificates shall only be issued against surrender of the existing Registered Note Certificates to the Registrar or any Transfer Agent. In the case of a partial redemption of a holding of Registered Notes represented by a Global Registered Note Certificate, the Global Registered Note Certificate shall be endorsed to reflect such partial redemption.

(g) *Delivery of New Registered Note Certificates*

Each new Registered Note Certificate to be issued pursuant to Condition 2(b) or (f) will, within three business days (being a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent to whom such form of transfer shall have been delivered) of receipt of such form of transfer, be available for delivery at the specified office of the Registrar or of the Transfer Agent (as the case may be) to whom such delivery shall have been made or, at the option of the holder making such delivery as aforesaid and as specified in the relevant form of transfer, be mailed at the risk of the holder entitled to the new Registered Note Certificate to such address as may be specified in such form of transfer.

(h) *Transfer Free of Charge*

In the case of Notes other than Swedish Notes, transfer and registration of Notes will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but will be subject to the payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(i) *Closed Periods*

No holder of a Note may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(e), (iii) after any such Note has been called for redemption in whole or in part or (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)(ii) below).

No holder of a Swedish Note may require the transfer of a Swedish Note to be registered during a period which is the equivalent to any such closed period pursuant to the rules and regulations applicable to, and/or issued by, Euroclear Sweden.

(j) *Transfers of Finnish Notes*

Title to Finnish Notes shall pass by transfer from a Noteholder's book-entry account to another person's, whether legal or individual, book-entry account within Euroclear Finland (except where the Finnish Notes are nominee registered and are transferred from one account to another account with the same nominee). Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain

information (including but not limited to information on Noteholders) from the register (the **Euroclear Finland Register**) maintained by Euroclear Finland as registrar (the **Euroclear Finland Registrar**) on behalf of the Issuer in accordance with the Euroclear Finland Rules, and Euroclear Finland shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. Furthermore, the Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Notes, provided that it is technically possible for Euroclear Finland to maintain such a list. The Issuer shall be entitled to pass such information to the **Finnish Notes Issue and Paying Agent** or to authorise such Agent to acquire such information from Euroclear Finland directly. Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder of any Finnish Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, or its theft or loss and no person shall be liable for so treating the Noteholder.

(k) *Transfer of Swedish Notes*

All transfers of Swedish Notes and entries in the Swedish Notes Register will be made subject to the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden. Title to Swedish Notes will pass by transfer between accountholders of the Euroclear Sweden system, perfected in accordance with legislation (including the SFIA Act), rules and regulations applicable to, and/or issued by, Euroclear Sweden.

3. Status

(a) *Status of Notes*

The Notes and any Coupons relating thereto constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank *pari passu* and rateably among themselves and at least *pari passu* with all other unsecured and unsubordinated outstanding obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) *Status of the CGMFL Deed of Guarantee in respect of the Notes: only relevant for Notes issued by CGMFL.*

The obligations of the CGMFL Guarantor in respect of the Notes issued by CGMFL under the CGMFL Deed of Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the CGMFL Guarantor and rank and will at all times at least rank *pari passu* with all other unsecured and unsubordinated outstanding obligations of the CGMFL Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

4. Interest

The provisions relating to interest due in respect of the Notes (if any) shall be as specified in the Valuation and Settlement Schedule and the applicable Issue Terms.

Notwithstanding anything to the contrary in the Conditions, interest on Swedish Notes for which Accrual is specified as applicable in the applicable Issue Terms shall be calculated from (but excluding) the Interest Commencement Date to (and including) the Interest Payment Date.

5. Redemption and Purchase: as stated above, all references to the CGMFL Guarantor and the CGMFL Deed of Guarantee in the Conditions including but not limited to this Condition shall be ignored in relation to Notes issued by Citigroup Inc.

(a) *Final Redemption*

Unless otherwise provided in the Valuation and Settlement Schedule, or unless previously redeemed or purchased and cancelled as provided below, each principal amount of the Notes equal to the Calculation Amount will be redeemed at the amount (the **Redemption Amount**) specified in, or determined in the manner specified in the Valuation and Settlement Schedule on the Maturity Date.

(b) *Redemption for Taxation Reasons and Redemption for Illegality*

- (i) The Notes may be redeemed at the option of the Issuer or the CGMFL Guarantor, as the case may be, in whole, but not in part, at any time on giving not less than 30 or more than 60 days' notice in accordance with Condition 13 (which notice shall be irrevocable), at, in respect of each principal amount of the Notes equal to the Calculation Amount, the Early Redemption Amount if (A) the Issuer or the CGMFL Guarantor, as the case may be, has or will become obligated to pay additional interest on such Notes pursuant to Condition 7 as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of Luxembourg (where the Issuer is CGMFL) or the United States (where the Issuer is Citigroup Inc.) or the United Kingdom (where the Issuer is CGMFL) or, in any such case any political subdivisions or taxing authorities thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which any person (including any person acting as underwriter, broker or dealer) agrees to purchase the first Tranche of any of such Notes pursuant to the original issuance of such first Tranche, and such obligation cannot be avoided by the Issuer or the CGMFL Guarantor, as the case may be, taking reasonable measures available to it; PROVIDED THAT no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the CGMFL Guarantor, as the case may be, would be obligated to pay such additional interest were a payment in respect of the Notes then due or (B) in the case of Bearer Notes, either (i) any Relevant Clearing System announces an intention to terminate its business without a successor, or (ii) upon the occurrence and continuance of an Event of Default (as defined in Condition 9), or (iii) upon the occurrence of a change in the tax law of the United States (where the Issuer is Citigroup Inc.) or Luxembourg (where the Issuer is CGMFL) pursuant to which the Issuer has or will become subject to adverse tax consequences in respect of such Notes but for the issuance of definitive Bearer Notes. Prior to the publication of any notice of redemption pursuant to this Condition 5(b)(i), the Issuer or the CGMFL Guarantor, as the case may be, shall deliver to the Fiscal Agent or the Swedish Notes Issuing and Paying Agent in the case of Swedish Notes or the Finnish Notes Issuing and Paying Agent in the case of Finnish Notes (i) a certificate signed by an officer of the Issuer or the CGMFL Guarantor, as the case may be, stating that the Issuer or the CGMFL Guarantor, as the case may be, is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer or the CGMFL Guarantor, as the case may be, so to redeem have occurred and (ii) a legal opinion, from lawyers of recognised standing in Luxembourg, the United States or the United Kingdom, as applicable, to the effect that the Issuer or the CGMFL Guarantor, as the case may be, has or will become obligated to pay such additional interest as a result of such change or amendment.
- (ii) If the Issuer determines that the performance of its obligations under the Notes or the CGMFL Guarantor determines that the performance of its obligations under the CGMFL Deed of Guarantee, in respect of the Notes or that any arrangements made to hedge the Issuer's and/or the CGMFL Guarantor's obligations under the Notes and/or the CGMFL Deed of Guarantee, as the case may be, has or will become unlawful, illegal or otherwise

prohibited in whole or in part for any reason, the Issuer may redeem the Notes early by giving notice to Noteholders in accordance with Condition 13.

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer redeems the Notes early pursuant to this provision, then the Issuer will, if and to the extent permitted by applicable law, pay to each Noteholder in respect of each principal amount of Notes equal to the Calculation Amount held by such holder, an amount equal to the Early Redemption Amount. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 13 and upon such payment in respect of such Notes all obligations of the Issuer and the CGMFL Guarantor in respect thereof shall be discharged.

(c) *Purchases*

The Issuer, the CGMFL Guarantor or any of their respective subsidiaries or Affiliates may at any time purchase Notes (PROVIDED THAT all unmatured Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price. Any Notes or Coupons so purchased may be held or resold or surrendered for cancellation together with all unmatured Coupons attached thereto or purchased therewith.

(d) *Early Redemption Amount*

For the purpose of Condition 5(b)(i) and (ii) above, Condition 9 and the Valuation and Settlement Schedule, the Early Redemption Amount in respect of each principal amount of the Notes equal to the Calculation Amount will be calculated as specified in the applicable Issue Terms as either:

- (i) "Fair Market Value" or
- (ii) "Principal Amount plus accrued interest" if any or
- (iii) in the case of Zero Coupon Notes, the Amortised Face Amount or
- (iv) such other amount specified in Valuation and Settlement Schedule and/or in the applicable Issue Terms.

As used above:

"Fair Market Value" means an amount in the Specified Currency determined by the Calculation Agent which represents the fair market value of such Calculation Amount (which shall include amounts in respect of interest) on a day selected by the Issuer (ignoring for the purposes of a redemption pursuant to Condition 5(b)(ii), the relevant unlawfulness, illegality or prohibition) less (except in the case of any early redemption pursuant to Condition 9) the proportionate cost to the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements in respect of the Notes (including, without limitation, any options relating to any Underlying hedging the Issuer's obligations under the Notes) and, for the purposes of determining the fair market value of such Calculation Amount for the purposes of Condition 9, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes;

"Principal Amount plus accrued interest" means in respect of such Calculation Amount its principal amount plus accrued interest (if any) up to but excluding the date of redemption;

Amortised Face Amount means an amount calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^y$

where:

RP means the Reference Price;

AY means the Amortisation Yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Issue Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360 day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and payable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(e) *Redemption at the Option of the Issuer*

If, in respect of Notes other than Swedish Notes, Issuer Call is specified as applicable in the applicable Issue Terms, the Issuer may having given:

- (i) in respect of Bearer Notes, the number of days' notice specified in the applicable Issue Terms or, if none is so specified, not less than five nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and
- (ii) in the case of Registered Notes, the number of days' notice specified in the applicable Issue Terms or, if none is so specified:
 - (A) not less than, five nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and
 - (B) not less than five days' notice to the Registrar,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and, in respect of each principal amount of the Notes equal to the Calculation Amount at the Optional Redemption Amount specified in, or determined in the manner specified in, the Valuation and Settlement Schedule or specified in the applicable Issue Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a principal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Issue Terms.

In the case of a redemption of some only of the Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected, subject to mandatory provisions of Luxembourg law, individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of the Relevant Clearing System (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg, to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note or Global Registered Note Certificate, not more than 30 days prior to the date fixed for

redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than five days prior to the date fixed for redemption. No exchange of the relevant Global Note or Global Registered Note Certificate will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph.

If, in respect of Swedish Notes, Issuer Call is specified as applicable in the applicable Issue Terms, the Issuer may, having given:

- (a) not less than five nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and
- (b) not less than five days' notice to the Swedish Notes Issuing and Paying Agent and Euroclear Sweden, respectively,

(which notices shall be irrevocable and shall specify the date fixed for redemption and shall specify the Notes or the amount of the Notes as well as the closed period), redeem all of the Notes then outstanding on any Optional Redemption Date and, in respect of each principal amount of the Notes equal to the Calculation Amount at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Issue Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a principal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount in each case as may be specified in the applicable Issue Terms. The redemption procedures for Swedish Notes will be subject to the rules and regulations applicable to, and/or issued by, Euroclear Sweden.

(f) *Redemption at the Option of holders of Notes*

If Investor Put is specified as applicable in the applicable Issue Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 the number of days' notice specified in the applicable Issue Terms or, if none is so specified, not less than 45 days' notice the Issuer will, upon the expiry of such notice, redeem such Note on the relevant Optional Redemption Date and at, in respect of each principal amount of the Notes equal to the Calculation Amount, the Optional Redemption Amount specified in, or determined in the manner specified in, the Valuation and Settlement Schedule and in the applicable Issue Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 5(f) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of a Note the holder of such Note must, if such Note is in definitive form and held outside the Relevant Clearing System, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the principal amount thereof to be redeemed and, if less than the full principal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(h). If the relevant Note is in definitive form, the Put Notice must be accompanied by the Note or evidence satisfactory to the Paying Agent concerned that the Note will, following delivery of the Put Notice, be held to its order or under its control.

If the relevant Note is represented by a Global Note or Global Registered Note Certificate and cleared through Euroclear or Clearstream, Luxembourg or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of such Note the holder of such Note must, within the notice period, give notice to the Fiscal Agent or the Registrar, as the case may be, of such exercise in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg, as applicable (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, as applicable, or any common depository or common safekeeper, as the case may be, for them, as applicable, to the Fiscal Agent or the Registrar, as the case may be, by electronic means), in a form acceptable to Euroclear and Clearstream, Luxembourg, as applicable, from time to time.

If the relevant Note is represented by a Global Registered Note Certificate and cleared through DTC, to exercise the right to require redemption of such Note, the holder of such Note must, within the notice period, give notice to the Registrar of such exercise in the form of a Put Notice acceptable to the Registrar and irrevocably instruct DTC to debit the relevant Noteholder's securities account with the relevant Notes on or before the Optional Redemption Date in accordance with applicable DTC practice.

In the case of Swedish Notes, a Put Notice will not take effect against the Issuer before the date on which the relevant Notes have been transferred to the account designated by the Swedish Notes Issuing and Paying Agent and blocked for further transfers by the Swedish Notes Issuing and Paying Agent (such date will be the first date of a closed period for the purposes of Condition 2(j)). The redemption procedures for Swedish Notes will be subject to the rules and regulations applicable to, and/or issued by, Euroclear Sweden.

Notwithstanding anything to the contrary in the Conditions, if the Notes are Finnish Notes, the exercise of this option will not be effective against the Issuer before the date on which the relevant Finnish Notes have been transferred to the account operated by the Finnish Notes Issue and Paying Agent, which for the purposes of the relevant Finnish Notes is an account operator specifically authorised by Euroclear Finland and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer on the Optional Redemption Date by the Finnish Notes Issue and Paying Agent.

The right to require redemption of any Finnish Notes in accordance with this Condition 5(f) must, notwithstanding the above, be exercised in accordance with the Euroclear Finland Rules and if there is any inconsistency between the terms set out herein and the Euroclear Finland Rules, then the Euroclear Finland Rules shall prevail.

(g) *Cancellation*

All Notes purchased by or on behalf of the Issuer or the CGMFL Guarantor may be surrendered for cancellation, if the Notes are Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent or, if the Notes are Registered Notes, by surrendering the Note representing such Notes to the Registrar and, in each case, if so surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith, if any). Any Notes surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the CGMFL Guarantor in respect of any such Notes shall be discharged.

6. Payments and Talons: all references to the CGMFL Guarantor and the CGMFL Deed of Guarantee in the Conditions including but not limited to this Condition shall be ignored in relation to Notes issued by Citigroup Inc.

(a) *Bearer Notes*

Payments of principal and interest (if any) in respect of definitive Bearer Notes will be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 6(g)(iv)) or Coupons (in the case of interest, save as specified in Condition 6(g)(iv)), as the case may be, at the specified office of any Paying Agent by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account (which in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) denominated in that currency with a bank in the principal financial centre of that currency or, in the case of Euro, by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee or, at the option of the payee, by a Euro cheque.

Payments of principal and interest (if any) in respect of Bearer Notes represented by a Global Note will be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

(b) *Registered Notes*

- (i) Payments of principal in respect of Registered Notes (whether or not in global form) will be made, where applicable, against presentation and surrender of the relevant Note at the specified office of any of the Paying Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Payments of interest on Registered Notes will be paid to the person shown on the Register (A) where such Notes are in global form, at the close of the business day (being for this purpose, a day on which the Relevant Clearing System is open for business) before the due date for payment thereof, and (B) where such Notes are in definitive form, at the close of business on the fifteenth day before the due date for payment thereof (the **Record Date**). Such payments will be made in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned, or in the case of a payment in Euro, by a Euro cheque and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar before the Record Date, such payment of interest may be made by transfer to an account (which in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) in the relevant currency designated by the holder with a bank in the principal financial centre of the country of that currency or, if the currency is Euro, into a Euro account (or any other account to which Euro may be credited or transferred) notified to the Registrar by such holder.

All amounts payable to DTC or its nominee as registered holder of a Global Registered Note Certificate in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Fiscal Agent to an account in the Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Fiscal Agency Agreement unless a holder has elected to receive payment in the relevant Specified Currency in accordance with applicable DTC practice.

(c) *Payments Subject to Law, etc.*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

The holder of a Global Note or a Global Registered Note Certificate shall be the only person entitled to receive payments in respect of Notes represented by such Global Note or Global Registered Note Certificate and the Issuer or, as the case may be, the CGMFL Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note or Global Registered Note Certificate, as the case may be, in respect of each amount so paid. Each of the persons shown in the records of the Relevant Clearing System as the beneficial holder of a particular principal amount of Notes represented by such Global Note or Global Registered Note Certificate, as the case may be, must look solely to the Relevant Clearing System for his share of each payment so made by the Issuer or, as the case may be, the CGMFL Guarantor to, or to the order of, the holder of such Global Note or Global Registered Note Certificate, as the case may be.

(d) *Payments in respect of Swedish Notes*

Conditions 6(a) and 6(b) shall not apply to Swedish Notes. Payments in respect of Swedish Notes will be made on the due date for payments to the persons registered as holders in the Swedish Notes Register on the fifth (5) Stockholm Banking Day (or such other date in accordance with the rules and procedures applied by Euroclear Sweden from time to time), prior to the due date for such payment.

In the Conditions, **Stockholm Banking Day** means a day on which Euroclear Sweden is open for business (including the making of payments) in accordance with the rules and procedures applied by Euroclear Sweden from time to time.

(e) *Payments in respect of Finnish Notes*

Conditions 6(a) and 6(b) shall not apply to Finnish Notes. Payments in respect of Finnish Notes will be made on the due date for payment to the persons registered as holders recorded in the Euroclear Finland Register on the first (1) Helsinki Banking Day (or such other date in accordance with the rules and procedures applied by Euroclear Finland from time to time), prior to the due date for such payment.

In the Conditions, **Helsinki Banking Day** means a day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in Helsinki and on which Euroclear Finland and the relevant system in which the Finnish Notes are registered are open for business in accordance with the Euroclear Finland Rules.

In respect of each Series of Finnish Notes, the Issuer shall at all times maintain a registrar which shall be the duly authorised Finnish central securities depository under the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*) and a Finnish Notes Issue and Paying Agent duly authorised as an account operator (*Fin. tilinhoitaja*) under the Finnish Act on Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*).

A Finnish Notes Issue and Paying Agent will be appointed by the Issuer and identified in the applicable Issue Terms.

In relation to Finnish Notes, Euroclear Finland will act as the central securities depository and clearing institution and the Issuer will appoint a Finnish Notes Issue and Paying Agent for Finnish purposes as specified in the applicable Issue Terms.

The Issuer is entitled to vary or terminate the appointment of the relevant central securities depository and clearing institution or the Finnish Notes Issue and Paying Agent, provided that the Issuer will appoint another central securities depository and clearing institution or Finnish Notes Issue and Paying Agent, each of them to be duly authorised under the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*). Each of

Euroclear Finland and the Finnish Notes Issue and Paying Agent acts solely as agent of the Issuer and does not assume any obligation to, or relationship or agency or trust with, the Noteholders.

(f) *Appointment of Agents*

As applicable, the Fiscal Agent, each Paying Agent, the Registrar, the Exchange Agent, each Transfer Agent, the Calculation Agent, the Swedish Notes Issuing and Paying Agent in the case of Swedish Notes or the Finnish Notes Issuing and Paying Agent in the case of Finnish Notes initially appointed by the Issuer and the CGMFL Guarantor and their respective specified offices are listed below or in the applicable Issue Terms. The Fiscal Agent, each Paying Agent, the Registrar, the Exchange Agent, each Transfer Agent, the Calculation Agent, the Swedish Notes Issuing and Paying Agent in the case of Swedish Notes or the Finnish Notes Issuing and Paying Agent in the case of Finnish Notes act solely as agents or, as the case may be, registrars of the Issuer and the CGMFL Guarantor and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer and the CGMFL Guarantor reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Calculation Agent, the Registrar, the Exchange Agent, any Transfer Agent, the Swedish Notes Issuing and Paying Agent in the case of Swedish Notes or the Finnish Notes Issuing and Paying Agent in the case of Finnish Notes and to appoint additional or other agents (any of which may be the Issuer, an Affiliate of the Issuer, the CGMFL Guarantor or an Affiliate of the CGMFL Guarantor) PROVIDED THAT the Issuer and the CGMFL Guarantor will at all times maintain:

- (i) a Fiscal Agent;
- (ii) at any time at which any Registered Note is outstanding, a Registrar;
- (iii) at any time at which any Registered Note cleared through DTC is outstanding, an Exchange Agent in relation thereto;
- (iv) at any time at which any Registered Note is outstanding, a Transfer Agent in relation thereto;
- (v) a Calculation Agent where the Conditions so require one;
- (vi) a Paying Agent having a specified office in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated;
- (vii) at any time while any Swedish Note is outstanding, a Swedish Notes Issuing and Paying Agent authorised to act both as an account operating institution (*Sw. kontoförade institut*) and issuing agent (*Sw. emissionsinstitut*) with Euroclear Sweden;
- (viii) at any time while any Finnish Note is outstanding, a Finnish Notes Issuing and Paying Agent authorised to act both as an account operator (*Fi. tilinhoitaja*) and issuer agent (*Fi. liikkeeseenlaskijan asiamies*) with Euroclear Finland; and
- (ix) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

Each of the Issuer and the CGMFL Guarantor also undertakes that it will maintain a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to EC Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive unless to do so either would be unduly onerous or impracticable or is no longer market practice, in each case in the determination of the Issuer.

Notice of any such change or any change of any specified office of the Fiscal Agent, any other Paying Agent, any Transfer Agent or the Registrar will promptly be given to the Noteholders in accordance with Condition 13.

(g) *Unmatured Coupons and unexchanged Talons*

- (i) Upon the due date for redemption of any Bearer Note in definitive form, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (ii) Upon the due date for redemption of any Bearer Note in definitive form, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iii) If any Bearer Note in definitive form is presented for redemption without all unexpired Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.
- (iv) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (where applicable) (and surrender if appropriate) of the relevant Note representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation (where applicable) of the relevant Note representing it.

(h) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 8).

(i) *Payment Days*

If, in respect of Notes other than Swedish Notes, any date for payment in respect of any Note or Coupon is not a Payment Day, the holder shall not be entitled to payment until the next following Payment Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, **Payment Day** means:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) in the case of Notes in definitive form only, the relevant place of presentation; and
 - (B) such jurisdictions as shall be specified as "Business Day Jurisdictions" in the applicable Issue Terms; and
- (ii) either (A) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and

Auckland, respectively) or (B) in relation to any sum payable in Euro, a TARGET Business Day; and

- (iii) in the case of any payment in respect of a Global Registered Note Certificate denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with interests in such Global Registered Note Certificate) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

If, in respect of Swedish Notes, any date for payment is not a Payment Day, the holder shall not be entitled to payment until the next following Payment Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, Payment Day means a day which is a Stockholm Banking Day and:

- (a) (in the case of a payment in a currency other than Euro) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of such relevant currency; or
- (b) (in the case of a payment in Euro) a day which is a TARGET Business Day.

If, in respect of Finnish Notes, any date for payment in respect of any Finnish Notes is not a Payment Day, the holder shall not be entitled to payment until the next following Payment Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, **Payment Day** means a day which is a Helsinki Banking Day and a TARGET Business Day (if applicable).

(j) *Business Day Convention*

If any date referred to in the Conditions is specified in the applicable Issue Terms to be subject to adjustment in accordance with a Business Day Convention and (x) such day would otherwise fall on a day which is not a Business Day or (y) there is no numerically corresponding day in the calendar months in which such date should occur, then, if the Business Day Convention specified in the applicable Issue Terms is (i) the Floating Rate Convention, (1) in the case of (x) above such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment or (2) in the case of (y) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) above shall apply *mutatis mutandis*, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

7. Taxation: as stated above, all references to the CGMFL Guarantor and the CGMFL Deed of Guarantee in the Conditions including but not limited to this Condition shall be ignored in relation to Notes issued by Citigroup Inc.

- (A) **The provisions of this paragraph ~~(A)(A)~~ apply only where Citigroup Inc. is the Issuer**

The Issuer will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of any Note or Coupon or entitled person under the Citigroup Inc. Deed of Covenant such amounts as may be necessary so that every net payment on such Note,

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Coupon or the Citigroup Inc. Deed of Covenant, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein) will not be less than the amount provided in such Note, Coupon or the Citigroup Inc. Deed of Covenant to be then due and payable. However, the Issuer will not be required to make any such payment of additional interest for or on account of:

- (a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such holder or entitled person (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holder or entitled person, if such holder or entitled person is an estate or a trust, or a member or shareholder of such holder or entitled person, if such holder or entitled person is a partnership or corporation) and the United States, including, without limitation, such holder or entitled person (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such holder's or entitled person's past or present status as a personal holding company or private foundation or other tax-exempt organisation with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;
- (b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;
- (c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation for payment or demand for payment, as the case may be, by the holder or entitled person of a Note or Coupon or under the Citigroup Inc. Deed of Covenant more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later (the **Relevant Date**);
- (d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a Note or Coupon or under the Citigroup Inc. Deed of Covenant;
- (e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent or the Registrar, as the case may be, from a payment on a Note or Coupon or under the Citigroup Inc. Deed of Covenant if such payment can be made without such deduction or withholding by any other Paying Agent or the Registrar (if applicable);
- (f) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of or entitled person under a Note, Coupon or the Citigroup Inc. Deed of Covenant if, without regard to any tax treaty, such compliance is required by statute or regulation of the United States as a precondition to relief or exemption from such tax, assessment or other governmental charge;
- (g) any tax, assessment or other governmental charge imposed on a holder that actually or constructively owns 10 per cent. or more of the combined voting power of all classes of stock of the Issuer as described in Section 871(h)(3)(B) of the United States Internal Revenue Code of 1986, as amended (the **Code**), that is a bank

receiving interest described in Section 881(c)(3)(A) of the Code, that receives contingent interest described in Section 871(h)(4) of the Code or that is a controlled foreign corporation related to the Issuer through stock ownership as described in Section 881(c)(3)(C) of the Code;

- (h) a payment on a Note, Coupon or the Citigroup Inc. Deed of Covenant to a holder or entitled person that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the holder or entitled person of or under such Note, Coupon or the Citigroup Inc Deed of Covenant;
- (i) any tax, assessment or governmental charge imposed on a payment to a person and required to be made pursuant to EC Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (j) taxes imposed under Sections 871(m) or 1471 through 1474 of the Code, any regulations promulgated thereunder or official interpretations thereof, or any agreement entered into pursuant to such legislation; or
- (k) any tax, assessment or governmental charge imposed on any Note that the Issuer indicates in the applicable Issue Terms it will not treat as a debt for United States federal income tax purposes.

(B) The provisions of this paragraph (B) apply only where CGMFL is the Issuer

The Issuer and the CGMFL Guarantor will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of any Note, Coupon or entitled person under the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee such amounts as may be necessary so that every net payment on such Note, Coupon, the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by Luxembourg (in the case of payments by CGMFL) or the United Kingdom (in the case of payments by the CGMFL Guarantor (or, in either case, any political subdivision or taxing authority thereof or therein) will not be less than the amount provided in such Note, Coupon, the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee to be then due and payable. However, neither the Issuer nor the CGMFL Guarantor will be required to make any such payment of additional interest for or on account of:

- (a) any tax assessment or other governmental charge that would not have been imposed but for the existence of any present or future connection between such holder or entitled person and Luxembourg, (in the case of payments by CGMFL) or the United Kingdom (in the case of payments by the CGMFL Guarantor) other than the mere holding of the Note, Coupon or being entitled under the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee; or
- (b) any Note, Coupon, the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee presented for payment in Luxembourg; or
- (c) any tax, assessment or other governmental charge to which such holder or entitled person would not be liable or subject by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

- (d) any tax, assessment or governmental charge imposed on a payment to a person and required to be made pursuant to Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) any Note, Coupon, the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee presented for payment by or on behalf of a holder or entitled person who would have been able to avoid such withholding or deduction by presenting the relevant Note, Coupon, the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee to another Paying Agent in a Member State of the European Union; or
- (f) any tax, assessment or governmental charge that would not have been imposed but for the presentation for payment or demand for payment, as the case may be, by the holder or entitled person of a Note or Coupon or under the CGMFL Deed of Covenant or the CGMFL Deed of Guarantee more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later (the **Relevant Date**); or
- (g) taxes imposed under Sections 871(m) or 1471 through 1474 of the Code, any regulations promulgated thereunder or official interpretations thereof, any agreement entered into pursuant to such legislation, or any law implementing an intergovernmental approach thereto.

(C) **The provisions of this paragraph ~~(C)(e)~~ apply to all Notes, regardless of the Issuer**

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References in the Conditions to (a) **principal** shall be deemed to include any premium payable in respect of the Notes, any Redemption Amount, any Early Redemption Amount, any Optional Redemption Amount, in relation to Zero Coupon Notes, the Amortised Face Amount and all other amounts in the nature of principal payable pursuant to Condition 5 and the Valuation and Settlement Schedule and the provisions of the applicable Issue Terms, (b) **interest** shall be deemed to include any Interest Amount and all other amounts in the nature of interest payable pursuant to Condition 4 and the Valuation and Settlement Schedule and the provisions of the applicable Issue Terms and (c) in any context, the payment of the principal of (or premium, if any) or interest on any Note or payment with respect to any Coupon, such mention shall be deemed to include mention of the payment of additional interest provided for in this Condition 7 to the extent that, in such context, additional interest is, was or would be payable in respect thereof pursuant to the provisions of this Condition 7 and express mention of the payment of additional interest (if applicable) in any provisions hereof shall not be construed as excluding additional interest in those provisions hereof where such express mention is not made. Where the Valuation and Settlement Schedule and the applicable Issue Terms do not provide for the payment of interest, references to interest in the Conditions shall be disregarded and the Conditions construed accordingly.

8. Prescription

Claims against the Issuer for payment in respect of the Notes (other than Swedish Notes and Finnish Notes) and any Coupons shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7) in respect thereof.

If the Notes are Swedish Notes, claims against the Issuer for payment in respect of the Notes and any Coupons shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

For the purposes of the Conditions **Relevant Date** means the date on which such payment first becomes due, or such later date on which an interruption of the period of limitation (Sw. *preskriptionsavbrott*) is made in accordance with the Swedish Limitations Act 1981 (Sw. *preskriptionslagen (1991: 130)*).

If the Notes are Finnish Notes, claims against the Issuer for payment in respect of the Notes and any principal and interest shall be prescribed unless made within three years after the date on which such payment becomes due and payable therefor and thereafter any principal or interest payable in respect of such Notes shall be forfeited and revert to the Issuer.

9. Events of Default: as stated above, all references to the CGMFL Guarantor and the CGMFL Deed of Guarantee in the Conditions including but not limited to this Condition shall be ignored in relation to Notes issued by Citigroup Inc.

(a) **Event of Default** wherever used herein with respect to the Notes means any one of the following events:

- (i) default in the payment of any interest upon any Note or any payment with respect to the Coupons, if any, when it becomes due and payable, and continuance of such default for a period of 30 days; or
- (ii) default in the payment of the principal of any Note at its due date and continuance of any such default for a period of ten days; or
- (iii) default in the performance, or breach, of any covenant of the Issuer or the CGMFL Guarantor in the Conditions or the Fiscal Agency Agreement (other than a covenant a default in whose performance or whose breach is elsewhere in this Condition 9 specifically dealt with) or the CGMFL Guarantor under the CGMFL Deed of Guarantee and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Issuer or the CGMFL Guarantor, as the case may be, by the holders of at least 25 per cent. in principal amount of the Outstanding Notes, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or
- (iv) THIS CONDITION 9(a)(iv) ONLY APPLIES WHERE THE ISSUER IS CITIGROUP INC.: the entry of a decree or order for relief in respect of the Issuer by a court having jurisdiction in the premises in an involuntary case under the United States Federal bankruptcy laws, as now or hereafter constituted, or any other applicable United States Federal or State bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Issuer or of the whole or substantially the whole of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days; or
- (v) THIS CONDITION 9(a)(v) ONLY APPLIES WHERE THE ISSUER IS CITIGROUP INC.: the commencement by the Issuer of a voluntary case under the United States Federal bankruptcy laws, as now or hereafter constituted, or any other applicable United States Federal or State bankruptcy, insolvency or other similar law, or the consent by it to the entry of an order for relief in an involuntary case under any such law or to the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Issuer or of the whole or substantially the whole of its property, or the making by the Issuer of an assignment for the benefit of its creditors generally, or the admission by the Issuer in writing of its inability to pay its debts generally as they become due; or

- (vi) THIS CONDITION (9)(a)(vi) ONLY APPLIES WHERE THE ISSUER IS CGMFL:
- (A) any order is made by any component court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation, (*insolvabilité, liquidation volontaire or judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert vérificateur, juge délégué or juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement; or
 - (B) the entry of a decree or order for relief in respect of the CGMFL Guarantor by a court having jurisdiction in the premises in an involuntary case under the United Kingdom bankruptcy laws, as now or hereafter constituted, or any other applicable United Kingdom bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the CGMFL Guarantor or of the whole or substantially the whole of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days; or
 - (C) the commencement by the CGMFL Guarantor of a voluntary case under the United Kingdom bankruptcy laws, as now or hereafter constituted, or any other applicable United Kingdom bankruptcy, insolvency or other similar law, or the consent by it to the entry of an order for relief in an involuntary case under any such law or to the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the CGMFL Guarantor or of the whole or substantially the whole of its property, or the making by the CGMFL Guarantor of an assignment for the benefit of its creditors generally, or the admission by the CGMFL Guarantor in writing of its inability to pay its debts generally as they become due; or
- (vii) the CGMFL Deed of Guarantee ceases to be, or is claimed by the CGMFL Guarantor not to be, in full force and effect (except, for the avoidance of doubt, where this is a result of the CGMFL Guarantor becoming the Issuer pursuant to the Conditions). For the avoidance of doubt, for the purposes of this provision, the CGMFL Deed of Guarantee shall be deemed not to have ceased to be in full force and effect in circumstances where there is a consolidation or merger of the CGMFL Guarantor in accordance with Condition 14 or where a substitution of the CGMFL Guarantor is effected in accordance with Condition 15.
- (b) If an Event of Default with respect to the Notes at the time Outstanding occurs and is continuing, then in every such case the holders of not less than 25 per cent. in principal amount of the Outstanding Notes may declare the Notes, by a notice in writing to the Issuer, the CGMFL Guarantor and the Fiscal Agent, to be immediately due and payable, whereupon each principal amount of the Notes equal to the Calculation Amount shall become due and repayable at the Early Redemption Amount. Upon such payment in respect of any Note, all obligations of the Issuer and the CGMFL Guarantor in respect of such Note shall be discharged.
- (c) **Outstanding** when used with respect to the Notes, means, as of the date of determination, all Notes authenticated and delivered under the Conditions prior to such date, except:

- (i) Notes cancelled by the Fiscal Agent or the Registrar or delivered to the Fiscal Agent or the Registrar for cancellation;
- (ii) Notes or portions thereof for whose payment or redemption money in the necessary amount has been deposited with the Fiscal Agent or any other Paying Agent in accordance with the Fiscal Agency Agreement; provided, however, that if such Notes or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to the Conditions or provision therefor satisfactory to the Fiscal Agent has been made; and
- (iii) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to the Conditions, other than any such Notes in respect of which there shall have been presented to the Fiscal Agent or the Registrar proof satisfactory to it that such Notes are held by a bona fide purchaser in whose hands such Notes are valid obligations of the Issuer,

provided, however, that in determining whether the holders of the requisite principal amount of Notes Outstanding have performed any act hereunder, Notes owned by the Issuer or the CGMFL Guarantor or any person directly or indirectly controlling or controlled by or under direct or indirect common control of the Issuer or the CGMFL Guarantor shall be disregarded and deemed not to be Outstanding. Notes so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Fiscal Agent or the Registrar the pledgee's right to act with respect to such Notes and that the pledgee is not the Issuer or the CGMFL Guarantor or any person directly or indirectly controlling or controlled by or under direct or indirect common control of the Issuer or the CGMFL Guarantor.

10. Meetings of Noteholders, Modifications and Determinations

(a) Meetings of Noteholders

The Fiscal Agency Agreement contains provisions for convening meetings of holders of Notes to consider any matter affecting their interests, including modification by Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Notes (including the Conditions insofar as the same may apply to the Notes) or the relevant Deed of Covenant or the CGMFL Deed of Guarantee, as applicable, as they relate to the Notes. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the holders of the Notes, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, or any date for payment of interest thereon, (ii) to reduce or cancel the principal amount of the Notes, the Early Redemption Amount, the Redemption Amount or any other amount payable on redemption of the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest, (iv) if a Minimum Interest Rate and/or a Maximum Interest Rate is specified in the applicable Issue Terms, to reduce any such Minimum and/or Maximum Interest Rate, (v) to change any method of calculating the Early Redemption Amount, the Redemption Amount, (vi) to change the currency or currencies of payment of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of holders of Notes or any adjournment thereof or the majority required to pass the Extraordinary Resolution or (viii) to take any steps which as specified in the applicable Issue Terms may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, will only be binding if passed at a meeting of the holders of Notes (or at any adjournment thereof) at which a special quorum (provided for in the Fiscal Agency Agreement) is present.

If a holder of Swedish Notes held through a nominee (an **Indirect Noteholder**) attends the meeting (in person or through a duly authorised agent) and shows a certificate from the relevant nominee showing that such Indirect Noteholder on the fifth (5th) Stockholm Business Day prior to the meeting was a holder of Swedish Notes, the Indirect Noteholder shall be regarded the holder of such Swedish Notes for the purposes of this Condition 10.

In connection with a meeting of holders of such Swedish Notes, the Swedish Notes Issuing and Paying Agent shall have access to the CSD Register (*Sw. avställningsregistret*) for the Swedish Notes.

Notwithstanding any provision to the contrary in the Conditions or any other transaction document, under Luxembourg law, a decision of the shareholders of CGMFL to amend the corporate objects of CGMFL, to change the legal form of CGMFL or its nationality and/or to increase the commitments of CGMFL's shareholders must be approved by a resolution of the Noteholders. Such resolution of the Noteholders may exclusively be taken, and their meeting resolving thereupon must be convened and held, in accordance with the Companies Act 1915, as long as any such specific requirements exist under the Companies Act 1915 (the **Luxembourg Law Resolutions**).

- (b) A Luxembourg Law Resolution must be passed in accordance with the requirements of the Companies Act 1915. There are specific quorum requirements for Luxembourg Law Resolutions set out in the Companies Act 1915. Certain Luxembourg Law Resolutions passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting. If there ceases to be specific requirements under Luxembourg law for the above matters, any resolutions on these matters will be taken in the form of Extraordinary Resolutions (as defined in the Fiscal Agency Agreement).

(c) *Modifications*

The Issuer and the CGMFL Guarantor may make, without the consent of the Noteholders or Couponholders:

- (i) any modification (except as mentioned above) to, as applicable, the Notes, the Coupons, the Talons, the Fiscal Agency Agreement, the relevant Deed of Covenant, the Swedish Notes Issuing and Paying Agency Agreement, the Finnish Notes Issuing and Paying Agency Agreement and/or the CGMFL Deed of Guarantee, as applicable, which is, in the opinion of the Issuer, not materially prejudicial to the interests of the Noteholders (without considering the individual circumstances of any Noteholder or the tax or other consequences of such modification in any particular jurisdiction); or
- (ii) any modification to the Notes, the Coupons, the Talons, the Fiscal Agency Agreement, the relevant Deed of Covenant, the Swedish Notes Issuing and Paying Agency Agreement, the Finnish Notes Issuing and Paying Agency Agreement and/or the CGMFL Deed of Guarantee, as applicable, which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

Notwithstanding the above, no modification may be made in respect of Swedish Notes without notification to the Swedish Issuing and Paying Agent. Save as provided therein, the Swedish Notes Issuing and Paying Agent Agreement may be amended by agreement among the parties thereto and without the consent of any holders of the Notes.

(d) *Determinations*

Whenever any matter falls to be determined, considered, elected, selected or otherwise decided upon by the Issuer, the Calculation Agent or any other person (including where a matter is to be decided by reference to the Issuer or the Calculation Agent's or such other person's opinion), that matter shall be determined, considered, elected, selected or otherwise decided upon by the Issuer, the Calculation Agent or such other person, as the case may be, in good faith and (i) where "Sole and Absolute

Determination" is specified in the applicable Issue Terms, in its sole and absolute discretion or (ii) where "Commercial Determination" is specified in the applicable Issue Terms, in a commercially reasonable manner.

The Calculation Agent or such other person may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate. The Issuer may delegate any of its obligations and functions to a third party as it deems appropriate.

All discretions exercised and determinations, considerations, elections, selections or other decisions made in respect of the Notes by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Noteholders and (in the absence of wilful default or bad faith) neither the Issuer nor the Calculation Agent shall have no responsibility to any person for any errors or omissions in (a) calculation by the Calculation Agent or the Issuer, as the case may be, of any amount due in respect of the Notes or (b) any determination made by the Calculation Agent or the Issuer, as the case may be.

(e) *Exercise of Discretion*

In exercising its discretion in respect of the Notes as provided herein, each of the Issuer and the Calculation Agent or such other person (described in (d) above) may take into account such factors as it determines appropriate in each case, which may include, in particular, any circumstances or events which have or may have a material impact on the hedging arrangements entered into by a Hedging Party (as defined in the Valuation and Settlement Schedule) in respect of the Notes. The exercise of the Issuer's and/or the Calculation Agent's and/or such other person's discretion in respect of the Notes as provided herein are necessary because certain circumstances or events (for example a material modification or disruption to an Underlying to which the Notes are linked) may occur subsequent to the issuance of the Notes which may materially affect the costs to a Hedging Party of maintaining the relevant Notes or relevant hedging arrangements. Such circumstances or events may not have been reflected in the pricing of the Notes. In addition, as a result of certain circumstances or events (e.g. unavailability or disruption to any reference source), it may no longer be reasonably practicable or otherwise appropriate for certain valuations in respect of any Underlying or otherwise in connection with the Notes to be made, thus making it necessary for the Issuer and/or the Calculation Agent to exercise its discretion in such a case.

(f) *Hedging Arrangements*

As used in this Condition 10, **hedging arrangements** means the arrangements, if any, the Issuer makes to have available to it the relevant cash amounts to be paid under the Notes as these fall due. This may involve a Hedging Party investing directly in an Underlying. Alternatively, a Hedging Party may make an indirect investment by entering into or acquiring a derivative contract referencing an Underlying. Such hedging arrangements may be carried out on a portfolio basis (i.e. where the Hedging Party maintains arrangements for hedging the Notes together with other obligations of the Issuer and/or its Affiliates). A Hedging Party will seek to select hedging arrangements which are efficient for it in the context of the tax, regulatory and business environment in which it operates, but will do so without having regard to the interests of Noteholders. A Hedging Party may also adjust hedging arrangements from time to time but will not always be able to avoid adverse costs, taxes or regulatory changes which affect its hedging arrangements. For the avoidance of doubt, no Hedging Party is under any obligation to enter into any hedging arrangements and, if any hedging arrangements are entered into, such arrangements will not confer any rights or entitlements on any Noteholder and no Noteholder will have recourse to any such hedging arrangements.

(g) *Determination of amounts payable*

The Issuer and/or the Calculation Agent and/or such other person will employ the methodology described in the Conditions and/or the Valuation and Settlement Schedule to determine amounts

payable in respect of the Notes. When making any such determination in relation to any amounts so payable, the Issuer and/or the Calculation Agent and/or such other persons may in its/their sole and absolute discretion consider any relevant information, which may but is not required to include, without limitation, one or more of the following:

- (i) quotations (either firm or indicative) supplied by one or more third parties or information sources;
- (ii) information consisting of relevant market data in the relevant markets supplied by one or more third parties or information sources including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads correlation or other relevant market data in the relevant market; or
- (iii) information of the types described in (i) or (ii) above from internal sources (including any Affiliates of the Issuer and/or the Calculation Agent and/or such other persons) or other information of a type used by the Issuer and/or the Calculation Agent and/or such other persons in the regular course of its business or in connection with similar transactions.

Whenever the Issuer and/or the Calculation Agent and/or such other persons is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. Any delay, deferral or forbearance by the Issuer and/or the Calculation Agent and/or such other persons in the performance or exercise of any of its obligations or discretions under the Notes including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion.

(h) *Rounding*

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified), (x) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes **unit** means the lowest amount of such currency which is available as legal tender in the country of such currency.

(i) *Disclaimer of liability and responsibility*

The Issuer and/or the Calculation Agent and/or such other persons makes no express or implied representations or warranties as to (i) the advisability of investing in or obtaining exposure to the Notes, (ii) the value of the Notes at any particular time on any particular date, or (iii) any amounts that may become payable or deliverable in respect of the Notes.

Without limiting any of the foregoing, in no event shall the Calculation Agent and/or such other persons have any liability (whether in negligence or otherwise) to any Noteholders for any direct, indirect, special, punitive, consequential or any other damages (including loss of profits) even if notified of the possibility of such damages.

The Calculation Agent and/or such other persons and/or such other persons shall not have any responsibility to any holder for any errors or omissions in any calculations or determinations in respect of the Notes and acts solely as an agent of the Issuer and the CGMFL Guarantor and does not assume any obligations towards or relationship of agency or trust for or with any holder.

(j) *Conflict of Interest*

In addition to providing calculation agency services to the Issuer, the Calculation Agent or any of its Affiliates may perform further or alternative roles relating to the Issuer and any Series of Notes including, but not limited to, for example, being involved in arrangements relating to any Underlying(s) (for example as a calculation agent or, in the case of a proprietary index for example, as index sponsor). Furthermore, the Calculation Agent or any of its Affiliates may contract with the Issuer and/or enter into transactions which relate to the Issuer, the Notes or any Underlying and as a result the Calculation Agent may face a conflict between its obligations as Calculation Agent and its and/or its Affiliates' interests in other capacities. Subject to all regulatory obligations, neither the Issuer nor the Calculation Agent in respect of the Notes shall owe any duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder.

11. Replacement of Notes, Coupons and Talons

If, in respect of Notes other than Swedish Notes or Finnish Notes, a Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of the Bearer Notes, Coupons or Talons) or the Registrar (in the case of Registered Notes) or such other Paying Agent or Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to holders in accordance with Condition 13, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Coupon or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued. This Condition shall not apply to Swedish Notes or Finnish Notes.

12. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (or the same in all respects save for the amount and date of the first payment of interest thereon) PROVIDED THAT, for the avoidance of doubt, references in the Conditions to "Issue Date" shall be to the first issue date of the Notes and so that the same shall be consolidated and form a single Series with such Notes, and references in the Conditions to "Notes" shall be construed accordingly.

13. Notices

(a) *Notices in relation to Notes other than Finnish Notes and Swedish Notes*

All notices to the holders of Registered Notes will be deemed validly given if mailed to them at their respective addresses in the Register and any such notice will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Any such notice will be deemed validly given on the date of such publication or, if published more than once or on different dates, on the date of first publication as provided above.

Notices to the holders of Bearer Notes will be deemed to be validly given if, in the case of any Notes which are listed on the Irish Stock Exchange, published on the website of the Irish Stock Exchange or, in any other case, if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). If any such publication is not practicable, notice will be validly given if published in another leading daily English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition.

Until such time as any definitive Notes are issued, there may, so long as any Global Note(s) or Global Registered Note Certificate(s) representing the Notes are held in their entirety on behalf of any Relevant Clearing System, be substituted for such mailing or such publication in such newspaper(s) as provided above, the delivery of the relevant notice to each Relevant Clearing System for communication by them to the holders of the Notes and, in addition, for so long as the Notes are listed or admitted to trading on a stock exchange and the rules of that stock exchange so require, such notice will be published in the manner and/or place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to the Relevant Clearing System or, where there is more than one Relevant Clearing System the first such Relevant Clearing System.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note or Global Registered Note Certificate, such notice may be given by any Noteholder to the Fiscal Agent or the Registrar, as the case may be, through the Relevant Clearing System in such manner as the Fiscal Agent or the Registrar, as the case may be, and the Relevant Clearing System may approve for this purpose.

(b) *Notices in relation to Finnish Notes*

Notices to holders of Finnish Notes will be deemed to be validly given if sent by mail to a Noteholder on the address registered for such Noteholder in the Euroclear Finland Register maintained by the Euroclear Finland Registrar in accordance with the Euroclear Finland Rules.

With respect to Finnish Notes listed on the Irish Stock Exchange and so long as the rules of that exchange so require, any notices to holders must also be published on the website of the Irish Stock Exchange and any such notice will be deemed validly given on the date of such publication or, if published more than once on different dates, on the date of first publication as provided above.

(c) *Notices in relation to Swedish Notes*

Notices to holders of Swedish Notes will be deemed to be validly given if sent by mail to a holder of Notes to the address registered for such holder in the system of Euroclear Sweden or in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden. Any such notice shall be deemed to have been given, if sent by mail to the holder, on the fourth day following the day the notice was sent by mail.

Notices to be given by any holder of Notes shall be in writing and given by lodging the same with the Swedish Notes Issuing and Paying Agent.

With respect to Swedish Notes listed on the Irish Stock Exchange and so long as the rules of that exchange so require, any notices to holders must be published on the website of the Irish Stock Exchange and any such notice will be deemed validly given on the date of such publication or, if published more than once or on different dates, on the date of first publication as provided above.

14. Consolidation or Merger

- (a) The Issuer or the CGMFL Guarantor shall not consolidate with or merge into any other corporation or convey, transfer or lease its properties and assets substantially as an entirety to any Person (as defined below), unless:

- (i) the corporation formed by such consolidation or into which the Issuer or the CGMFL Guarantor is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Issuer substantially as an entirety (the **successor corporation**) shall be a corporation organised and existing under the laws of any of the United States, the United Kingdom, Luxembourg, France, Germany, Belgium or The Netherlands or, in any such case, any political subdivision thereof and shall, by taking such action as may be required to be taken were such successor corporation the Substitute for the purposes of Condition 15, expressly assume, the due and punctual payment of, in the case of a consolidation or merger in respect of the Issuer, the principal and interest and the due and punctual delivery of all assets on all the Notes and any Coupons and the performance of the Conditions on the part of the Issuer to be performed or observed or, in the case of a consolidation or merger in respect of the CGMFL Guarantor, all amounts due under the CGMFL Deed of Guarantee, as applicable, in respect of the Notes and any Coupons and the performance of the CGMFL Deed of Guarantee on the part of the CGMFL Guarantor to be performed or observed;
- (ii) if the Notes are listed or traded on any stock exchange, each such stock exchange shall have confirmed that, following the proposed substitution of the Substitute, the Notes will continue to be listed or traded on such stock exchange.

For the purposes of the Conditions **Person** means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, estate, incorporated organisation or government or agency or any political subdivision thereof.

- (b) Upon any consolidation with or merger into any other corporation, or any conveyance, transfer or lease of the properties and assets of the Issuer or the CGMFL Guarantor substantially as an entirety in accordance with Condition 14(a) above, the successor corporation formed by such consolidation or into which the Issuer or the CGMFL Guarantor, as applicable, is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the CGMFL Guarantor, as applicable, with the same effect as if such successor corporation had been named as the Issuer or the CGMFL Guarantor, as applicable, herein (subject as provided in Condition 15(f)), and thereafter, except in the case of a lease, the predecessor corporation shall be relieved of all obligations and covenants under the Conditions, the Notes or any Coupons, the relevant Deed of Covenant, the CGMFL Deed of Guarantee (in the case of a consolidation or merger in respect of the CGMFL Guarantor only) and the Fiscal Agency Agreement.

15. Substitution of the Issuer and the CGMFL Guarantor: as stated above, all references to the CGMFL Guarantor and the CGMFL Deed of Guarantee in the Conditions including but not limited to this Condition shall be ignored in relation to Notes issued by Citigroup Inc.

- (a) Either the Issuer or the CGMFL Guarantor may, at any time, without the consent of the Noteholders or the Couponholders, substitute for itself any company which is, on the date of such substitution and in the opinion of the Issuer or the CGMFL Guarantor, as the case may be, of at least the equivalent standing and creditworthiness to the Issuer or the CGMFL Guarantor, as the case may be (the **Substitute**), subject to:
 - (i) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of necessary consents) to ensure that, in the case of a substitution of the Issuer, the Notes, any Coupons and the relevant Deed of Covenant or, in the case of a substitution of the CGMFL Guarantor, the CGMFL Deed of Guarantee, as applicable, represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done, and are in full force and effect;

- (ii) the Substitute becoming party to the Fiscal Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the Issuer or the CGMFL Guarantor, as the case may be;
- (iii)
 - (A) the Substitute and the Issuer having obtained (a) legal opinions from independent legal advisers of recognised standing in the country of incorporation of the Substitute and in England that the obligations of the Substitute, in the case of a substitution of the Issuer, under the Notes, any Coupons and the relevant Deed of Covenant, or, in the case of a substitution of the CGMFL Guarantor under the CGMFL Deed of Guarantee, are legal, valid and binding obligations of the Substitute and (b) in the case of the substitution of the Issuer which is CGMFL (or any substitute thereof), a legal opinion from an independent legal adviser in England, that the CGMFL Deed of Guarantee will apply to the Substitute *mutatis mutandis* as it applies to the Issuer prior to the substitution and will constitute legal, valid and binding obligations of the CGMFL Guarantor, in respect of the Substitute (provided that no opinion as referred to in this sub paragraph (b) shall be required where the Substitute is the CGMFL Guarantor with respect to Notes issued by CGMFL); and
 - (B) all consents and approvals as required have been obtained and that the Substitute, the Notes and any Coupons comply with all applicable requirements of the Securities Act;
- (iv) such substitution being permitted by the rules of any stock exchange on which the Notes are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;
- (v) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes and any Coupons;
- (vi) the Issuer or the CGMFL Guarantor, as the case may be, giving notice of the date of such substitution to the holders in accordance with Condition 13; and
- (vii) in the case of Finnish Notes only, such substitution being permitted by Euroclear Finland.
- (b) Upon such substitution, any reference in the Conditions to the Issuer or the CGMFL Guarantor, as the case may be, shall be deemed to be a reference to the Substitute.
- (c) After a substitution pursuant to Condition 15(a), the Substitute may, without the consent of any holder, effect a further substitution. All the provisions specified in Condition 15(a) and 15(b) shall apply *mutatis mutandis*, and references in the Conditions to the Issuer or CGMFL Guarantor, as the case may be, shall, where the context so requires, be deemed to be or include references to any such further Substitute. For the avoidance of doubt, the CGMFL Guarantor may be a Substitute for the Issuer and in such cases references to the CGMFL Guarantor and the CGMFL Deed of Guarantee should be construed accordingly.
- (d) After a substitution pursuant to Condition 15(a) or 15(c), any Substitute may, without the consent of any holder, reverse the substitution, *mutatis mutandis*.

For the avoidance of doubt, CGMFL may (i) be substituted as the Issuer by CGML, pursuant to this Condition albeit that it is the CGMFL Guarantor or (ii) merge or be consolidated into CGML pursuant to Condition 14, albeit that it is the CGMFL Guarantor without, in either case, there being any breach of the Conditions which shall be construed accordingly.

- (e) For so long as any Notes are listed on a stock exchange, such stock exchange shall be notified of any such consolidation, merger or substitution and the requirements of such stock exchange in respect of such consolidation, merger or substitution shall be complied with (including any requirement to publish a supplement).
- (f) (i) If the Issuer is Citigroup Inc. and pursuant to Condition 14 or Condition 15(a), there is a successor corporation or Substitute of Citigroup Inc. the successor corporation or the Substitute of Citigroup Inc., as the case may be, is organised and existing under the laws of a jurisdiction other than the United States (or any jurisdiction substituted therefor pursuant to the Conditions), there shall be substituted in Condition 7(A) and Conditions 9(a)(iv) and 9(a)(v) for the United States (or such other jurisdiction) and related expressions as determined by the Issuer, the jurisdiction under which such successor corporation or Substitute, as the case may be, is organised and existing.
- (ii) If the Issuer is CGMFL and pursuant to Condition 14 or Condition 15(a), there is a successor corporation or Substitute of CGMFL and the successor corporation or the Substitute of CGMFL, as the case may be, is organised and existing under the laws of a jurisdiction other than Luxembourg (or any jurisdiction substituted therefor pursuant to the Conditions), there shall be (i) substituted in Condition 7(B) for Luxembourg (or such other jurisdiction) and related expressions as determined by the Issuer, the jurisdiction under which such successor corporation or Substitute, as the case may be, is organised and existing and (ii) added to the end of Condition 9(a)(vi)(A) immediately after the words "or other similar arrangement" the following:
- " , or, if the Issuer is not organised and existing under the laws of Luxembourg, any event occurs which under the laws of the jurisdiction in which the Issuer is organised and existing has an analogous effect to any of the events referred to above in this Condition 9(a)(vi)(A)".
- (iii) If the Issuer is CGMFL and pursuant to Condition 14 or Condition 15(a), there is a successor corporation or Substitute of the CGMFL Guarantor and the successor corporation or Substitute, as the case may be, is organised and existing under the laws of a jurisdiction other than the United Kingdom (or any jurisdiction substituted therefor pursuant to the Conditions), there shall be (i) substituted in Condition 7(B) and Conditions 9(a)(vi)(B) and 9(a)(vi)(C) for the United Kingdom (or such other jurisdiction) and related expressions as determined by the Issuer, the jurisdiction under which such successor corporation or Substitute, as the case may be, is organised and existing.
- (iv) For the purposes of this Condition 15 and article 1275 of the Luxembourg civil code, the Noteholders, by subscribing for, or otherwise acquiring the Notes, are expressly deemed to have consented to any substitution of CGMFL effected in accordance with this Condition 15 and to the release of CGMFL from any and all obligations in respect of the Notes.

16. Redenomination

If Redenomination is specified in the applicable Issue Terms as being applicable, the Issuer may, without the consent of the Noteholders or Couponholders, on giving at least 30 days' prior notice to the Noteholders, the Fiscal Agent and the Paying Agents, designate a Redenomination Date, being a date (which in the case of interest bearing Notes shall be a date for payment of interest under the Notes) falling on or after the date on which the country of the relevant Specified Currency specified adopts the Euro as its lawful currency in accordance with the Treaty.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

- (a) each Specified Denomination and, in the case of fixed rate Notes, each amount specified on the Coupons will be deemed to be denominated in such amount of Euro as is equivalent to

its denomination or the amount of interest so specified in the relevant Specified Currency at the Established Rate, rounded down to the nearest Euro 0.01;

- (b) after the Redenomination Date, all payments in respect of the Notes and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the relevant Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee, or at the option of the payee, by a Euro cheque; and
- (c) such other changes shall be made to the Conditions as the Issuer may decide, with the agreement of Fiscal Agent, and as may be specified in the notice, to conform them to conventions then applicable to Notes denominated in Euro including but not limited to where the Notes are in global form. Any such other changes will not take effect until after they have been notified to the Noteholders in accordance with Condition 13.

As used in the Conditions:

Established Rate means the rate for conversion of the Relevant Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into Euro established by the Council of the European Union pursuant to Article 140 of the Treaty.

Redenomination Date means (in the case of interest-bearing Notes) any date for payment of interest under the Notes or (in the case of non-interest-bearing Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 13 and which falls on or after such date as when the country of the Relevant Currency participates in the third stage of European economic and monetary union pursuant to the Treaty.

Treaty means the Treaty on the Functioning of the European Union, as amended.

None of the Issuer, the CGMFL Guarantor, the Registrar, the Fiscal Agent and any other Paying Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

Determinations by the Issuer or the Fiscal Agent pursuant to this Condition 16 will, in the absence of manifest error, be conclusive and binding on the Issuer, the CGMFL Guarantor, the Fiscal Agent, the Paying Agents, the Registrar, the Noteholders and the Couponholders.

17. Governing Law and Submission to Jurisdiction

(a) *Governing Law*

The Notes (other than Finnish Notes and Swedish Notes), the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. For the avoidance of doubt, where CGMFL is the Issuer, Articles 86 to 94-8 of the Companies Act 1915, are hereby excluded.

In addition, no Noteholder or Couponholder may initiate proceedings against CGMFL based on article 98 of the Companies Act 1915.

The Finnish Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. Notwithstanding this, the registration and transfer of the Finnish Notes in Euroclear Finland's system for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Finnish law.

The Swedish Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. Notwithstanding this, the registration of the Swedish Notes in Euroclear Sweden's system for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Swedish law.

(b) *Submission to Jurisdiction*

The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes, the Coupons and/or the Talons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes, the Coupons and/or the Talons (a **Dispute**) and all Disputes will be submitted to the exclusive jurisdiction of the English courts.

Each of the Issuer and any Noteholders or Couponholders irrevocably submit to the exclusive jurisdiction of the English courts and each of the Issuer and any Noteholders or Couponholders taking proceedings in relation to any Dispute waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) *Service of Process*

The Issuer irrevocably appoints Citigroup Global Markets Limited at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Citigroup Global Markets Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute and shall immediately notify holders of Notes of such appointment in accordance with Condition 13. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing shall affect the right to serve process in any other manner permitted by law.

18. **Rights of Third Parties**

The Notes confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

19. **Definitions**

In the Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

Affiliate means in relation to any entity (the **First Entity**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes **control** means ownership of a majority of the voting power of an entity.

Business Day means:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Business Centre specified in the applicable Issue Terms; and
- (ii) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for

general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open.

Calculation Amount has the meaning given in the applicable Issue Terms.

Euro-zone means the member states of the European Union that are participating in the third stage of Economic and Monetary Union.

sub unit means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, one cent.

TARGET Business Day means a day on which the TARGET2 System is operating.

UNDERLYING SCHEDULE 1 INFLATION INDEX CONDITIONS

This Underlying Schedule shall apply to each Underlying classified in the applicable Issue Terms as an "Inflation Index".

For the avoidance of doubt, defined terms used in this Underlying Schedule shall only apply in respect of Notes linked to Inflation Indices.

1. DEFINITIONS

Cut-off Date means, in respect of a Payment Date, the day which is five Business Days prior to such Payment Date.

Fallback Bond means, in respect of an Inflation Index, if "Fallback Bond" is specified as applicable in the applicable Issue Terms, (a) the bond specified as such in the applicable Issue Terms; or (b) if no such bond is specified, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation such Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (i) the same day as the Maturity Date; (ii) the next longest maturity after the Maturity Date if there is no such bond maturing on the Maturity Date; or (iii) the next shortest maturity before the Maturity Date if no bond described in (i) or (ii) above is selected by the Calculation Agent. If the Inflation Index relates to the level of inflation across the European Monetary Union (**EMU**), then the Calculation Agent will select an inflation-linked bond which is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the EMU. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, then the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond in respect of an Inflation Index redeems, then the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

Index Sponsor means, in respect of an Inflation Index, the corporation or other entity which (a) is responsible for setting and reviewing the rules and procedures and methods of calculation and adjustments, if any, related to such Inflation Index; and (b) announces (directly or through an agent) the level of such Inflation Index.

Inflation Index means each Underlying classified as such in the applicable Issue Terms or any Successor Index.

Manifest Error Cut-off Date means, in respect of a Payment Date, two Business Days prior to such Payment Date, unless otherwise specified in the applicable Issue Terms.

Payment Date means, in respect of a Valuation Date, the Interest Payment Date, the Maturity Date or other date to which such Valuation Date relates.

Reference Month means, in respect of an Inflation Index and a Valuation Date, each month specified as such for such Valuation Date in the applicable Issue Terms.

Revision Cut-off Date means, in respect of a Payment Date, two Business Days prior to such Payment Date, unless otherwise specified in the applicable Issue Terms.

2. VALUATION

Underlying Closing Level means, in respect of an Inflation Index, a Valuation Date and a related Reference Month, the level of such Inflation Index in respect of such Reference Month, as displayed on the applicable Electronic Page.

Valuation Time and Underlying Level shall not apply to an Inflation Index.

3. DISRUPTION TO VALUATION

(a) *Determination of the Underlying Closing Level of an Inflation Index on a Valuation Date*

Any Specified Valuation Date shall not be adjusted in relation to an Inflation Index and the Substitute Index Level provisions set out below shall apply thereto. The provisions of Condition 2(c) of the Valuation and Settlement Schedule shall only apply in relation to Underlying(s) which are not Inflation Indices (if any).

(b) *Substitute Index Level*

(i) Inflation Rate Notes

This paragraph (i) only applies in relation to Inflation Rate Notes.

If an Underlying Closing Level for a Reference Month has not been published or announced by the Cut-off Date for the relevant Payment Date, then the Calculation Agent shall, subject to any provisions specified in the applicable Issue Terms, determine a substitute index level (the **Substitute Index Level**) by using the following methodology:

- (A) if Fallback Bond is specified as applicable in the applicable Issue Terms, the Calculation Agent will take the same action to determine the Substitute Index Level for the affected Reference Month as that taken by the relevant calculation agent pursuant to the terms and conditions of any relevant Fallback Bond; and
- (B) if there is no Fallback Bond or sub-paragraph (A) does not result in a Substitute Index Level for the relevant Reference Month for any reason, then the Calculation Agent will determine the Substitute Index Level in accordance with the formula set out below:

$$\text{Substitute Index Level} = \text{Base Level} * (\text{Latest Level} / \text{Reference Level})$$

Where:

Base Level means in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimate) published or announced by the relevant Index Sponsor in respect of the month which is 12 calendar months prior to the Reference Month for which the Substitute Index Level is being determined;

Latest Level means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimate) published or announced by the relevant Index Sponsor prior to the Reference Month in respect of which the Substitute Index Level is being determined;

Reference Level means in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimate) published or announced by the relevant Index

Sponsor in respect of the month which is 12 calendar months prior to the Reference Month referred to in the definition for "Latest Level" above; and

- (C) if the Underlying Closing Level of an Inflation Index for a Reference Month is published or announced at any time after the Cut-off Date for the relevant Payment Date, then such Underlying Closing Level will not be used in any calculation. The Substitute Index Level determined pursuant to this Condition 3 of the Inflation Index Conditions will be the Underlying Closing Level in respect of the relevant Reference Month.

(ii) DIR Inflation Linked Notes

This paragraph (ii) only applies in relation to DIR Inflation Linked Notes.

If an Underlying Closing Level for a Reference Month has not been published or announced by the Cut-off Date for the relevant Payment Date, then the Calculation Agent shall, subject to any provisions specified in the applicable Issue Terms, determine a substitute index level (the **Substitute Index Level**) by using the following methodology:

- (A) if Fallback Bond is specified as applicable in the applicable Issue Terms, the Calculation Agent will take the same action to determine the Substitute Index Level for the affected Reference Month as that taken by the relevant calculation agent pursuant to the terms and conditions of any relevant Fallback Bond; and
- (B) if there is no Fallback Bond or sub-paragraph (i) does not result in a Substitute Index Level for the relevant Reference Month for any reason, then the Calculation Agent will determine the Substitute Index Level as follows:
 - I. in the definition of DIR Index, if the Underlying Closing Level of the specified Inflation Index is not available for either Month A or Month B (both as specified in the applicable Issue Terms), the DIR Index Figure applicable to the relevant Interest Payment Date will be the Latest Level, where

Latest Level means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimate) published or announced by the relevant Index Sponsor;
 - II. in the definition of DIR Index, if the Underlying Closing Level of the specified Inflation Index is not available for both Month A and Month B, then Condition 6(d) (Substitution of an Inflation Index) of the Inflation Index Conditions will apply.
- (C) if the Underlying Closing Level of an Inflation Index for a Reference Month is published or announced at any time after the Cut-off Date for the relevant Payment Date, then such Underlying Closing Level will not be used in any calculation. The Substitute Index Level determined pursuant to this Condition 3 of the Inflation Index Conditions will be the Underlying Closing Level in respect of the relevant Reference Month.

4. ADDITIONAL ADJUSTMENT EVENTS

The following Additional Adjustment Event shall apply in respect of an Inflation Index: the relevant Index Sponsor imposes on the Issuer and/or any of its Affiliates increased or unexpected fees and costs for the use of such Inflation Index, which the Calculation Agent determines are material.

5. ADDITIONAL EARLY REDEMPTION EVENTS

The following Additional Early Redemption Events shall apply in respect of an Inflation Index:

- (i) the Calculation Agent determines that no Successor Index can be determined under Condition 6(d) of the Inflation Index Conditions; and
- (ii) the Calculation Agent determines that no adjustment can reasonably be made under Condition 6(e) of the Inflation Index Conditions.

6. ADDITIONAL PROVISIONS

(a) Correction of published or announced prices or levels

The provisions of Condition 2(j) of the Valuation and Settlement Schedule shall not apply in respect of an Inflation Index.

(b) Revision of the level of an Inflation Index

The operation of this Condition 6(b) of the Inflation Index Conditions is subject as provided in Condition 6(c) of the Inflation Index Conditions below.

If "Revision" is specified as applicable for an Inflation Index in the applicable Issue Terms, then the first publication and announcement of an Underlying Closing Level of such Inflation Index, or any revision to such Underlying Closing Level made no later than the relevant Revision Cut-off Date, shall be final and conclusive.

If "No Revision" is specified as applicable for an Inflation Index in the applicable Issue Terms, then the first publication and announcement of an Underlying Closing Level of such Inflation Index shall be final and conclusive, and any later revision to such Underlying Closing Level will not be used in any calculation.

If neither "Revision" nor "No Revision" is elected in the applicable Issue Terms, then "No Revision" shall be deemed to apply.

(c) Correction of a manifest error in the level of an Inflation Index

If the Calculation Agent determines that the Index Sponsor of an Inflation Index has corrected an Underlying Closing Level for such Inflation Index to correct a manifest error no later than the earlier to occur of (i) the relevant Manifest Error Cut-off Date; and (ii) 30 calendar days following the first publication and announcement of such Underlying Closing Level, then the Calculation Agent may use such corrected Underlying Closing Level for the purposes of any calculation in respect of any relevant Valuation Date. Any correction to an Underlying Closing Level of such Inflation Index published after the relevant Manifest Error Cut-off Date will not be used in any calculation in respect of any relevant Valuation Date. In the event of any inconsistency (as determined by the Calculation Agent) between this Condition 6(c) of the Inflation Index Conditions and Condition 6(b) of the Inflation Index Conditions, the operation of this Condition 6(c) shall prevail.

(d) Substitution of an Inflation Index

If the Calculation Agent determines that either (i) a level for an Inflation Index has not been published or announced for two consecutive months; and/or (ii) the Index Sponsor announces that it will no longer continue to publish or announce such Inflation Index; and/or (iii) the Index Sponsor cancels such Inflation Index, then the Calculation Agent may replace such Inflation Index with a successor index (a **Successor Index**) by using the following methodology:

- (i) if at any time a successor index has been designated in respect of an Inflation Index by the calculation agent under any relevant Fallback Bond pursuant to the terms and conditions of such Fallback Bond, then such successor index may be designated a "Successor Index" for such Inflation Index for the purposes of all subsequent Valuation Dates, notwithstanding that any other Successor Index may previously have been determined under sub-paragraph (ii) or (iii);
- (ii) if a Successor Index has not been determined under sub-paragraph (i) and a notice has been given or an announcement has been made by the relevant Index Sponsor, specifying that such Inflation Index will be superseded by a replacement inflation index specified by the relevant Index Sponsor, and the Calculation Agent determines that such replacement inflation index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, then such replacement index shall be such Inflation Index for purposes of the Notes from the date that such replacement Inflation Index comes into effect;
- (iii) if no Successor Index has been determined under sub-paragraph (i) or (ii) by the fifth Business Day prior to the Cut-off Date in respect of the next following Payment Date, then the Calculation Agent will determine an appropriate alternative index and such index will be deemed a "Successor Index".

If a Successor Index is determined in accordance with the above, the Calculation Agent may make such adjustment(s) to the terms of these Conditions and/or the applicable Issue Terms as the Calculation Agent determines necessary or appropriate to account for such replacement and determine the effective date(s) of the adjustment(s) to the Notes.

If no Successor Index can be determined pursuant to the above, the provisions of Condition 5 of the Inflation Index Conditions shall apply.

(e) *Modification of an Inflation Index*

If, on or prior to any Cut-off Date in respect of a Payment Date, an Index Sponsor announces that it will make a material change to an Inflation Index, then the Calculation Agent shall make such adjustments to the Conditions and/or the applicable Issue Terms (i) (if a Fallback Bond is specified for the relevant Inflation Index) as are consistent with any adjustment made to the relevant Fallback Bond; or (ii) (if no Fallback Bond is specified for the relevant Inflation Index) as are necessary for such modified Inflation Index to continue as an Inflation Index.

If no such adjustment can reasonably be made pursuant to the above, the provisions of Condition 5 of the Inflation Index Conditions shall apply.

(f) *Rebasing of the Inflation Index*

If the Calculation Agent determines that an Inflation Index has been or will be rebased at any time, then the Inflation Index as so rebased (the **Rebased Index**) will be used for the purposes of determining any Underlying Closing Level of such Inflation Index from the date of such rebasing.

If a Fallback Bond is specified for the relevant Inflation Index, then the Calculation Agent shall make such adjustments to the levels of such Rebased Index as are made by the calculation agent pursuant to the terms and conditions of the relevant Fallback Bond, so that the levels of such Rebased Index reflect the same rate of inflation as the relevant Inflation Index before it was rebased.

If no Fallback Bond is specified for the relevant Inflation Index, then the Calculation Agent shall make such adjustments to the levels of such Rebased Index, so that the levels of such Rebased Index reflect the same rate of inflation as the relevant Inflation Index before it was rebased.

In each case, the Calculation Agent may make such adjustment(s) to the terms of these Conditions and/or the applicable Issue Terms as the Calculation Agent determines necessary or appropriate to account for such rebasing and determine the effective date(s) of the adjustment(s) to the Notes.

Any such rebasing shall not affect any prior payments made under the Notes.

UNDERLYING SCHEDULE 2 RATE CONDITIONS

This Underlying Schedule shall apply to each Underlying classified in the applicable Issue Terms as a "Rate".

For the avoidance of doubt, defined terms used in this Underlying Schedule shall only apply in respect of Notes linked to Rates.

1. DEFINITIONS

Disrupted Day shall have the meaning given to it in Condition 3 of the Rate Conditions.

ISDA Definitions means the 2006 ISDA Definitions as amended and updated as at the Issue Date of the first Tranche of the Notes as published by the International Swaps and Derivatives Association, Inc.

Rate means each Underlying classified as such in the applicable Issue Terms.

Scheduled Trading Day shall, in respect of a Rate, have the meaning given to it for such Rate in the applicable Issue Terms.

2. VALUATION

(a) Closing Valuations

Underlying Closing Level means, in respect of a Rate and a Valuation Date, the percentage rate of such Rate for such Valuation Date, which appears on the applicable Electronic Page as of the Valuation Time. For the avoidance of doubt, a Rate will be determined as of the Valuation Time which may not be the "closing time" and a Rate may only be determined once on any Scheduled Trading Day.

(b) Intraday Valuations

Underlying Level does not apply to an Underlying that is a Rate.

(c) Valuation Time

Valuation Time means, in respect of a Rate, the time specified for such Rate in the applicable Issue Terms.

3. DISRUPTION TO VALUATION

Disrupted Day means, in respect of a Rate, any Scheduled Trading Day for such Rate on which the percentage rate of such Rate for such Scheduled Trading Day does not appear on the Electronic Page.

4. ADDITIONAL ADJUSTMENT EVENTS

No Additional Adjustment Event shall apply in respect of a Rate.

5. ADDITIONAL EARLY REDEMPTION EVENTS

No Additional Early Redemption Event shall apply in respect of a Rate.

6. ADDITIONAL PROVISIONS

(a) Correction of published or announced prices or levels

Unless "Correction Provisions" are specified as applicable in the applicable Issue Terms, the provisions of Condition 2(j) of the Valuation and Settlement Schedule do not apply in respect of a Rate.

(b) Scheduled Trading Day

If any Specified Valuation Date(s) is not a Scheduled Trading Day for a Rate then, if neither "Preceding Scheduled Trading Day" nor "Modified Following Scheduled Trading Day" is specified in respect of such Rate in the applicable Issue Terms, then the provisions of Condition 2(c) of the Valuation and Settlement Schedule applies in respect of that Rate; or,:

- (i) if "Preceding Scheduled Trading Day" is specified for such Rate in the applicable Issue Terms, the Valuation Date shall be the Scheduled Trading Day falling first preceding such Specified Valuation Date, unless such day is a Disrupted Day for the Underlying, in which case Condition 6(c) of the Rate Conditions shall apply; or
- (ii) if "Modified Following Scheduled Trading Day" is specified for such Rate in the applicable Issue Terms, the Valuation Date shall be the Scheduled Trading Day following first succeeding such Specified Valuation Date, unless such day would fall into the next calendar month, in which event the Valuation Date shall be the Scheduled Trading Day falling first preceding such Specified Valuation Date, unless, in either such case, such day is a Disrupted Day for the Underlying, in which case Condition 6(c) of the Rate Conditions shall apply.

Where "Move In Block" is specified in the applicable Issue Terms in relation to adjustments to Scheduled Trading Days and "Preceding Scheduled Trading Day" or "Modified Following Scheduled Trading Day" is specified in the applicable Issue Terms in respect of a Rate, then the adjustment provisions relating to Preceding Scheduled Trading Day or, as the case may be, Modified Following Scheduled Trading Day prevail and Condition 2(c)(ii) shall be construed so as not to apply to such Rate and consequently all reference to "for all of the Underlyings" and "for any of the Underlyings" in Condition 2(c)(ii) of the Valuation and Settlement Schedule shall be construed not to include any such Rate.

(c) Determination of the Underlying Closing Level of a Rate on a Disrupted Day

The provisions of Condition 2(d) of the Valuation and Settlement Schedule do not apply in respect of a Rate.

If any Specified Valuation Date(s) (if applicable, adjusted in accordance with the provisions of Condition 2(c) of the Valuation and Settlement Schedule or, as the case may be, Condition 6(b) above) is a Disrupted Day for a Rate, then (a) if ISDA Fallback Determination is not specified as applicable in the applicable Issue Terms, then the Calculation Agent shall determine the Underlying Closing Level of such Rate for the Valuation Date at such time and by reference to such sources as it deems appropriate; or (b) otherwise, if ISDA Fallback Determination is specified as applicable in the applicable Issue Terms, the Calculation Agent shall determine the Underlying Closing Level for such Rate on the Valuation Date as being the rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as calculation agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the applicable Issue Terms;
- (2) the Designated Maturity is a period specified in the applicable Issue Terms; and
- (3) the relevant Reset Date is the relevant Valuation Date,

Provided That, the Floating Rate Option shall always be determined by reference to the rate which appears on the relevant screen page or price source on the applicable Reset Date and, accordingly, all references in any Floating Rate Option to the contrary, including any references to the rate on any day other than that Reset Date shall be deemed to be deleted and the words "on the Reset Date" shall be substituted therefor, all as determined by the Calculation Agent.

For the purposes of this subparagraph, Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date have the meanings given to those terms in the ISDA Definitions.

Where "Move In Block" is specified in the applicable Issue Terms in relation to adjustments to Disrupted Days, then the adjustment provisions above prevail and reference to "for all of the Underlyings" in Condition 2(d)(ii) of the Valuation and Settlement Schedule shall be construed not to include any Underlying that is a Rate.

(d) Cut-off Valuation Date

If the Valuation Date for a Rate determined as provided above would otherwise fall on a day falling after the second Scheduled Trading Day for such Rate prior to the date on which a relevant payment is scheduled to be made under the Notes (the **Cut-off Valuation Date**), such Valuation Date shall be deemed to be the Cut-off Valuation Date (notwithstanding that such date either (A) is not a Scheduled Trading Day for such Rate; or (B) is a Disrupted Day for such Rate) and the provisions of Condition 2(e)(ii) of the Valuation and Settlement Schedule shall apply in respect thereof.

VALUATION AND SETTLEMENT SCHEDULE

This Valuation and Settlement Schedule shall apply to each Tranche of Notes.

All determinations, considerations, elections, selections or calculations made or decided on in relation to matters set out in this Valuation and Settlement Schedule will be determined, considered, elected, selected or calculated by the Calculation Agent.

Notes may, if so specified in the applicable Issue Terms, have more than one interest basis and the provisions below shall be construed so that the relevant provisions apply as and when applicable.

1. INTEREST PROVISIONS

Definitions

In addition to the provisions for determining interest as set out in this Valuation and Settlement Schedule:

Interest Amount means, in respect of an Interest Payment Date:

(A) where the Notes are expressed in the applicable Issue Terms to be Fixed Rate Notes or Floating Rate Notes or CMS Interest Linked Notes, the amount (if any) determined as provided in Condition 3 below and in the applicable Issue Terms;

(B) where the Notes are expressed in the applicable Issue Terms to be Inflation Rate Notes and where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, an amount determined in respect of each Calculation Amount by reference to either:

I where an Interest Participation Rate is not specified in respect of such Interest Payment Date in the applicable Issue Terms, the following formula:

$$\text{CalculationAmount} \times \left(\left[\frac{\text{UCLRelevantMonthsPrior}}{\text{UCL12} + \text{RelevantMonthsPrior}} - 1 \right] \pm \text{Margin} \right) \times \text{DCF}$$

II where an Interest Participation Rate is specified in respect of such Interest Payment Date in the applicable Issue Terms, the following formula:

$$\text{CalculationAmount} \times \left(\left[\frac{\text{UCLRelevantMonthsPrior}}{\text{UCL12} + \text{RelevantMonthsPrior}} - 1 \right] \pm \text{Margin} \right) \times \text{DCF} \times \text{IPR}$$

PROVIDED HOWEVER, in the case of each of I and II above, that if (x) a Maximum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such maximum amount (a cap); (y) a Minimum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such minimum amount (a floor); or (z) a Maximum Interest Amount and a Minimum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such maximum amount and a minimum amount (a collar).

Where:

DCF means the Day Count Fraction (as defined in Condition 3 below) and, for which purpose, an Interest Period and Interest Period End Date shall be as defined in Condition 3 below.

Interest Amount Inflation Index means any Underlying which is an Inflation Index and is designated as the Interest Amount Inflation Index in the applicable Issue Terms.

Margin means the percentage rate specified for such Interest Payment Date in the applicable Issue Terms, which shall be preceded with either a "+" (plus) or a "-" minus sign.

UCL Relevant Months Prior means the Underlying Closing Level of the Interest Amount Inflation Index on the date falling the number of calendar months prior to the relevant Interest Payment Date as specified in the applicable Issue Terms. Such date shall be deemed to be a Specified Valuation Date for the purpose of, and subject to adjustment as provided in, the Conditions.

UCL 12 + Relevant Months Prior means the Underlying Closing Level of the Interest Amount Inflation Index on the date falling the number of calendar months prior to the relevant Interest Payment Date as specified in the applicable Issue Terms and which shall be the month falling 12 months prior to the UCL Relevant Months Prior. Such date shall be deemed to be a Specified Valuation Date for the purpose of, and subject to adjustment as provided in, the Conditions.

Interest Participation Rate or **IPR** means, in respect of an Interest Payment Date, the percentage rate specified for such Interest Payment Date under the heading "Interest Participation Rate" in the applicable Issue Terms.

(C) where the Notes are expressed in the applicable Issue Terms to be DIR Inflation Linked Notes and where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, an amount determined in respect of each Calculation Amount by reference to either:

I where an Interest Participation Rate is not specified in respect of such Interest Payment Date in the applicable Issue Terms, the following formula:

Calculation Amount x (the DIR Index Ratio in respect of such Interest Payment Date \pm Margin) x DCF

II where an Interest Participation Rate is specified in respect of such Interest Payment Date in the applicable Issue Terms, the following formula:

Calculation Amount x (the DIR Index Ratio in respect of such Interest Payment Date \pm Margin) x DCF x IPR

PROVIDED HOWEVER, in the case of each of I and II above, that if (x) a Maximum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such maximum amount (a cap); (y) a Minimum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such minimum amount (a floor); or (z) a Maximum Interest Amount and a Minimum Interest Amount is specified in respect of such Interest Payment Date in the applicable Issue Terms, then such Interest Amount is subject to such maximum amount and a minimum amount (a collar).

Where:

DCF means the Day Count Fraction (as defined in Condition 3 below) and, for which purpose, an Interest Period and Interest Period End Date shall be as defined in Condition 3 below.

Base Index Figure shall be as specified in the applicable Issue Terms.

DIR Index means any Underlying which is an Inflation Index and is designated as the DIR Index in the applicable Issue Terms.

Any reference to the **DIR Index Figure applicable** to a particular Interest Payment Date shall be calculated in accordance with the following formula:

$$\text{Index Month A} + \frac{(\text{Day of Interest Payment Date} - 1)}{(\text{Days in month of Interest Payment Date})} \times (\text{Index Month B} - \text{Index Month A})$$

and where:

DIR Index Ratio applicable to any Interest Payment Date means the DIR Index Figure applicable to such date divided by the Base Index Figure.

Margin means the percentage rate specified for such Interest Payment Date in the applicable Issue Terms, which shall be preceded with either a "+" (plus) or a "-" minus sign.

Index Month A means the Underlying Closing Level of the DIR Index for the month that is the number of calendar months prior to the month in which the relevant Interest Payment Date falls, such number being as specified under Index Month A in the applicable Issue Terms. Such date shall be deemed to be a Specified Valuation Date for the purpose of, and subject to adjustment as provided in, the Conditions.

Index Month B means the Underlying Closing Level of the DIR Index for the month that is the number of calendar months prior to the month in which the relevant Interest Payment Date falls, such number being as specified under Index Month B in the applicable Issue Terms and which shall be the month falling one month after Index Month A. Such date shall be deemed to be a Specified Valuation Date for the purpose of, and subject to adjustment as provided in, the Conditions.

Interest Participation Rate or **IPR** means, in respect of an Interest Payment Date, the percentage rate specified for such Interest Payment Date under the heading "Interest Participation Rate" in the applicable Issue Terms.

In the case of Inflation Rate Notes and DIR Inflation Linked Notes, as soon as practicable the Calculation Agent will determine the Interest Amounts for the relevant Interest Period. The Interest Amounts so determined may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9 of the General Conditions, the interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Amount so calculated need be made.

The Calculation Agent will cause the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent and

any stock exchange on which the relevant Inflation Rate Notes or DIR Inflation Linked Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 of the General Conditions as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

2. UNDERLYING VALUATION PROVISIONS

(a) The provisions applicable to valuing each Underlying and to making any adjustment to Valuation Dates or following Adjustment Events are specified in this Condition 2 of the Valuation and Settlement Conditions and in the Underlying Schedule applicable to such Underlying, as amended and supplemented (where relevant) by the applicable Issue Terms.

(b) *Underlying Closing Level or Underlying Level on a Valuation Date*

The Underlying Closing Level or the Underlying Level (as applicable) of an Underlying on a Valuation Date shall be determined as specified in the Underlying Schedule applicable to such Underlying.

(c) *Adjustments to Valuation Dates (Scheduled Trading Days)*

Subject as provided in the Underlying Schedules applicable to the relevant Underlying(s), any Specified Valuation Date(s) specified in the applicable Issue Terms shall be adjusted in accordance with the following provisions:

(i) The following sub-paragraph shall apply to Notes linked to one Underlying.

If a Specified Valuation Date is not a Scheduled Trading Day for the Underlying, then the Valuation Date shall be the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day for the Underlying, unless in the opinion of the Calculation Agent such day is a Disrupted Day for the Underlying, in which case Condition 2(d) of the Valuation and Settlement Conditions below or Condition 2(f) of the Valuation and Settlement Conditions below (as applicable) or, as the case may be, the provisions relating to adjustment to Valuation Dates for Disrupted Days set out in the Underlying Schedules applicable to the relevant Underlying(s), shall apply.

(ii) The following sub-paragraph shall apply to Notes linked to more than one Underlying if "Move In Block" is specified in the applicable Issue Terms.

If a Specified Valuation Date is not a Scheduled Trading Day for any Underlying, then the Valuation Date shall be the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day for all of the Underlyings, unless in the opinion of the Calculation Agent such day is a Disrupted Day for any of the Underlyings, in which case Condition 2(d) of the Valuation and Settlement Conditions below or Condition 2(f) of the Valuation and Settlement Conditions below (as applicable) or, as the case may be, the provisions relating to adjustment to Valuation Dates for Disrupted Days set out in the Underlying Schedules applicable to the relevant Underlying(s), shall apply.

(iii) The following sub-paragraph shall apply to Notes linked to more than one Underlying if "Value What You Can" is specified in the applicable Issue Terms.

If a Specified Valuation Date is not a Scheduled Trading Day for any Underlying, then:

- (A) the Valuation Date for each Underlying for which such Specified Valuation Date is a Scheduled Trading Day shall be such Specified Valuation Date, unless in the opinion of the Calculation Agent such day is a Disrupted Day for such Underlying, in which case Condition 2(d) below or Condition 2(f) (as applicable) or, as the case may be, the provisions relating to adjustment to Valuation Dates for Disrupted Days set out in the Underlying Schedules applicable to the relevant Underlying(s), shall apply; and
- (B) the Valuation Date for each Underlying for which such Specified Valuation Date is not a Scheduled Trading Day shall be the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day for such affected Underlying, unless in the opinion of the Calculation Agent such day is a Disrupted Day for such Underlying, in which case Condition 2(d) below or Condition 2(f) below (as applicable) or, as the case may be, the provisions relating to adjustment to Valuation Dates for Disrupted Days set out in the Underlying Schedules applicable to the relevant Underlying(s), shall apply.

(d) *Adjustments to Valuation Dates (Disrupted Days and Underlying Closing Levels)*

Subject as provided in the Underlying Schedules applicable to the relevant Underlying(s), any Specified Valuation Date(s) (if applicable, as adjusted in accordance with the provisions of Condition 2(c) above and/or, as the case may be, the provisions of the Underlying Schedules applicable to the relevant Underlying(s)) shall be adjusted in accordance with the following provisions:

- (i) The following sub-paragraph shall apply to Notes linked to one Underlying, subject as provided in Condition 2(d)(iv) below.

If such Specified Valuation Date for such Underlying is a Disrupted Day for such Underlying, then the Valuation Date shall be the earlier of: (I) the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day and which is not a Disrupted Day for the Underlying; and (II) the Scheduled Trading Day which is the Valuation Roll number of Scheduled Trading Days immediately following such Specified Valuation Date.

- (ii) The following sub-paragraph shall apply to Notes linked to more than one Underlying if "Move In Block" is specified in the applicable Issue Terms, subject as provided in Condition 2(d)(iv) below.

If such Specified Valuation Date is a Disrupted Day for any Underlying, then the Valuation Date shall be the earlier of: (I) the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day for all the Underlyings and which is not a Disrupted Day for all of the Underlyings; and (II) the Scheduled Trading Day for all the Underlyings which is the Valuation Roll number of Scheduled Trading Days for all the Underlyings immediately following such Specified Valuation Date.

- (iii) The following sub-paragraph shall apply to Notes linked to more than one Underlying if "Value What You Can" is specified in the applicable Issue Terms, subject as provided in Condition 2(d)(iv) below.

If such Specified Valuation Date is a Disrupted Day for any Underlying, then:

- (A) if such Specified Valuation Date is not a Disrupted Day for an Underlying, then the Valuation Date for such Underlying shall be such Specified Valuation Date; and
 - (B) if such Specified Valuation Date is a Disrupted Day for an Underlying, then the Valuation Date for such Underlying shall be the earlier of: (1) the first succeeding day immediately following such Specified Valuation Date which is a Scheduled Trading Day for such Underlying and which is not a Disrupted Day for such Underlying; and (2) the Scheduled Trading Day which is the Valuation Roll number of Scheduled Trading Days for such Underlying immediately following such Specified Valuation Date.
- (iv) If the Valuation Date for any Underlying determined as provided above would otherwise fall on a day falling after the second Scheduled Trading Day (the **Cut-off Valuation Date**) for such Underlying prior to the date on which a relevant payment or delivery, as applicable, is scheduled to be made under the Notes, such Valuation Date shall be deemed to be the Cut-off Valuation Date (notwithstanding that such date is a Disrupted Day for such Underlying) and the provisions of Condition 2(e)(ii) below shall apply in respect thereof.
- (e) *Adjustments to Valuation Dates (Calculation Agent's determination of Underlying Closing Levels)*
- (i) If the Valuation Date for any Underlying (as determined in accordance with Condition 2(d) above) is a Disrupted Day for such Underlying, then (unless otherwise specified in the Underlying Schedule applicable to such Underlying) the Calculation Agent shall determine the Underlying Closing Level of such Underlying on such Valuation Date using its good faith estimate of the Underlying Closing Level of such Underlying at the Valuation Time (where relevant) on or for such day.
 - (ii) If the Valuation Date for any Underlying (as determined in accordance with Condition 2(d)(iv) above) is determined to occur on the Cut-off Valuation Date for such Underlying, then (unless otherwise specified in the Underlying Schedule applicable to such Underlying) the Calculation Agent shall determine the Underlying Closing Level of such Underlying on such Cut-off Valuation Date using its good faith estimate of the Underlying Closing Level of such Underlying at the Valuation Time (where relevant) on or for such day.
- (f) *Adjustment to Valuation Dates (Disrupted Days and Underlying Levels)*

If the Calculation Agent determines that the Underlying Level of an Underlying cannot be determined at any time on any Valuation Date by reason of the occurrence of an event giving rise to a Disrupted Day, then the Underlying Level at such time on such day shall be disregarded for the purposes of determining any amounts payable in respect of the Notes.

(g) *Adjustment Events*

If in the determination of the Calculation Agent any Adjustment Event occurs in respect of an Underlying or the Notes (as relevant), then (subject to the provisions of the Underlying Schedule applicable to such Underlying) the Calculation Agent shall (i) make such adjustment to the terms of the Notes as the Calculation Agent determines necessary or appropriate to account for the effect of

such Adjustment Event subject to the provisions (if any) of such Underlying Schedule and (ii) determine the effective date of each such adjustment.

If an "Increased Cost of Hedging" occurs, the Calculation Agent may make such adjustment to the terms of the Notes as it determines necessary or appropriate to pass onto Noteholders the relevant increased cost of hedging, which adjustment may include, but is not limited to, reducing any of the amounts which would otherwise be payable under the Notes.

If so specified in the relevant Underlying Schedule, any adjustment(s) made by the Calculation Agent in response to an Adjustment Event may include a substitution of the relevant Underlying and the Calculation Agent may make such other adjustments to the terms of the Notes as it deems necessary or appropriate in relation to such substitution.

(h) *Early Redemption Events*

If, in the determination of the Calculation Agent, any Early Redemption Event occurs in respect of an Underlying, then (subject to the provisions of the Underlying Schedule applicable to such Underlying) all (but not some only) of the Notes will or, in the case of a Hedging Disruption Early Termination Event, may be redeemed on a day selected by the Issuer, each Calculation Amount being redeemed by payment of an amount equal to the Early Redemption Amount.

(i) *Realisation Disruption*

If "Realisation Disruption" is specified as applicable in the applicable Issue Terms and a Realisation Disruption Event occurs, then the Issuer may either (i) direct the Calculation Agent to make such consequential adjustments to any of the terms of the Notes (including any payment obligations) as it determines appropriate in order to reflect the economic effect of the particular Realisation Disruption Event or (ii) redeem all (but not some only) of the Notes on a day selected by the Issuer, each Calculation Amount being redeemed by payment of an amount equal to the Early Redemption Amount.

Any such adjustments by the Calculation Agent may include (but are not limited to) (I) payments under the Notes being made in the currency (the **Local Currency**) in which the Hedging Positions are denominated or payable rather than the Specified Currency, (II) deduction of an amount equal to the applicable tax, charge or deduction from the relevant payment otherwise due under the relevant Notes resulting in reduced amounts paid in respect of the Notes, (III) non-payment of the relevant payment otherwise due under the relevant Notes until the relevant restrictions (including but not limited to all exchange and/or conversion and/or cross-border transfer restrictions) are lifted and/or (IV) determination of any relevant exchange rate by the Calculation Agent taking into consideration all available information that it deems relevant which may result in a different rate to that which would have applied had the Realisation Disruption Event not occurred. Any such adjustments will be effective as of the date determined by the Calculation Agent.

(j) *Correction of published or announced prices or levels*

In the event that any level, price, rate or value (as applicable) of an Underlying for any time on any day which is published or announced by or on behalf of the person or entity responsible for such publication or announcement and which is used for any calculation or determination made in respect of the Notes is subsequently corrected, and the correction (the **Corrected Level**) is published by or on behalf of such person or entity within the relevant Correction Period after the original publication (and at least two Business Days prior to the relevant date on which a payment is scheduled to be made under the Notes (the **Relevant Scheduled Payment Date**)), then such Corrected Level shall be deemed to be the level, price, rate or value for the relevant Underlying for the relevant time on the relevant day and the Calculation Agent shall use such Corrected Level in determining any amounts payable in respect of the Notes.

Corrections published after the day which is two Business Days prior to the Relevant Scheduled Payment Date shall be disregarded by the Calculation Agent for the purposes of determining any such amounts payable under the Notes.

(k) *Notifications*

The Calculation Agent shall notify the Issuer and each Paying Agent of any determination made by it in accordance with this Condition and the action that it proposes to take in respect of any such determination. The Issuer shall notify the Noteholders thereof as soon as reasonably practicable thereafter in accordance with Condition 13 of the General Conditions. Failure by the Calculation Agent to notify the Issuer or any Paying Agent or failure by the Issuer to notify the Noteholders of any such determination will not affect the validity of any such determination.

(l) *Definitions*

Additional Adjustment Event means, in respect of an Underlying, each event (if any) specified as such in the Underlying Schedule applicable to such Underlying.

Additional Early Redemption Event means, in respect of an Underlying, each event (if any) specified as such in the Underlying Schedule applicable to such Underlying or the occurrence at any time of a Section 871(m) Event or if Hedging Disruption Early Termination Event is specified as applicable in the applicable Issue Terms, a Hedging Disruption Early Termination Event.

Adjustment Event means, in respect of an Underlying, the occurrence at any time of a Change in Law, a Hedging Disruption, an Increased Cost of Hedging or the occurrence at any time of any Additional Adjustment Event applicable to such Underlying.

Change in Law means that (a) due to the adoption of or any change in any applicable law, rule, order, directive or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, (including any action taken by a taxing authority), the Calculation Agent determines that (i) holding, acquiring or disposing of any Hedging Position becomes or will become unlawful, illegal or otherwise prohibited in whole or in part, or (ii) the Issuer will incur a materially increased cost in performing its obligations in relation to the Notes (including without limitation due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of any relevant Hedging Party).

Correction Period shall, in respect of an Underlying, have the meaning given to it in the Underlying Schedule applicable to such Underlying.

Early Redemption Event means, in respect of an Underlying, (i) following the occurrence of an Adjustment Event in respect of such Underlying, the Calculation Agent determines that no adjustment or substitution can reasonably be made under this Condition to account for the effect of such Adjustment Event, or (ii) the occurrence at any time of any Additional Early Redemption Event applicable to such Underlying.

Electronic Page means, in respect of an Underlying and (if applicable) any component of such Underlying (however described in the relevant Underlying Schedule), the electronic page or source specified for such Underlying or such component, as the case may be, in the applicable Issue Terms, or either (i) any successor electronic page or source or information vendor or provider that has been designated by the sponsor of the original electronic page or source; or (ii) if such sponsor has not officially designated a successor electronic page or source or information vendor or provider, the successor electronic page or source or information vendor or provider designated by the relevant information vendor or provider (if different from such sponsor) or any alternative electronic page or source designated by the Calculation Agent PROVIDED THAT if, in the case of (i) and (ii), the

Calculation Agent determines that it is not necessary or appropriate for the Electronic Page to be any such successor electronic page or source or information vendor or provider, then the Electronic Page may be either the originally designated electronic page or source or such other electronic page or source as selected by the Calculation Agent. Where more than one Electronic Page is specified in respect of an Underlying and/or (if applicable) any component of such Underlying (however described in the relevant Underlying Schedule), then the provisions of the preceding sentence shall be construed accordingly and (i) if there is any discrepancy between any relevant price or level displayed on the relevant Electronic Pages for any Valuation Date, the relevant price or level selected by the Calculation Agent shall be used for such Valuation Date; and (ii) if any relevant price or level is not published on all of such Electronic Pages but is published on one or more of such Electronic Pages, the Calculation Agent shall use such published price or level for the purpose of determining any calculation or determination in respect of the Notes and no Disrupted Day shall be deemed to have occurred in respect of the failure to publish on the other Electronic Page(s).

Hedging Disruption means that any Hedging Party is unable, after using commercially reasonable efforts to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) that the Calculation Agent deems necessary to hedge the price risk of the Issuer issuing and performing its obligations under the Notes; or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Hedging Disruption Early Termination Event means any action, or any announcement of the intention to take any such action, including adoption of any law, regulation or order or the amendment, elimination, reinterpretation or promulgation of an interpretation, by any regulatory, self-regulatory, legislative or judicial authority with competent jurisdiction (including, without limitation, as implemented by the United States Commodity Futures Trading Commission (CFTC) or any exchange or trading facility acting pursuant to CFTC authority) that (i) affects the definition of "bona fide hedging" as that term is used in CFTC regulations adopted under Section 4a(a) of the United States Commodity Exchange Act, as amended (the **Commodity Exchange Act**) (as at the Trade Date 17 CFR 150.3) or that withdraws or limits as a matter of practice or policy any "hedge exemptions" previously granted by the CFTC or any such exchange or trading facility acting under authority granted pursuant to the Commodity Exchange Act, or affects or otherwise amends such other applicable laws of any jurisdiction which has an analogous effect to any of the events specified in this sub-paragraph (i) or (ii) increases the cost of the performance of the Issuer's obligations in respect of the Notes or the cost of acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any transaction(s) or asset(s) that the Calculation Agent deems necessary to hedge the price risk of the Issuer issuing and performing its obligations under the Notes, whether individually or on a portfolio basis, in each case occurring after the Trade Date and as determined by the Calculation Agent.

Hedging Party means any party which enters into any arrangement which hedges or is intended to hedge, individually or on a portfolio (or "book") basis, the Notes, which party may be the Issuer and/or any of its Affiliates and/or any other party or parties, as determined by the Calculation Agent.

Hedging Position means any one or more of (i) positions or contracts (as applicable) in securities, futures contracts, options contracts, other derivative contracts or foreign exchange; (ii) stock loan transactions; or (iii) other instruments or arrangements (however described) entered into by a Hedging Party in order to hedge, individually or on a portfolio (or "book") basis, the Notes.

Increased Cost of Hedging means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) that the Calculation Agent deems necessary to hedge the price risk of the Issuer issuing and performing its obligations under the Notes; or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s). Any such materially increased amount

that is incurred solely due to the deterioration of the creditworthiness of any Hedging Party shall not be deemed an Increased Cost of Hedging.

Realisation Disruption Event means the Calculation Agent determines that:

- (i) either any restrictions or any taxes, charges or other deductions have been imposed by any applicable governmental, taxation, judicial or regulatory body on any dealing by any Hedging Party in any Hedging Positions held by any Hedging Party such that:
 - (a) any Hedging Party is or would be materially restricted from continuing to purchase, sell or otherwise deal in any Hedging Positions (or to enter into, continue or otherwise complete such transactions) and/or is or would be materially restricted from exercising its rights, or performing its obligations in respect of any Hedging Positions;
 - (b) the Issuer is materially restricted from performing its obligations under the Notes and/or any Hedging Party is materially restricted from performing its obligations under any Hedging Positions; or
 - (c) the Issuer will (or is likely to) incur a materially increased cost in performing its obligations under the Notes and/or any Hedging Party will (or is likely to) incur a materially increased cost in performing its obligations under any Hedging Positions; or
- (ii) an event has occurred or circumstances exist (including without limitation either any restrictions or any charges or deductions imposed by any applicable governmental, judicial or regulatory body):
 - (a) that materially restricts the ability of any Hedging Party to (i) exchange or convert the Local Currency for any Specified Currency or any Specified Currency for the Local Currency through the customary legal channels and/or (ii) deliver any Specified Currency or the Local Currency and/or (iii) transfer the proceeds of the Hedging Positions (or any transaction relating to a Hedging Position) (A) between, accounts in the jurisdiction of the Local Currency (the **Local Jurisdiction**) and any accounts in the jurisdiction of any Specified Currency or (B) to or from a party that is a non-resident of the Local Jurisdiction and/or to a party that is a resident of the jurisdiction of any Specified Currency; and/or
 - (b) such that any Hedging Party is or would be materially restricted from transferring amounts payable under any Hedging Position or in respect of the Notes between (i) the Local Jurisdiction and the jurisdiction of a Hedging Party and/or (ii) the jurisdiction of any Specified Currency and the jurisdiction of a Hedging Party; and/or
 - (c) such that the Calculation Agent's ability to determine a rate at which the Local Currency can be exchanged for any Specified Currency (or vice versa), for any reason becomes restricted, or such determination is otherwise impracticable or such rate is subject to material charges or deductions.

The above provisions refer to "materially restricted", "materially increased" and "material" and any determination in respect of "materially" or "material" in respect of any such provision shall be made by the Calculation Agent which shall have regard to such circumstances as it deems appropriate.

Section 871(m) Event means that the Issuer and/or where the Issuer is CGMFL, the CGMFL Guarantor and/or, in each case, any Hedging Party is (or, in the determination of the Calculation

Agent, there is a reasonable likelihood that, within the next 30 Business Days, the Issuer and/or where the Issuer is CGMFL, the CGMFL Guarantor and/or, in each case, any Hedging Party will become) subject to any withholding or reporting obligations pursuant to Section 871(m) of the Code with respect to the Notes and/or where the Issuer is CGMFL, the CGMFL Deed of Guarantee, and/or, in each case, any Hedging Positions.

Specified Valuation Date means each date deemed pursuant to the Conditions to be a Specified Valuation Date or as specified as such in the applicable Issue Terms.

Trade Date means the date specified as such in the applicable Issue Terms or, if none is so specified, the Issue Date.

Underlying means each underlying reference factor specified as such and classified in the applicable Issue Terms.

Underlying Closing Level shall, in respect of an Underlying, have the meaning given to it in the Underlying Schedule applicable to such Underlying.

Underlying Level shall, in respect of an Underlying and if applicable, have the meaning given to it in the Underlying Schedule applicable to such Underlying.

Underlying Schedule means, in respect of an Underlying, the schedule that is specified to be applicable to such Underlying as a result of the classification of such Underlying in the applicable Issue Terms.

Valuation Date means each Specified Valuation Date, as adjusted in accordance with Condition 2(c), Condition 2(d), Condition 2(f) above and/or, as applicable, the relevant Underlying Schedule.

Valuation Roll means the number specified as such in the applicable Issue Terms, or if no number is so specified, eight.

Valuation Time shall, in respect of an Underlying, have the meaning given to it in the Underlying Schedule applicable to such Underlying.

3. FIXED RATE, FLOATING RATE AND CMS INTEREST LINKED INTEREST AMOUNTS

3.1 Interest on Fixed Rate Notes

- (a) If the Notes are expressed to be Fixed Rate Notes in the applicable Issue Terms and Accrual is specified as "Not Applicable" in the Issue Terms, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms then the Issuer will pay the Interest Amount specified for the relevant Interest Payment Date in the Specified Currency. For which purpose, the **Interest Amount** will be the amount specified in the applicable Issue Terms or, where more than one amount is so specified, the amount specified in respect of the relevant Interest Payment Date.
- (b) If the Notes are expressed to be Fixed Rate Notes in the applicable Issue Terms and Accrual is specified to be "Applicable" in the Issue Terms, then each such Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Interest Rate(s). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

The amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such date will amount to the **Interest Amount**. Payments of interest on any Interest Payment Date will, if so specified in the applicable Issue Terms, amount to the **Broken Amount** so specified.

Except where an applicable Interest Amount or Broken Amount is specified in the applicable Issue Terms in respect of an Interest Payment Date and the related Interest Period, interest shall be calculated in respect of any period by applying the relevant Interest Rate to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note or Global Registered Note Certificate, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such Global Note or Global Registered Note Certificate; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

3.2 Interest on Floating Rate Notes and CMS Interest Linked Notes

(a) Floating Rate Notes

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Issue Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Issue Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Issue Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

(A) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Issue Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Page as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Issue Terms) the Margin (if any), and multiplied by the relevant Interest Participation Rate (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided below) of such offered quotations.

If the Page is not available or if, in the case of (1), no offered quotation appears or, in the case of (2), fewer than three offered quotations appear, in each case as at the Specified Time or by 10.30 a.m. Sydney time in the case of BBSW, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Interest Rate for the Interest Period shall be the arithmetic mean of the offered quotations plus or minus (as appropriate) the Margin (if any), and multiplied by the Interest Participation Rate (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Interest Rate for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the relevant Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone interbank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR), the Copenhagen inter-bank market (if the Reference Rate is CIBOR), the Tokyo inter-bank market (if the Reference Rate is TIBOR), the Hong Kong inter-bank market (if the Reference Rate is HIBOR), the Sydney inter-bank market (if the Reference Rate is BBSW) or the New Zealand inter-bank market (if the Reference Rate is BKBM), in each case, plus or minus (as appropriate) the Margin (if any) and multiplied by the Interest Participation Rate (if any), or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the relevant Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates (rounded as provided below) for deposits in the relevant Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London interbank market (if the Reference Rate is LIBOR), the Euro-zone interbank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR), the Copenhagen inter-bank market (if the Reference Rate is CIBOR), the Tokyo inter-bank market (if the Reference Rate is TIBOR), the Hong Kong inter-bank market (if the Reference Rate is HIBOR), the Sydney inter-bank market (if the Reference Rate is BBSW) or the New

Zealand inter-bank market (if the Reference Rate is BKBM), in each case, plus or minus (as appropriate) the Margin (if any) and multiplied by the Interest Participation Rate (if any). PROVIDED THAT, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin and/or Interest Participation Rate is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Interest Participation Rate, as the case may be, relating to the relevant Interest Period in place of the Margin or Interest Participation Rate, as the case may be, relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Issue Terms as being other than LIBOR, EURIBOR, STIBOR, NIBOR, CIBOR, TIBOR, HIBOR, BBSW or BKBM, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Issue Terms.

The Calculation Agent shall not be responsible to the Issuer or the CGMFL Guarantor or to any third party as a result of the Calculation Agent having acted on any quotation given by any Reference Bank.

(B) *ISDA Determination*

Where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Issue Terms) the Margin (if any) and multiplied by the Interest Participation Rate (if any). For the purposes of this subparagraph, **ISDA Rate** for an Interest Period means the rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as calculation agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (1) the Floating Rate Option is as specified in the applicable Issue Terms;
- (2) the Designated Maturity is a period specified in the applicable Issue Terms; and
- (3) the relevant Reset Date is as specified in the applicable Issue Terms.

For the purposes of this subparagraph, Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date have the meanings given to those terms in the ISDA Definitions.

(b) *CMS Interest Linked Notes*

Each CMS Interest Linked Note bears interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrears on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Where the Reference Rate is specified as being the CMS Reference Rate, the Interest Rate for each Interest Period will be as the CMS Rate plus or minus (as appropriate) the Margin (if any), and multiplied by the Interest Participation Rate (if any), all as determined by the Calculation Agent.

If the Page is not available, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If at least three quotations are provided, the CMS Rate for such Interest Period shall be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

"Reference Banks" means, in the case of a determination of the CMS Reference Ratio, (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case as selected by the Calculation Agent or as specified in the applicable Issue Terms.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in accordance with standard market practice.

(c) Maximum/Minimum Interest Rates

If any Maximum Interest Rate or Minimum Interest Rate is specified in the applicable Issue Terms, then any Interest Rate shall be subject to such maximum or minimum, as the case may be, and where more than one Maximum Interest Rate and/or Minimum Interest Rate is so specified, the maximum or minimum, as the case may be, shall be that which is specified in respect of the relevant Interest Payment Date in the applicable Issue Terms.

Unless otherwise stated in the applicable Issue Terms, the Minimum Interest Rate shall be deemed to be zero.

(d) Calculations

The Calculation Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes or the CMS Interest Linked Notes, as the case may be, for the relevant Interest Period by applying the relevant Interest Rate to:

- (1) in the case of Floating Rate Notes or CMS Interest Linked Notes, as the case may be, which are represented by a Global Note or Global Registered Note Certificate, the aggregate outstanding principal amount of the Notes represented by such Global Note or Global Registered Note Certificate; or
- (2) in the case of Floating Rate Notes or CMS Interest Linked Notes, as the case may be, in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Floating Rate Note or a CMS Interest Linked Note, is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(e) Determination and Publication of Interest Rates and Interest Amounts

As soon as practicable after each Interest Determination Date the Calculation Agent will determine the Interest Rate and calculate the Interest Amounts in respect of each Specified Denomination for the relevant Interest Period. The Interest Amounts and the Interest Rate so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9 of the General Conditions, the interest (if any) and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made.

(f) Notification of Interest Rate and Interest Amounts

The Calculation Agent will cause the Interest Rate and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent and any stock exchange on which the relevant Floating Rate Notes or CMS Interest Linked Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 of the General Conditions as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(g) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Issue Terms, the Interest Rate for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Issue Terms or in the case of CMS Interest Linked Notes) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Issue Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period PROVIDED HOWEVER THAT if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

3.3 Definitions

CMS Rate shall mean the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) which appears on the Page as at the Relevant Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time, whether or not constituting an Interest Period (the **Calculation Period**):

- (i) if **Actual/Actual (ICMA)** is specified in the applicable Issue Terms in respect of Fixed Rate Notes:
 - (A) in the case of Notes where the number of days in the Calculation Period is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Issue Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:
 - I the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - II the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if **Actual/Actual** or **Actual/Actual (ISDA)** is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (x) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (y) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if **Actual/365 (Fixed)** is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 365;
- (iv) if **Actual/365 (Sterling)** is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of a payment falling in a leap year, 366;
- (v) if **Actual/360** is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if **30/360** is specified in the applicable Issue Terms in respect of Fixed Rate Notes, the number of days in the Calculation Period (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;
- (vii) if **30/360, 360/360** or **Bond Basis** is specified in the applicable Issue Terms in relation to Floating Rate Notes, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (viii) if **30E/360** or **Eurobond Basis** is specified in the applicable Issue Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

- (ix) if **30E/360 (ISDA)** is specified in the applicable Issue Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; or

- (x) **1/1** is specified in the applicable Issue Terms, 1

In the case of Range Accrual Notes, the Day Count Fraction may be adjusted by the Accrual Rate as specified in the applicable Issue Terms.

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

Interest Commencement Date means the date of issue of the Notes (the **Issue Date**) or such other date as may be specified in the applicable Issue Terms. Where the Notes have more than one interest basis, an Interest Commencement Date will be specified in the applicable Issue Terms in respect of each such interest basis.

Interest Determination Date means the date specified as such in the Issue Terms or if none is so specified:

- (i) if the Reference Rate is LIBOR (other than Sterling or Euro LIBOR), the second day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period;
- (iii) if the Reference Rate is Euro LIBOR or EURIBOR, the second TARGET Business Day prior to the start of each Interest Period;
- (iv) if the Reference Rate is the Stockholm interbank offered rate (STIBOR), the second day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Stockholm prior to the start of each Interest Period;
- (v) if the Reference Rate is the Norwegian interbank offered rate (NIBOR), the second day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Oslo prior to the start of each Interest Period;
- (vi) if the Reference Rate is the Copenhagen interbank offered rate (CIBOR), the first day of each Interest Period;

- (vii) if the Reference Rate is the Tokyo interbank offered rate (TIBOR), the second day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Tokyo prior to the start of each Interest Period;
- (viii) if the Reference Rate is the Hong Kong interbank offered rate (HIBOR), the first day of each Interest Period;
- (ix) if the Reference Rate is the Australian Bank Bill Swap Rate (BBSW), the first day of each Interest Period; or
- (x) if the Reference Rate is the New Zealand Bank Bill reference rate (BKBM), the first day of each Interest Period.

Interest Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period End Date and each successive period beginning on (and including) an Interest Period End Date and ending on (but excluding) the next succeeding Interest Period End Date.

Interest Period End Date means each date specified as such in the applicable Issue Terms or, if none is so specified, each Interest Payment Date.

Interest Rate means the rate of interest payable from time to time in respect of the Notes and which is either specified, or calculated in accordance with the provisions, herein or specified in the applicable Issue Terms, and where more than one rate is so specified, the rate shall be that which is specified in respect of the relevant Interest Period and/or Interest Payment Date in the applicable Issue Terms.

Page means such display page as may be specified in the applicable Issue Terms for the purpose of providing a Reference Rate, or (i) any successor display page, other published source, information vendor or provider that has been officially designated by the sponsor of the original display page or (ii) if the sponsor has not officially designated a successor display page, other published source, information vendor or provider (as the case may be), the successor display page, other published source, information vendor or provider, if any, designated by the relevant information vendor or provider (if different from the sponsor).

Reference Banks means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market; (iii) in the case of a determination of BBSW, the financial institutions authorised to quote on the Reuters Screen BBSW Page, (iv) in the case of a determination of BKBM, four major banks in the New Zealand money market and (v) in the case of a determination of a Reference Rate other than LIBOR, EURIBOR, BBSW, BKBM or a CMS Reference Rate, the principal office in the Relevant Financial Centre of four major banks in the interbank market of the Relevant Financial Centre, in each case selected by the Calculation Agent or as specified in the applicable Issue Terms.

Reference Rate means: (i) LIBOR, (ii) EURIBOR, (iii) STIBOR, (iv) NIBOR, (v) CIBOR, (vi) TIBOR, (vii) HIBOR, (viii) BBSW, (ix) BKBM, or (x) the CMS Reference Rate, in each case for the relevant period, as specified in the applicable Issue Terms.

Relevant Financial Centre means: (i) London, in the case of a determination of LIBOR, (ii) Brussels, in the case of a determination of EURIBOR, (iii) Stockholm, in the case of a determination of STIBOR, (iv) Oslo, in the case of a determination of NIBOR, (v) Copenhagen, in the case of a determination of CIBOR, (vi) Tokyo, in the case of a determination of TIBOR and (vii) Hong Kong, in the case of a determination of HIBOR, (viii) Sydney, in the case of a determination of BBSW and

(ix) Wellington, in the case of a determination of BKBM or such other centre as specified in the applicable Issue Terms.

Relevant Swap Rate means:

- (i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions (as defined above)) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent in accordance with standard market practice.

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time.

Specified Time means: (i) in the case of LIBOR, 11.00 a.m., (ii) in the case of EURIBOR, 11.00 a.m., (iii) in the case of STIBOR, 11.00 a.m., (iv) in the case of NIBOR, 12.00 noon, (v) in the case of CIBOR, 11.00 a.m., (vi) in the case of TIBOR, 11.00 a.m., and (vii) in the case of HIBOR, 11.00 a.m., (viii) in the case of BBSW, 10.00 a.m. or (ix) in the case of BKBM, 11.00 a.m., in each case in the Relevant Financial Centre, or such other time as specified in the applicable Issue Terms.

4. RANGE ACCRUAL NOTES

If the Notes are expressed to be Range Accrual Notes in the applicable Issue Terms, then the Accrual Rate for an Interest Period and/or an Interest Payment Date which is expressed to be subject to the Range Accrual Note provisions in the applicable Issue Terms means an amount expressed as a decimal determined by the Calculation Agent in accordance with the following formula:

$$\frac{\text{days accrued}}{\text{days observed}}$$

where:

days accrued means the number of Interest Observation Dates in the relevant Interest Period on which the Reference Observation is:

- (i) if "Greater than the Barrier" is specified under Barrier Reference in the applicable Issue Terms, greater than the Barrier;
- (ii) if "Greater than or equal to the Barrier" is specified under Barrier Reference in the applicable Issue Terms, greater than or equal to the Barrier;
- (iii) if "Less than the Barrier" is specified under Barrier Reference in the applicable Issue Terms, less than the Barrier;
- (iv) if "Less than or equal to the Barrier" is specified under Barrier Reference in the applicable Issue Terms, less than or equal to the Barrier; or
- (v) if a "Lower Range" and an "Upper Range" are specified in the applicable Issue Terms, if (i) "Above the Lower Range" is specified in the applicable Issue Terms, above the Lower Range or (ii) if "Above and equal to the Lower Range" is specified in the applicable Issue Terms, above and equal to the Lower Range and if (i) "Below the Upper Range" is specified in the applicable Issue Terms, below the Upper Range and (ii) if "Below and equal to the Upper Range" is specified in the applicable Issue Terms, below or equal to the Upper Range;

days observed means the actual number of either calendar days or Business Days as specified as applicable in the applicable Issue Terms in the relevant Interest Period.

The Reference Observation shall be as specified in the applicable Issue Terms. The Reference Observation may be expressed as:

- (A) (i) Reference Rate One minus Reference Rate Two; or
- (ii) the sum of the Reference Rate Ones minus the sum of the Reference Rate Twos; or
- (B) as one Reference Rate or more than one Reference Rate.

In the case of (B) above, if more than one Reference Rate, then a Reference Observation shall be:

- (a) if "Any" is specified in the applicable Issue Terms, any Reference Rate falls within whichever of (i) to (v) above is specified in the applicable Issue Terms; or
- (b) if "All" is specified in the applicable Issue Terms, all the Reference Rates fall within whichever of (i) to (v) above is specified in the applicable Issue Terms,

in each case as determined by the Calculation Agent by reference to the relevant Interest Observation Date and as otherwise provided herein.

In relation to any Reference Rate One, Reference Rate Two or any other Reference Rate (each a "Reference Rate"), the applicable Issue Terms will specify whether such Reference Rate is (i) to be a fixed specified rate; (ii) to be determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply; or (iii) to be determined by

reference to the CMS Interest Linked Note provisions (which in the case of (ii) and (iii) would include being determined by reference to the Spread Notes provisions herein).

In relation to each Reference Rate, depending on which one of (i), (ii) or (iii) above is specified in relation to such Reference Rate, the applicable Issue Terms will specify in relation to such Reference Rate, all the relevant terms, including any Interest Determination Date for such Reference Rate, any Margin, Interest Participation Rate, any Spread Note provisions, any Minimum Interest Rate and/or any Maximum Interest Rate, in each case following the relevant provisions for Floating Rate Notes, CMS Interest Linked Notes and/or Spread Notes, in each case as contained in the Conditions and in the Pro Forma Final Terms and Pricing Supplement.

For the purposes of the Conditions and in particular Underlying Schedule 2, each Reference Rate shall also be deemed to be a "Rate" as defined in Underlying Schedule 2.

A different Reference Rate and/or different Reference Observations may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

The Reference Observation shall be determined by the Calculation Agent.

A Barrier may only apply to specified Interest Periods and/or Interest Payment Dates and may vary between different Interest Periods and/or Interest Payment Dates, all as specified in the applicable Issue Terms.

A Lower Range and/or Upper Range may only apply to specified Interest Periods and/or Interest Payment Dates and may vary between different Interest Periods and/or Interest Payment Dates, all as specified in the applicable Issue Terms.

In respect of an Interest Period, an Interest Observation Date shall be whichever of each calendar day or each Business Day is specified as applicable in the applicable Issue Terms falling from (and including) the first day of such Interest Period to (but excluding) the day falling the Specified Number of (or if not specified, five) calendar days or Business Days (whichever of "calendar days" or "Business Days" is specified as applicable in the applicable Issue Terms), immediately preceding the last day of such Interest Period (the "Accrual Cut-Off Date") and in respect of each calendar day or Business Day, as applicable, falling from (and including) the Accrual Cut-Off Date to and (including) the last day of such Interest Period, the Accrual Cut-Off Date shall be an Interest Observation Date for each such day. Each such date shall be deemed a Specified Valuation Date and if, in respect of any Reference Rate the calendar day or Business Day, as applicable is not a Scheduled Trading Day for such Reference Rate or is a Disrupted Day for such Reference Rate, then the Interest Observation Date for such Reference Rate shall be deemed to be the immediately preceding calendar day or Business Day, as applicable, that is a Scheduled Trading Day and not a Disrupted Day for such Reference Rate. Therefore, an Interest Observation Date may be the Interest Observation Date for more than one calendar day or Business Day, as applicable.

Each Range Accrual Note will also be a Fixed Rate Note and interest will be determined and calculated as provided in the applicable Issue Terms and Condition 3.1 "Interest on Fixed Rate Notes" above and "Accrual" and "Range Accrual Notes" was specified as "Applicable" in the Issue Terms so that Condition 3.1(b) applies. The Interest Rate applicable to an Interest Period and an Interest Payment Date will be specified in the applicable Issue Terms. A different Interest Rate may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

As with all Fixed Rate Notes, Range Accrual Notes will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be

payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Condition 3.2(c) (*Maximum/Minimum Interest Rates*) shall apply to Range Accrual Notes as if expressly set out herein. In addition, if any Maximum Interest Amount or Minimum Interest Amount is specified in the applicable Issue Terms, then any Interest Amount in respect of the Calculation Amount shall be subject to such maximum or minimum, as the case may be, and where more than one Maximum Interest Amount and/or Minimum Interest Amount is so specified, the maximum or minimum, as the case may be, shall be that which is specified in respect of the relevant Interest Payment Date in the applicable Issue Terms.

Unless otherwise stated in the applicable Issue Terms, the Minimum Interest Amount shall be deemed to be zero.

5. DIGITAL NOTES

If the Notes are expressed to be Digital Notes in the applicable Issue Terms, then the Interest Rate in respect of an Interest Period and/or Interest Payment Date which is expressed to be subject to the Digital Note provisions in the applicable Issue Terms will either be:

- (i) the Back Up Rate; or
- (ii) if the Digital Reference Rate as of the Digital Determination Date is:
 - (a) if "Greater than the Reserve Rate" is specified under Reserve Rate Reference in the applicable Issue Terms, greater than the Reserve Rate;
 - (b) if "Greater than or equal to the Reserve Rate" is specified under Reserve Rate Reference in the applicable Issue Terms, greater than or equal to the Reserve Rate;
 - (c) if "Less than the Reserve Rate" is specified under Reserve Rate Reference in the applicable Issue Terms, less than the Reserve Rate; or
 - (d) if "Less than or equal to the Reserve Rate" is specified under Reserve Rate Reference in the applicable Issue Terms, less than or equal to the Reserve Rate,

the Digital Rate, all as determined by the Calculation Agent.

In relation to each of the Back Up Rate, the Digital Reference Rate, the Reserve Rate (including each Specified Rate (as defined below) and the Digital Rate, the applicable Issue Terms will specify whether such rate is (i) to be a fixed specified rate; (ii) to be determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply; or (iii) to be determined by reference to the CMS Interest Linked Note provisions (which in all cases would include being determined by reference to the Spread Notes provisions herein).

In relation to each of the Back Up Rate, the Digital Reference Rate, the Reserve Rate and the Digital Rate, depending on which one of (i), (ii) or (iii) above is specified in relation to such rate, the applicable Issue Terms will complete in relation to such rate all the relevant terms, including any Interest Determination Date for such rate, any Margin, any Interest Participation Rate, any Spread Note Provisions, any Minimum Interest Rate and/or any Maximum Interest Rate in each case following the relevant provisions for Floating Rate Notes, CMS Interest Linked Notes and/or Spread Notes, in each case as contained in the Conditions and in the Pro Forma Final Terms and, in the case of Exempt Notes, in the Pro Forma Pricing Supplement.

The Reserve Rate may also be the sum of more than one rate (each a "**Specified Rate**") or one rate less another rate (each a "**Specified Rate**").

For the avoidance of doubt, where the Back Up Rate, the Digital Reference Rate, the Reserve Rate (and/or any Specified Rate) and/or the Digital Rate is to be determined by reference to either the Floating Rate Note provisions or the CMS Interest Linked Note provisions as specified in the applicable Issue Terms, all back up provisions relating to the Floating Rate Note provisions or the CMS Interest Linked Note provisions as contained in the Conditions shall apply equally in relation to the determination of such rate(s), as applicable.

A different Back Up Rate, Digital Reference Rate, Reserve Rate and/or Digital Rate may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

Each Digital Note will also be a Fixed Rate Note and interest will be determined and calculated as provided in Condition 3.1 "*Interest on Fixed Rate Note*" above and in the applicable Issue Terms. As with all Fixed Rate Notes, Digital Notes will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Clause 3.2(c) (*Maximum/Minimum Interest Rates*) shall apply to Digital Notes as if expressly set out herein.

6. DIGITAL BAND NOTES

If the Notes are expressed to be Digital Band Notes in the applicable Issue Terms, then the Interest Rate in respect of an Interest Period and/or Interest Payment Date which is expressed to be subject to the Digital Band Note provisions in the applicable Issue Terms will be determined:

- (A) where "Reference Rate Only" is specified as applicable in the applicable Issue Terms, by reference to within which band of specified fixed rates (the "Band") set out in the applicable Issue Terms, the reference rate ("the Reference Rate") specified as applicable for such Interest Period and/or Interest Payment Date on the Interest Determination Date specified for such Interest Period and/or Interest Determination Date in the applicable Final Terms falls; or
- (B) where "Reference Rate One minus Reference Rate Two" is specified as applicable in the applicable Issue Terms, by reference to within which band of specified fixed rates (the "Band") set out in the applicable Issue Terms, the result (the "Result") of the reference rate specified in the applicable Issue Terms as "Reference Rate One" minus the reference rate specified in the applicable issue Terms as "Reference Rate Two", in each case as specified as applicable for such Interest Period and/or Interest Payment Date on the Interest Determination Date specified for such Interest Period and/or Interest Determination Date in the applicable Final Terms, falls.

In the case of (A) and (B), the Interest Rate in respect of an Interest Period will be the rate of interest specified in the applicable Issue Terms (which may be a fixed rate, a floating rate, a CMS rate or a rate equal to Band Rate One minus Band Rate Two, and be plus or minus a margin) as the "Band Rate" for the Band in which, in the case of (A) the Reference Rate falls or, in the case of (B), the Result falls. The applicable Issue Terms will specify for each Band (each of which will be numerically identified as "Band 1" or "Band 2" etc. as necessary) the appropriate Band Rate for the relevant Band.

In relation to each of the Reference Rate, Reference Rate One and/or Reference Rate Two, as applicable, the applicable Issue Terms will specify whether such rate is (i) to be determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply; or (ii) to be determined by reference to the CMS Interest Linked Note provisions.

In relation to each of the Band Rate, Band Rate One and/or Band Rate Two, as applicable, the applicable Issue Terms will specify whether such rate is (i) to be determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply; or (ii) to be determined by reference to the CMS Interest Linked Note provisions.

In relation to the Reference Rate, Reference Rate One and/or Reference Rate Two, as applicable, depending on which one of (i) or (ii) above is specified in relation to such rate, the applicable Issue Terms will complete in relation to such rate all the relevant terms, including the Interest Determination Date for such rate, any Margin and/or any Interest Participation Rate, in each case following the relevant provisions for Floating Rate Notes or CMS Interest Linked Notes, as the case may be, in each case as contained in the Conditions and, in the case of Notes that are not Exempt Notes, in the Pro Forma Final Terms and, in the case of Exempt Notes, in the Pro Forma Pricing Supplement.

In relation to the Band Rate, Band Rate One and/or Band Rate Two, as applicable, the applicable Issue Terms will complete in relation to such rate all the relevant terms, including the Interest Determination Date for such rate and any Margin, in each case following the relevant provisions for Floating Rate Notes or CMS Interest Linked Notes, as the case may be, in each case as contained in the Conditions and, in the case of Notes that are not Exempt Notes, in the Pro Forma Final Terms and, in the case of Exempt Notes, in the Pro Forma Pricing Supplement.

For the avoidance of doubt, the Reference Rate, Reference Rate One and/or Reference Rate Two, as applicable, will be determined by reference to either the Floating Rate Note provisions or the CMS Interest Linked Note provisions as specified in the applicable Issue Terms, and, therefore, all back up provisions relating to the Floating Rate Note provisions or the CMS Interest Linked Note provisions as contained in the Conditions shall apply equally in relation to the determination of such rate(s), as applicable. In addition, for the avoidance of doubt, the Band Rate, Band Rate One and/or Band Rate Two, as applicable, will be determined by reference to either the Floating Rate Note provisions or the CMS Interest Linked Note provisions as specified in the applicable Issue Terms, and, therefore, all back up provisions relating to the Floating Rate Note provisions or the CMS Interest Linked Note provisions as contained in the Conditions shall apply equally in relation to the determination of such rate(s), as applicable.

A different Reference Rate, Reference Rate One and/or Reference Rate Two, as applicable, may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms. In addition, a different Band Rate, Band Rate One and/or Band Rate Two, as applicable, may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

Each Digital Band Note for which the Band Rate is a fixed rate will also be a Fixed Rate Note and interest will be determined and calculated as provided in Condition 3.1 "Interest on Fixed Rate Notes" above and in the applicable Issue Terms. As with all Fixed Rate Notes, Digital Band Notes for which the Band Rate is a fixed rate will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Each Digital Band Note for which the Band Rate is a floating rate or a CMS rate or determined by reference to the floating rate or CMS rate provisions will also be a Floating Rate Note or CMS Interest Linked Note, as the case may be, and interest will be determined and calculated as provided in Condition 3.2 "Interest on Floating Rate Notes and CMS Interest Linked Notes" above and in the applicable Issue Terms. As with all Floating Rate Notes and CMS Interest Linked Notes, Digital Band Notes for which the Band Rate is a floating rate or CMS rate or determined by reference to the floating rate or CMS rate provisions will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

7. INVERSE FLOATING RATE NOTES

If the Notes are expressed to be Inverse Floating Rate Notes in the applicable Issue Terms, then the Interest Rate in respect of an Interest Period and/or an Interest Payment Date which is expressed to be subject to the Inverse Floating Rate Note provisions in the applicable Issue Terms will be the Inverse Fixed Rate minus the Inverse Reference Rate specified in the applicable Issue Terms as of the Interest Determination Date, all as determined by the Calculation Agent.

In relation to the Inverse Floating Rate, the applicable Issue Terms will specify whether it is (A) one reference rate (a "**Specified Rate**") or (B) one reference rate (a "**Specified Rate**") minus another reference rate (a "**Specified Rate**"). The applicable Issue Terms will also specify in relation to each Specified Rate whether it is determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply; or (ii) to be determined by reference to the CMS Interest Linked Note provisions (which in all cases would include being determined by reference to the Spread Notes provisions herein).

Depending on which one of (i) or (ii) above is specified, the applicable Issue Terms will specify all the relevant terms, including for the Inverse Floating Rate and each Specified Rate the Interest Determination Date, any Margin, any Interest Participation Rate, any Spread Note provisions, any Minimum Interest Rate and/or Maximum Interest Rate in each case, following the relevant provisions for Floating Rate Notes, CMS Interest Linked Notes and/or Spread Notes, in each case as contained in the Conditions and in the case of Notes that are not Exempt Notes, in the Pro Forma Final Terms and, in the case of Exempt Notes, the Pro Forma Pricing Supplement.

For the avoidance of doubt, where the Inverse Floating Rate and/or a Specified Rate is to be determined by reference to either the Floating Rate Note provisions or the CMS Interest Linked Note provisions as specified in the applicable Issue Terms, all back up provisions relating to the Floating Rate Note provisions or the CMS Interest Linked Note provisions as contained in the Conditions shall apply equally in relation to the determination of such rate(s), as applicable.

A different Inverse Floating Rate and/or Specified Rate may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

Each Inverse Floating Rate Note will also be a Fixed Rate Note and interest will be determined and calculated as provided in Condition 3.1 "Interest on Fixed Rate Notes" above and in the applicable Issue Terms. As with all Fixed Rate Notes, Inverse Floating Rate Notes will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Clause 3.2(c) (*Maximum/Minimum Interest Rates*) shall apply to Inverse Floating Rate Notes as if expressly set out herein.

8. SPREAD NOTES

If the Notes are expressed to be Spread Notes in the applicable Issue Terms, then the Interest Rate in respect of an Interest Period and/or Interest Payment Date which is expressed to be subject to the Spread Note provisions in the applicable Issue Terms will be:

If "Option One" is specified:

one minus the result of Spread Rate 1 (as multiplied by any Interest Participation Factor if specified) minus Spread Rate 2 (as multiplied by any Interest Participation Rate if specified); or

if "No Option One" is specified:

Spread Rate 1 (as multiplied by any Interest Participation Rate if specified) minus Spread Rate 2 (as multiplied by any Interest Participation Rate if specified).

Either Spread Rate 1 or Spread Rate 2 may be (i) one rate (a "**Reference Rate**"), (ii) the sum of more than one rate (a "**Reference Rate**") or (iii) one rate (a "**Reference Rate**") minus another Reference Rate, in any such case subject to any specified Interest Participation Rate.

In relation to a Spread Rate and a Reference Rate, the applicable Issue Terms will specify whether it is (i) to be a fixed rate, (ii) to be determined by reference to the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination will apply, (iii) to be determined by reference to the CMS Interest Linked Note provisions, (iv) to be determined by reference to the Inflation Rate provisions or (v) the DIR Inflation Linked Provisions.

Depending on which one of (i), (ii), (iii), (iv), or (v) above is specified, the applicable Issue Terms will specify all the relevant terms, including for each Spread Rate and Reference Rate any Interest Determination Date, any Margin, any Interest Participation Rate, any Minimum Interest Rate or Maximum Interest Rate and /or any Minimum Interest Amount and/or any Maximum Interest Amount, in each case, following the relevant provisions for Floating Rate Notes, CMS Interest Linked Notes, Inflation Rate Notes or DIR Inflation Linked Notes, in each case as contained in the Conditions and in the case of Notes that are not Exempt Notes in the Pro Forma Final Terms and, in the case of Exempt Notes, the Pro Forma Pricing Supplement.

For the avoidance of doubt, where a Spread Rate and/or a Reference Rate is to be determined by reference to any of the Floating Rate Note provisions, the CMS Interest Linked Note, the Inflation Rate Note provisions or the DIR Inflation Linked Note provisions as specified in the applicable Issue Terms, all back up provisions relating to the Floating Rate Note provisions, the CMS Interest Linked Note, the Inflation Rate Note provisions or the DIR Inflation Linked Note provisions, as applicable, as contained in the Conditions shall apply equally in relation to the determination of such rate(s), as applicable.

A different Spread Rate(s) and/or a Reference Rate(s) may apply in respect of different Interest Periods and Interest Payment Dates, as specified in the applicable Issue Terms.

Each Spread Note will also be a Fixed Rate Note and interest will be determined and calculated as provided in Condition 3.1 "*Interest on Fixed Rate Notes*" above and in the applicable Issue Terms. As with all Fixed Rate Notes, Spread Notes will bear interest from (and including) the Interest Commencement Date and, where interest is due in accordance with this Valuation and Settlement Schedule and the applicable Issue Terms, such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Issue Terms. Such interest will be payable

on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Date falling on or about such Interest Payment Date.

Condition 3.2(c) (*Maximum/Minimum Interest Rates*) shall apply to Spread Notes as if expressly set out herein.

9. ZERO COUPON NOTES

Where the Notes are Zero Coupon Notes, then the Early Redemption Amount in respect of each principal amount of the Notes equal to the Calculation Amount will be calculated by the Calculation Agent as an amount (the "**Amortised Face Amount**") in accordance with Condition 5(d) of the General Conditions unless otherwise specified in the applicable Issue Terms.

10. SWITCHER OPTION

If in respect of the Notes Switcher Option is specified as applicable in the applicable Issue Terms, the Issuer may having given

- (i) in respect of Bearer Notes not less than five nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and
- (ii) in the case of Registered Notes, the number of days' notice specified in the applicable Issue Terms or, if none is so specified:
 - (A) not less than, five nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and
 - (B) not less than five days' notice to the Registrar,

(which notices shall be irrevocable) switch the interest basis (which may be a zero or an interest bearing basis) on the Notes from the existing interest basis (if any) to the New Interest Basis specified in the applicable Issue Terms. Any Switcher Option shall become effective from and including the Switcher Interest Commencement Date and the Notes shall cease to bear interest (if any) on the existing interest basis and shall bear interest at the New Interest Basis from and including the Switcher Interest Commencement Date.

If so specified in the applicable Issue Terms, the Issuer may be able to exercise the Switcher Option more than once and to one or more specified New Interest Basis (Bases).

If a "Conversion Amount per Calculation Amount payable by the Issuer" is specified in the applicable Issue Terms, the Issuer shall pay such amount per Calculation Amount to the Noteholders on the relevant Switcher Payment Date, such payment to be made in accordance with and subject to the Conditions.

SECTION F.2 – PRO FORMA FINAL TERMS

Final Terms dated []

Citigroup Inc./Citigroup Global Markets Funding Luxembourg S.C.A.]¹

Issue of [*Specify Aggregate Principal Amount of Tranche/(specify aggregate number of Units of Tranche)*

Units of (*specify principal amount of each Unit*)] [*Title of Notes*]

[Guaranteed by Citigroup Global Markets Limited]²

Under the U.S.\$30,000,000,000 Global Medium Term Note Programme

[The Notes do not constitute a participation in a collective investment scheme in the meaning of the Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority (FINMA) thereunder. Accordingly, neither the Notes nor holders of the Notes benefit from protection under the Federal Act on Collective Investment Schemes or supervision by the Swiss Financial Market Supervisory Authority (FINMA) and investors are exposed to the credit risk of the Issuer [and the CGMFL Guarantor].]³

[Any person making or intending to make an offer of the Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive may only do so]:

- (a) in those Public Offer Jurisdictions mentioned in item 10 of Part B below, provided such person is one of the persons mentioned in item 10 of Part B below and that such offer is made during the Offer Period specified for such purpose therein; or
- (b) or otherwise⁵ in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

None of the Issuer[, the CGMFL Guarantor]² and any Dealer has authorised, nor do any of them authorise, the making of any offer of Notes in any other circumstances.]⁴

The expression **Prospectus Directive** means Directive 2003/71/EC, as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in the Relevant Member State).

The Notes [and the CGMFL Deed of Guarantee]² have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any state securities law. [The Notes [and the CGMFL Deed of Guarantee] are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**) and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S). Each purchaser of the Notes or any beneficial interest therein will be deemed to have represented and agreed that it is outside the United States and is not a U.S. person and will not sell, pledge or otherwise transfer the Notes or any beneficial interest therein at any time within the United States or to, or for the account or benefit of, a U.S. person, other than the Issuer or any affiliate thereof.]⁵ [The Notes are being offered and sold solely to "qualified institutional buyers" (**QIBs**) in reliance on the exemption from registration under the Securities Act provided by Rule 144A thereunder (**Rule 144A**). Each purchaser of the Notes or any beneficial interest therein will be deemed to have represented and agreed that it and each account for which it is purchasing (or

¹ Delete as applicable.

² Delete where the Issuer is Citigroup Inc.

³ Include this legend where the Notes are offered in Switzerland.

⁴ Consider including this legend where a non-exempt offer of Notes is anticipated.

⁵ Include for Notes offered in reliance on Regulation S.

holding) Notes is a QIB and that it will not sell, pledge or otherwise transfer the Notes or any beneficial interest therein at any time to any person other than (a) the Issuer or any affiliate thereof or (b) a person it reasonably believes to be a QIB purchasing the Notes for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of any State of the United States and any other jurisdiction.]⁶ The Notes [and the CGMFL Deed of Guarantee]² do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Notes has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended. For a description of certain restrictions on offers and sales of Notes, see "*General Information relating to the Programme and the Notes - Subscription and sale and transfer and selling restrictions*" in the Base Prospectus.

The Notes may not be offered or sold to, or acquired by, any person that is, or whose purchase and holding of the Notes is made on behalf of or with "plan assets" of, an employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**), a plan, individual retirement account or other arrangement subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or an employee benefit plan or plan subject to any laws, rules or regulations substantially similar to Title I of ERISA or Section 4975 of the Code.

PART A – CONTRACTUAL TERMS

The Notes are English Law Notes [that are also [Swedish Notes [(and therefore the Issuer shall have the right to obtain extracts from the register of creditors (*Sw.skuldbok*) from Euroclear Sweden)] [and] [Finnish Notes [(and therefore the Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Notes, provided that it is technically possible for Euroclear Finland to maintain such a list)]. 1

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the section[s] entitled ["*Terms and Conditions of the Notes*", the Valuation and Settlement Schedule and the Underlying Schedule[s] applicable to [the/each] Underlying] in the Base Prospectus [and the Supplement[s]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive.

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer[, the CGMFL Guarantor]² and the offer of the Notes is only available on the basis of the combination of this Final Terms and the Base Prospectus [as so supplemented].

The Base Prospectus [and the Supplement[s]] [and the translation of the Summary into [*insert language required by any relevant Public Offer Jurisdictions*]] [is] [are] available for viewing at the offices of the Paying Agents and on the web-site of the Central Bank of Ireland (www.centralbank.ie). [In addition, this Final Terms is available [on the web-site of the Central Bank of Ireland (www.centralbank.ie) and] [*insert method of publication required in any relevant Public Offer Jurisdiction(s)*].] (*N.B. Consideration should be given as to how the Final Terms will be published in the event that the Notes are not listed on the Irish Stock Exchange but are publicly offered*).

[*Use this paragraph if the Base Prospectus has not been supplemented:* For the purposes hereof, **Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus in relation to the Programme dated [.].]

⁶ Include for Notes offered in reliance on Rule 144A.

[Use this paragraph if the Base Prospectus has been supplemented: For the purposes hereof, **Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [No.[]]**) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements**].]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth under the section[s] entitled "*Terms and Conditions of the Notes*" [and the Underlying Schedule[s] applicable to [the/each] Underlying] in the Base Prospectus [as supplemented by the Supplement[s]].

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Current Base Prospectus [and the Supplement[s] thereto, which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus [as supplemented by the Supplement[s] thereto] and are incorporated by reference into the Current Base Prospectus. Full information on the Issuer[, the CGMFL Guarantor]2 and the offer of the Notes is only available on the basis of the combination of this Final Terms and the Base Prospectus [and the Supplement[s] thereto] and the Current Base Prospectus [and the Supplement[s] thereto].

The Base Prospectus [and the Supplement[s] to the Base Prospectus] and the Current Base Prospectus [and the Supplement[s] to the Current Base Prospectus [and the translation of the Summary into *insert language required by any relevant Public Offer Jurisdictions*]] are available for viewing at the offices of the Paying Agents and on the web-site of the Central Bank of Ireland (www.centralbank.ie). [In addition, this [Final Terms is available [on the web-site of the Central Bank of Ireland (www.centralbank.ie) and] *insert method of publication required in any relevant Public Offer Jurisdiction(s)*].] (*N.B. Consideration should be given as to how the Final Terms will be published in the event that the Notes are not listed on the Irish Stock Exchange but are publicly offered*).

[Use this paragraph if the Conditions have not been amended by way of a Supplement to the Base Prospectus: For the purposes hereof, **Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus relating to the Programme dated [].]

[Use this paragraph if the Conditions have been amended by way of a Supplement to the Base Prospectus: For the purposes hereof, **Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [to the Base Prospectus] [No.[]]**) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements to the Base [Prospectus]**].]

[Use this paragraph if the Current Base Prospectus has not been supplemented: For the purposes hereof, **Current Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus relating to the Programme dated [].]

[Use this paragraph if the Current Base Prospectus has been supplemented: For the purposes hereof, **Current Base Prospectus** means the [Citigroup Inc./CGMFL] Underlying Linked Notes Base Prospectus relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [to the Current Base Prospectus] [No.[]]**) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements to the Current Base Prospectus**].]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms]

[When completing any final terms consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

1. (i) Issuer: [Citigroup Inc./Citigroup Global Markets Funding Luxembourg S.C.A.]¹
- (ii) Guarantor: [Citigroup Global Markets Limited/Not Applicable]
- (N.B. Only Notes issued by Citigroup Global Markets Funding Luxembourg S.C.A are guaranteed by Citigroup Global Markets Limited)*
2. (i) Series Number: []
- (ii) Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
- (iii) Date on which the Notes will be consolidated and form a single Series: [Not Applicable] [The Notes will be consolidated and form a single Series with [identify earlier Tranches] on []/[the Issue Date]]
3. Specified Currency or Currencies: [specify currency]
4. Aggregate Principal Amount:
- (i) Series: [][Units (each Unit being [] in principal amount of the Notes)]
- (ii) Tranche: [][Units (each Unit being [] in principal amount of the Notes)]
- [The Notes are issued in Units. Accordingly, references herein to Units shall be deemed to be references to [] in principal amount of the Notes and all references in the Conditions to payments being made in respect of a Calculation Amount shall be construed to such payments being made in respect of a Unit]
5. Issue Price: [] per cent. of the Aggregate Principal Amount [plus accrued interest from [insert date]](insert for fungible issues, if applicable)
6. (i) Specified Denominations: [][Unit]
- (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*
- (The minimum Specified Denomination/principal amount represented by a Unit is EUR1,000)*
- (In respect of Swedish Notes and Finnish Notes, there*

shall be one denomination only.)

(ii) Calculation Amount: [] [Unit]

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. N.B. There must be a common factor in the case of two or more Specified Denominations)

7. (i) Issue Date: []

(ii) Interest Commencement Date: [specify/Issue Date/Not Applicable]

(Where there is more than one interest basis then the Interest Commencement Date for each interest basis should be specified)

8. Maturity Date: [specify date], subject to adjustment in accordance with the [Modified][Preceding][Following] Business Day Convention [Interest Payment Date falling in or nearest to [●]]

9. Type of Notes: [Fixed Rate Notes/Floating Rate Notes/Inflation Rate Notes/DIR Inflation Linked Notes/CMS Interest Linked Notes/Inverse Floating Rate Notes/Range Accrual Notes/Digital Notes/Spread Notes] [The Notes are Zero Coupon Notes and do not bear or pay any interest.]

The Notes may be one or more of the types described above and as further set out below.

10. Change of Type of Note: [Applicable [Describe changes]/Not Applicable]

11. Put/Call Options: [Issuer Call as specified in item 16(i) below]
[Investor Put as specified in item 16(ii) below]
[Not Applicable]

12. (i) Status of the Notes: Senior

(ii) Status of the CGMFL Deed of Guarantee: [Senior][Not Applicable]

(Not applicable for Notes issued by Citigroup Inc.)

PROVISIONS RELATING TO UNDERLYING LINKED NOTES

13. Underlying Linked Notes Provisions: [Applicable – the provisions in the Valuation and Settlement Schedule apply (subject as provided in any relevant Underlying Schedule)][Not Applicable]
- (i) Underlying: [If not applicable, delete the remaining sub-paragraphs of this paragraph]
- (A) Description of Underlying(s): [specify each Underlying]
- (B) Classification: [Inflation Index (this applies for both Inflation Rate Notes and DIR Inflation Linked Notes)][Rate (this would normally only apply for Range Accrual Notes and can otherwise be deleted)]
(specify for each Underlying)
- (C) Electronic Page: [] (specify for each Underlying)
- (ii) Particulars in respect of each Underlying: (Delete the sub-paragraphs which are not applicable)
- Inflation Index/Indices: (specify for each Inflation Index)
- (A) Fallback Bond: [Applicable: The definition set out in Condition 1 of the Inflation Index Conditions shall apply/(specify)][Not Applicable]
- (B) Revision of level of Inflation Index: [Revision/No Revision]
(NB: If neither "Revision" nor "No Revision" is specified, "No Revision" will be deemed to apply)]
- [Rate(s):
- (A) Valuation Time: [(specify)]
- (B) Scheduled Trading Day: [A Business Day][A day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposit) in [●] (specify each)]
(This would normally only apply for certain Range Accrual Notes and can otherwise be deleted)
- (iii) Elections in respect of each type of Underlying: (Delete the sub-paragraphs which are not applicable)
(the following information may be tabulated)
- [Inflation Index/Indices:
- (A) Reference Month(s): [In respect of a Valuation Date [(specify)]]

(B) Manifest Error Cut-off Date: [2 Business Days prior to the [relevant] Payment Date/specify]

(NB: If no Manifest Error Cut-off Date is specified, the cut-off date will be 2 Business Days prior to any relevant Payment Date)

(C) Revision Cut-off Date: [2 Business Days prior to the [relevant] Payment Date/specify]

(NB: If no Revision Cut-off Date is specified, the cut-off date will be 2 Business Days prior to any relevant Payment Date)

[Rate/Rates:

(A) ISDA Fallback Determination: [Applicable/Not Applicable]

(if Not Applicable, the following provisions are Not Applicable)

I. Floating Rate Option: [(specify)/Not Applicable]

II. Designated Maturity: [(specify)/Not Applicable]

(B) Correction Provisions: [Applicable/Not Applicable]

(iv) Trade Date: []

(v) Hedging Disruption Early Termination Event: [Applicable/Not Applicable]

PROVISIONS RELATING TO ANY INTEREST AMOUNT

14. Interest Provisions: [Applicable/Not Applicable – the Notes do not bear or pay interest]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) (A) Fixed Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

Interest Rate[s]: [[] per cent. per annum (specify each rate of interest if more than one)] [Not Applicable]

Interest Amount[s]: [[] per Calculation Amount (specify each amount if more than one)] [Not Applicable]

Broken Amount(s): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on][]] [Not Applicable]

Interest Payment Dates to which Fixed Rate Note provisions apply: [] [in each year] [adjusted in accordance with (Specify Business Day Convention) not adjusted] (See Condition 6(j))
 (if more than one fixed rate, specify Interest Payment Dates to which each fixed rate applies)

[EITHER:

I. Accrual: Not Applicable

[OR:

I. Accrual: Applicable

II. Range Accrual [Applicable: see paragraph (v) below] [Not Applicable]
 Notes:

III. Interest Period [Interest Payment Date(s)/[] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]]
 End Date(s):

(Insert particulars of any initial or final broken interest amounts which do not correspond with the Interest Amount)]

IV. Day Count [30/360] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes)
 Fraction: [Actual/Actual (ICMA)] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes)

[Actual/360] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes)

[30E/360] [Eurobond Basis] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes)

[1/1] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes)

V. [Determination Dates: [] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))]]

(B) Floating Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

I. Specified Period(s)/Specified Interest Payment Dates to which []

Floating Rate
Note provisions
apply:

- II. Interest Period End Date(s): [Interest Payment Date(s)/[] in each year [adjusted in accordance with [*specify Business Day Convention*]/not adjusted]] (*See General Condition 6(j)*)
- III. Manner in which the Interest Rate(s) is/are to be determined: [Screen Rate Determination/ISDA Determination]
- IV. Party responsible for calculating the Interest Rate(s) and/or Interest Amount(s): [Calculation Agent]/[]
- V. Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [] month [(the **Designated Maturity**) (*include where Linear Interpolation is applicable*)] [*insert currency*]
[EURIBOR/LIBOR/STIBOR/NIBOR/CIBOR/TIBOR/HIBOR] [BBSW (being the Sydney average mid rate for AUD bills of exchange)] [BKBM (being the Wellington rate for New Zealand Dollar bills of exchange)]
 - Specified Time: [] [Not Applicable]
 - Relevant Financial Centre: [] [Not Applicable]
 - Interest Determination Date(s): [*Specify e.g. any relevant Valuation Date(s)*]/[*specify*] day on which commercial banks are open for business (including dealing in foreign exchange and foreign currency deposits) in [*specify*] prior to the start of each Interest Period/First day of each Interest Period/[*specify*] day on which the TARGET2 System is open prior to the start of each Interest Period]
 - Page: []
 - Reference Banks: []

- VI. ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: [] [First day of the relevant Interest Period]
- VII. Linear Interpolation: [Not Applicable/Applicable - the Interest Rate for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- VIII. Margin(s): [Not Applicable/[+/-][] per cent. per annum]
- IX. Minimum Interest Rate: [●][Not Applicable]
(*Specify for each Interest Payment Date if different*)
- X. Maximum Interest Rate: [●][Not Applicable]
(*Specify for each Interest Payment Date if different*)
- XI. Day Count Fraction: [Actual/Actual] / [Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360] / [360/360] / [Bond Basis]
[30E/360] / [Eurobond Basis]
[30E/360 (ISDA)]
- XII. Interest Participation Rate: []/[Not Applicable]
- (C) Inflation Rate Note Provisions: [Applicable/Not Applicable]
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- I. Interest Payment Dates to which Inflation Rate Note provisions apply: [] [in each year] [adjusted in accordance with *specify Business Day Convention*]/not adjusted] (*See Condition 6(j)*)
- II. Interest Amount Inflation Index: (*specify Underlying*)
- III. Margin(s): [Not Applicable/[+/-][] per cent. per annum]

- IV. UCL Relevant Months Prior: (specify) months
- V. UCL 12 + Relevant Months Prior: (specify) months
- VI. DCF: [30/360]
 [Actual/Actual] / [Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [1/1]
- VII. Interest Participation Rate: [] [Not Applicable]
- VIII. Minimum Interest Amount: [[●] per Calculation Amount] [Not Applicable]
- IX. Maximum Interest Amount: [[●] per Calculation Amount] [Not Applicable]
- (D) DIR Inflation Linked Note Provisions [Applicable / Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- I. Interest Payment Dates to which DIR Inflation Linked Note provisions apply: [] [in each year][adjusted in accordance with [specify Business Day Convention]/not adjusted] (See Condition 6(j))
- II. DIR Index: (Specify Underlying)
- III. Base Index Figure: []
- IV. Margin: [Non Applicable / [+1-] [] per amount per annum
- V. Index Month A: (Specify) months
- VI. Index Month B: (Specify) months
- VII. DCF: [30/360]
 [Actual / Actual] / [Actual / Actual(ISDA)]
 [Actual / 365(Fixed)]

- [Actual / 365 (●)]
- [Actual / 360]
- [1 / 1]
- VIII. Interest Participation Rate: [] [Not Applicable]
- IX. Minimum Interest Amount: [(●) per Calculation Amount] [Not Applicable]
- X. Maximum Interest Amount: [(●) per Calculation Amount] [Not Applicable]
- (E) CMS Interest Linked Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- I. Interest Payment Date(s) to which CMS Interest Linked Note provisions apply: []
- II. Interest Period End Date(s): [Interest Payment Date(s)/[] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]]
- III. Party responsible for calculating the Interest Rate(s) and/or Interest Amount(s): [Calculation Agent]/[]
- Reference Rate: [] years [(the **Designated Maturity**) (include where *Linear Interpolation is applicable*)] [insert currency] CMS Reference Rate
 - Relevant Financial Centre: [] [Not Applicable]
 - Relevant Time: [] [Not Applicable]
 - Reference Currency: [] [Not Applicable]
 - Interest Determination: []

Date(s):

- Page: []
- Reference Banks: []

- IV. Linear Interpolation: [Not Applicable/Applicable - the Interest Rate for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- V. Margin(s): [Not Applicable/[+/-][] per cent. per annum]
- VI. Minimum Interest Rate: [●]/[Not Applicable] (*Specify for each Interest Payment Date if different*)
- VII. Maximum Interest Rate: [●]/[Not Applicable] (*Specify for each Interest Payment Date if different*)
- VIII. Day Count Fraction: [Actual/Actual] / [Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360] / [360/360] / [Bond Basis]
[30E/360] / [Eurobond Basis]
[30E/360 (ISDA)]
- IX. Interest Participation Rate: []/[Not Applicable]

(ii) [Interest Underlying Valuation Provisions:

- (A) Valuation (Scheduled Days): Disruption Trading [Move in Block/Value What You Can/Not Applicable][The provisions of Condition 2(c)(i) of the Valuation and Settlement Schedule [applies/do not apply.]

[Modified Following Scheduled Trading Day/Preceding Scheduled Trading Day] (*specify for a Rate only and where the provisions of Condition 2(c) of the Valuation and Settlement Schedule do not apply to that Rate*)

(B) Valuation Disruption [Move in Block/Value What You Can/Not Applicable]
(Disrupted Days): [Condition 2(d)(i) of the Valuation and Settlement Schedule applies]

(C) Valuation Roll: []/[eight] [Not Applicable]

(If no Valuation Roll is stated, Specified Maximum Days of Disruption will be equal to eight) (This would normally only apply for certain Range Accrual Notes and can otherwise be deleted)

[(In the case of Range Accrual Notes, the provisions of Condition 2 of the Valuation and Settlement Schedule will apply instead of this paragraph (ii))]

(iii) Inverse Floating Rate Note Provisions: [Applicable/Non Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

I. Interest Periods and/or Interest Payment Dates to which Inverse Floating Rate Note provisions apply: []

II. Inverse Fixed Rate: []

III. Inverse Reference Rate: []

(Include details of whether the Inverse Reference Rate is (A) one reference rate (a "Specified Rate") or (B) one reference rate (a "Specified Rate") minus another reference rate (a "Specified Rate"). Also include details in relation to the Inverse Reference Rate and each Specified Rate whether it is to be determined by reference to (i) the Floating Rate provisions and whether Screen Rate Determination applies or ISDA Determination applies or (ii) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Notes provisions as appropriate)

IV. Minimum Interest Rate: [●][Not Applicable]

V. Maximum Interest Rate: [●][Not Applicable]

(iv) Range Accrual Note Provisions: [Applicable/Non Applicable]

(If not applicable, delete the remaining sub-

paragraphs of this paragraph)

- I. Interest Periods and/or Interest Payment Dates to which Range Accrual Notes provisions apply: [] [in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted] (See Condition 6(j))
- II. Interest Rate[s] [] per cent. per annum (specify each rate of interest if more than one)
- III. Reference Observation: [specify what the Reference Observation will be from the options set out in Condition 4 of the Valuation and Settlement Schedule and specify details of the or each Reference Rate and where more than one Reference Rate whether the Barrier is different for each Reference Rate for each relevant interest period]
- IV. Barrier: [specify for each relevant interest period and where more than one Reference Rate whether the Barrier is different for each Reference Rate] [Not Applicable]
- V. Lower Range: [specify for each relevant interest period] [Not Applicable]
- Option: [Above and equal []/[Above]]
- VI. Upper Range: [specify for each relevant interest period] [Not Applicable]
- Option: [Below and equal []/[Below]]
- VII. calendar days or Business Days [calendar days/Business Days]
- VIII. Definition of Business Day (for Accrual Cut-Off Date): []
- IX. Reference Rate [One(s)]: [Details of the or each Reference Rate One, including any Margin and/or Interest Participation Rate] [Not Applicable]
- X. Reference Rate Two(s): [Details of the or each Reference Rate Two, including any Margin and/or Interest Participation Factor] [Not Applicable]
- XI. Barrier Reference: [Greater than the Barrier/Greater than or equal to the Barrier/Less than the Barrier/Less than or equal to the Barrier]
- XII. In respect of the Accrual Cut-Off Date, the Specified Number (the "Specified Number" is the []

specified number of calendar days or Business Days, preceding the last day of the relevant Interest Period and shall be five if none is specified).

- XIII. Any or All: [Any][All][Not Applicable]
- XIV. Minimum Interest Rate: [●][Not Applicable]
- XV. Maximum Interest Rate: [●][Not Applicable]
- XVI. Minimum Interest Amount: [[●] per Calculation Amount] [Not Applicable].
- XVII. Maximum Interest Amount: [[●] per Calculation Amount] [Not Applicable]

(v) Digital Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

I. Interest Periods and/or Interest Payment Dates to which Digital Note provisions apply: [] [in each year] [adjusted in accordance with [specify Business Day Convention]/not adjusted] (See Condition 6(j))

II. Back Up Rate: []

[Include details of whether the Back Up Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate]

III. Digital Reference Rate: []

[Include details of whether the Digital Reference Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest

Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate)]

IV. Reserve Rate: []

[Include details of whether the Reserve Rate is to be the sum of more than one rate (each a "Specified Rate") or one rate less another rate (each a "Specified Rate") and whether the Reserve Rate or each Specified Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate)]

V. Digital Rate: []

[Include details of whether the Digital Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. relevant Interest Determination Date, Margin and/or Interest Participation Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate)

VI. Reserve Rate Reference: [Greater than the Reserve Rate/Greater than or equal to the Reserve Rate/Less than the Reserve Rate/Less than or equal to the Reserve Rate]

VII. Minimum Interest Rate: [●][Not Applicable]

VIII. Maximum Interest Rate: [●][Not Applicable]

(vi) Digital Band Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

I. Interest Periods and/or Interest Payment Dates to which Digital Band Note provisions apply: [] [in each year] [adjusted in accordance with [specify Business Day Convention] / not adjusted] (See Condition 6(j))

II. Reference Rate Only or [Reference Rate Only]/Reference Rate One minus
Reference Rate One
minus Reference Rate
Two:

III. [Reference Rate:] []

Where there are different Reference Rate(s) for different Interest Periods and/or Interest Payment Dates, specify in relation to each Reference Rate(s), the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Include details of the or each Reference Rate, as applicable, and whether the Reference Rate is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

[Reference Rate One:] []

Where there are different Reference Rate Ones for different Interest Periods and/or Interest Payment Dates, specify in relation to each Reference Rate One, the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Include details of the or each Reference Rate One, as applicable, and whether Reference Rate One is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

[Reference Rate Two:] []

Where there are different Reference Rate Twos, for different Interest Periods and/or Interest Payment Dates specify in relation to each Reference Rate Two, the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Include details of the or each Reference Rate Two, as

applicable, and whether Reference Rate Two is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

IV. Bands:

Where there are different Bands for different Interest Periods and/or Interest Payment Dates, specify in relation to each Band the Interest Period and/or Interest Payment Dates to which it applies.

- (i) Band 1: [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [less than] [less than or equal to] [●] per cent.;
- (ii) Band 2: [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than][greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.;
- [(iii) (only include Band 3 if applicable): [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than][greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.;]

(if there are additional bands occurring after band 3 but before the last occurring band which shall be as described below repeat (iii) above for such additional bands but with the relevant band levels)

- [(●) Band [●] (to be numerically labelled as the last band so if four bands in total this would be "Band 4") [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than] [greater than or equal to] [●] per cent.]

V. (A) Band Rate in relation to Band 1:

Where there are different Band Rates for different Interest Periods and/or Interest Payment Dates, specify in relation to each Band Rate the Interest Periods and/or Interest Payment Dates to which it applies.

[Include details of the Band Rate for Band 1 and whether the Band Rate in relation to Band 1 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus

Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to Band 1]

[Band Rate One:]

[]

[Include details of Band Rate One in relation to Band 1 and whether Band Rate One in relation to Band 1 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 1 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 1 above")

[Band Rate Two:]

[]

[Include details of Band Rate Two in relation to Band 1 and whether Band Rate Two in relation to Band 1 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 1 is determined pursuant to (ii) above of "Band Rate in relation to Band 1 above")

(B) Band Rate in relation to Band 2:

[]

[Include details of the Band Rate for Band 2 and whether the Band Rate in relation to Band 2 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to Band 2]

[Band Rate One:]

[]

[Include details of Band Rate One in relation to Band 2 and whether Band Rate One in relation to Band 2 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 2 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 2 above")

[Band Rate Two:]

[]

[Include details of Band Rate Two in relation to Band 2 and whether Band Rate Two in relation to Band 2 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 2 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 2 above")

[(C) Band Rate in relation to Band 3
(only include if applicable):

[]

[Include details of the Band Rate for Band 3 and whether the Band Rate in relation to Band 3 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to Band 3]

[Band Rate One:]

[]

[Include details of Band Rate One in relation to Band 3 and whether Band Rate One in relation to Band 3 is to be determined by reference to (a) the Floating Rate

Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 3 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 3 above")

[Band Rate Two:]

[]

[Include details of Band Rate Two in relation to Band 3 and whether Band Rate Two in relation to Band 3 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 3 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 3 above")

(if there are additional band rates occurring after the band rate in relation to band 3 but before the last occurring band rate which shall be as described below, repeat (C) above for all such additional band rates but with all the relevant band rate details)

[(D)] Band Rate in relation to Band [●]:

[]

[Include details of the Band Rate for the last Band and whether the Band Rate in relation to the last Band is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to the last Band]

[Band Rate One:]

[]

[Include details of Band Rate One in relation to the last Band and whether Band Rate One in relation to the last Band is to be determined by reference to (a)

the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to the last Band is determined pursuant to paragraph (ii) of "Band Rate in relation to Band [●] above")

[Band Rate Two:]

[]

[Include details of Band Rate Two in relation to the last Band and whether Band Rate Two in relation to the last Band is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to the last Band is determined pursuant to paragraph (ii) of "Band Rate in relation to Band [●] above")

(If there are additional bands repeat as necessary and modify as above for all additional bands)

(vii) Spread Note Provisions:

[Applicable/Non Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

I. Interest Periods and/or Interest Payment Dates to which Spread Note provisions apply: [] [in each year] [adjusted in accordance with [specify Business Day Convention]/not adjusted] (See Condition 6(j))

II. Option One or No Option One: [Option One] [No Option One]

III. Spread Rate 1: []

(Specify whether Spread Rate 1 is (i) one reference rate or (ii) the sum of specified reference rates or (iii) one specified reference rate minus another specified reference rate and, in each case, if not a fixed rate, include details of in respect of each such rate as to whether such rate is to be determined by reference to (i) the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination applies or (ii) the CMS Interest

Linked Note provisions or (iii) the Inflation Rate provisions or (iv) the DIR Inflation Linked provisions, and in all cases specify details of all other relevant terms for each such rate e.g. any relevant Interest Determination Date, Margin, any Interest Participation Rate, any Minimum Interest Rate, Maximum Interest Rate, Minimum Interest Amount and/or any Maximum Interest Amount)

IV. Spread Rate 1 Interest Participation Rate: [] [Not Applicable]

V. Spread Rate 2: []

(Specify whether Spread Rate 2 is (i) one reference rate or (ii) the sum of specified reference rates or (iii) one specified reference rate minus another specified reference rate and, in each case, if not a fixed rate, include details in respect of each such rate as to whether such rate is to be determined by reference to (i) the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination applies or (ii) the CMS Interest Linked Note provisions or (iii) the Inflation Rate provisions or (iv) the DIR Inflation Linked provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, any Interest Participation Rate, any Minimum Interest Rate, Maximum Interest Rate, Minimum Interest Amount and/or any Maximum Interest Amount)

VI. Spread Rate 2 Interest Participation Rate: [] [Not Applicable]

VII. Minimum Interest Rate: [●][Not Applicable]

VIII. Maximum Interest Rate: [●][Not Applicable]

PROVISIONS RELATING TO ZERO COUPON NOTES

15. **Zero Coupon Provisions** [Applicable/Not Applicable]

(i) Amortisation Yield: [Not Applicable]/[] per cent. per annum.]

(ii) Reference Price: []

- (iii) Day Count Fraction in relation to Early Redemption Amounts:
 - [[30/360]
 - [Actual/360]
 - [Actual/360]]
 - [Not Applicable]

PROVISIONS RELATING TO REDEMPTION

16. Redemption Provisions:

- (i) Issuer Call [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Optional Redemption Date(s): []
- (B) Optional Redemption Amount: [] per Calculation Amount
- (C) If redeemable in part:
 - I. Minimum Redemption Amount: [[] per Calculation Amount][Not Applicable]
 - II. Maximum Redemption Amount: [[] per Calculation Amount][Not Applicable]
- (D) Notice period: [As set out in the General Conditions] [Not less than [(specify)] Business Days]

(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent).

- (ii) Investor Put [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Optional Redemption Date(s): []
- (B) Optional Redemption Amount: [] per Calculation Amount

(C) Notice period: [As set out in the General Conditions] [Not less than [(specify)] Business Days]

(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems (which require a minimum of 15 business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)

(iii) Redemption Amount: [(specify) per Calculation Amount]

(iv) Early Redemption Amount: [Fair Market Value]
[Principal Amount plus accrued interest]
[Amortised Face Amount]
[Other] (specify an amount only)

PROVISIONS RELATING TO SWITCHER OPTION

17. Switcher Option Provisions

Switcher Option: [Applicable/Not Applicable]
[if not applicable, delete the remaining sub-paragraphs of this paragraph]

(A) Switcher Interest Commencement Date(s): []

(B) New Interest Basis: [include details of the New Interest Basis or the or each Switcher Interest Commencement Date including cross referring to relevant paragraphs herein and including any relevant Interest Determination Date and/or Margin and/or Interest Participation Rate]

(C) Conversion Amount per Calculation Amount payable by the Issuer: [include details of any conversion amount payable by the Issuer and the relevant Switcher Interest Commencement Date in respect of which it is payable if more than one][Not Applicable]

(D) Switcher Payment Date: [] [Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

18. **Form of Notes:** [Bearer Notes: []]

(N.B. Bearer Notes will only be issued subject to such immobilisation conditions as are agreed by the Issuer, such that the Notes are treated as issued in registered form for U.S. federal income tax purposes)

[Registered Notes]

Regulation S Global Registered Note Certificate (U.S.\$[] principal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]/Rule 144A Global Registered Note Certificate (U.S.\$[] principal amount registered in the name of a nominee for [DTC/ a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg])]

[Swedish Notes - insert details (including details of the Swedish Notes Issuing and Paying Agent and the provisions of the Fiscal Agency Agreement which apply to the Notes)]

[Finnish Notes – insert details (including details of the Finnish Notes Issuing and Paying Agent)]

19. New Global Note/New Safekeeping Structure: [No/Yes – New [Global Note/Safekeeping Structure] applies] [Not Applicable]
20. Business Centres: []
(N.B. this paragraph relates to the definition of Business Day)
21. Business Day Jurisdiction(s) or other special provisions relating to payment dates: [Not Applicable/give details]
(N.B. this paragraph relates to the date and place of payment)
22. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No][Not Applicable]
23. Redenomination: [Not Applicable/[Applicable: The provisions of Condition 16 of the General Conditions apply]
24. Consolidation provisions: [Not Applicable/[The provisions of Condition 12 of the General Conditions apply]
[The Issuer shall have the right to obtain extracts from the register of creditors (*Sw.skuldbok*) from Euroclear Sweden - only applicable in case of Swedish Notes]
The Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Notes, provided that it is technically possible for Euroclear Finland to maintain such a list.]¹⁰

25. Realisation Disruption: [Applicable/Not Applicable]
26. Name and address of Calculation Agent: [Citibank, N.A./Citigroup Global Markets Limited/Citigroup Global Markets Inc.] [(acting through its (*specify*) department/group (or any successor department/group))] at [●]
27. Determinations: [Sole and Absolute Determination/Commercial Determination]

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Admission to trading and listing: [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market (for example, the Regulated Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the official list of the Irish Stock Exchange)] with effect from on or around [] [Not Applicable]

Tranche [] of the Notes has been admitted to trading on [specify relevant regulated market (for example, the Regulated Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the official list of the Irish Stock Exchange)] with effect from [] (Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading)

[Estimated expenses relating to [●]]**
admission to trading:

2. RATINGS

Ratings: The Notes are [not] rated. [The rating of the Notes is:

- (i) [S&P: []]
- (ii) [Moody's: []]
- (iii) [Fitch: []]
- (iv) [[Other]: []]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]*

[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with such Regulation.]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [[Insert

the legal name of the relevant non-EU credit rating agency entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation. [As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation.] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/ Mexico (*delete as appropriate*)] which have been endorsed by [*insert the legal name of the relevant EU CRA entity that applied for registration*] may be used in the European Union by the relevant market participants.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].

[[*Insert legal name of the relevant credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding

registration decision has not yet been provided by the European Securities and Markets Authority [and *[insert the legal name of the relevant credit rating agency]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation].]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of *[insert the legal name of the relevant EU credit rating agency entity that applied for registration]*, which is established in the European Union, disclosed the intention to endorse credit ratings of *[insert the legal name of the relevant non-EU credit rating agency entity]*, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and *[insert the legal name of the relevant EU credit rating agency entity]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation].

The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/ Singapore/Argentina/Mexico (*delete as appropriate*)] which have been endorsed by *[insert the legal name of the relevant EU CRA entity that applied for registration]* may be used in the EU by the relevant market participants.]]

[If reference is made to the ratings of Citigroup Inc. then insert the legal name of the relevant credit rating agency entity and the status of its application under the CRA Regulation]

[Include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

[Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the

inclusion of the following statement:

[Save for any fees payable to [the Dealer[s]/the Distributors/specify]/Save as discussed in ["Subscription and sale and transfer and selling restrictions"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the Offer [. The [Dealers/Distributors] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the CGMFL Guarantor] and [its/their] affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]]

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive)

4. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Reasons for the Offer: []]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)

(ii) [Estimated net proceeds:] []]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding)

(iii) [Estimated total expenses:] []]

(Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses")

(It is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where reasons for the offer are different from making profit and/or hedging certain risks and such reasons are included at (i) above)]

5. [YIELD (Fixed Rate Notes only)

[Indication of yield/Unified Yield Rate]: [specify rate of range of rates]

(specify Unified Yield Rate for non-Exempt offers in the Republic of Hungary only)

[Calculated as [include specific details of method of calculation in summary form] on the Issue Date]*
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. HISTORICAL INFORMATION CONCERNING THE UNDERLYLING

Details of historic [LIBOR/EURIBOR/NIBOR/STIBOR/CIBOR/TIBOR/HIBOR/BBSW/BKBM] rates can be obtained from [●]]]

Performance of Inflation Index of effect on value of investment and associated risks and other information concerning the Inflation Index: (*Inflation Rate and DIR Inflation Linked Notes only*)

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include details of where past and future performances and volatility of [the/each] index can be obtained] [Need to include the name of [the/each] index need to include details of where the information about [the/each] index can be obtained]

[Include any disclaimer wording required by the Index Sponsor(s)]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]]

7. OPERATIONAL INFORMATION

ISIN Code: [●]
Common Code: [●] [Not Applicable]
CUSIP [●] [Not Applicable]
WKN: [●] [Not Applicable]
Valoren: [●] [Not Applicable]

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme and DTC and the relevant identification number(s) and details relating to the relevant depository, if applicable: [Not Applicable/give name(s) and number(s) [and references to the [Relevant Clearing System/(specify)]] shall be deemed to be references to such clearing system]

The Notes will be accepted for settlement in Euroclear UK & Ireland Limited (**CREST**) via the CREST Depository Interest (CDI) mechanism.

[Euroclear Sweden AB]/[Euroclear Finland Oy]

Delivery: Delivery [versus/free of] payment

Names and address of the Swedish Notes Issuing and Paying Agent (if any): [Nordea Bank AB (publ), Smålandsgatan 17, 105 71 Stockholm, Sweden]/[Not Applicable]

Names and address of the Finnish Notes Issuing and Paying Agent (if any): [Nordea Bank Finland Plc, Aleksis Kiven Katu 3-5, Helsinki, Finland]/[Not Applicable]

Names and addresses of additional Paying [] [Not Applicable]

Agent(s) (if any):

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the New Safekeeping Structure.] *[Include this text for Registered Notes which are to be held under the New Safekeeping Structure or NSS]* and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met] *(include this text if "yes" selected in which case Bearer Notes must be issued in NGN form)*

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS.] *[include this text for Registered Notes which are to be held under the NSS]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

8. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names [and addresses of the Lead Manager and the other Managers and underwriting commitments]*: [Not Applicable/*give names, addresses and underwriting commitments*]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)

- (iii) [Date of [Subscription] Agreement: [Not Applicable][*specify*]]

- (iv) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- (v) If non-syndicated, name and address of Dealer: [Not Applicable/*give name and address*]
- (vi) [Total commission and concession: [None/[] per cent. of the Aggregate Principal Amount/No commissions and concessions are payable by the Issuer to the Dealer. The [*specify type of fee or commission*]] payable by the Dealer to any distributor is (*specify*) of the Aggregate Principal Amount. Investors can obtain more information about the fee by contacting the Dealer at the address set out herein/[up to] (*specify*) per cent. of the Aggregate Principal Amount which comprises the (*specify type of fee or commission*) payable to the [Authorised Offeror]. Investors can obtain more information about this fee by contacting the relevant [Authorised Offeror] or the Dealer at the relevant address(es) set out herein. It is anticipated that the exact amount of the (*specify type of fee or commission*) will be published by the Issuer on the web-site of the Irish Stock Exchange on or around (*specify*). In addition to (*specify any relevant offer price*), the [Authorised Offeror] may charge investors in (*specify*) a (*specify type of fee or commission*) of [up to] (*specify*) per cent. of the Aggregate Principal Amount. Investors can obtain more information about this fee by contacting the [Authorised Offeror] at the address(es) set out herein]
- (vii) Swiss selling restrictions: [Not Applicable] [The Notes may be offered, sold, advertised or otherwise distributed directly or indirectly, in, into or from Switzerland except to qualified investors as defined in article 10 of the Swiss Collective Investment Schemes Act. For the avoidance of doubt, such offer in Switzerland does not constitute a Non-exempt Offer for the purposes of the Prospectus Directive] (Include if the Notes are to be publicly offered in Switzerland)
- (viii) Non-exempt Offer: [Not Applicable] [An offer [(The [●] Offer)] of the Notes may be made by [the Dealer(s)] [and [●]] (the [●] Initial Authorised Offeror(s)) other than pursuant to Article 3(2) of the Prospectus Directive [and [●]] during the period from (and including) [●] to (and including) [●] (the [●] Offer Period)] [●] ([●]) [[and] any additional financial intermediaries]

who have or obtain the Issuer's consent to use the Base Prospectus and this Final Terms in connection with the Non-exempt Offer and who are identified on the Issuer's website at [www.[●]] as an Authorised Offeror] (together, being persons to whom the issuer has given consent, the [●] **Authorised Offerors**) other than pursuant to Article 3(2) of the Prospectus Directive in [●] during the period from [●] until [●] (the [●] **Offer Period**).

(specify for each jurisdiction in which a Non-exempt offer is being undertaken)

Offers (if any) in any Member State other than the public Offer Jurisdiction(s) will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus

[**Authorised Offeror(s)** means [●] [and [●]].]

[**Initial Authorised Offeror(s)** means [●] [and [●]].]

Public Offer Jurisdiction(s) means [●] [and [●]]

See further Paragraph 9 Terms and Conditions of Offer below.

(ix) [General Consent: [Not Applicable][Applicable]]

(x) [Other conditions to consent: [Not Applicable][Add here any other conditions to which the consent given is subject].]

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make the Offer where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)

9. TERMS AND CONDITIONS OF THE OFFER

(Delete whole section if sub-paragraph 8(viii) above is specified to be Not Applicable)

Offer Price: [Issue Price][specify]

Conditions to which the Offer is subject: [Not Applicable/give details]

Description of the application process: [Not Applicable/give details]

Description of possibility to reduce [Not Applicable/give details]

subscriptions and manner for refunding excess amount paid by applicants:

Details of the minimum and/or maximum amount of application: [Not Applicable/give details]

Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/give details]

Manner in and date on which results of the offer are to be made public: [Not Applicable/give details]

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]

Whether tranche(s) have been reserved for certain countries: [Not Applicable/give details]

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not Applicable/give details]

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/give details]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place. [None/give details]

10. UNITED STATES TAX CONSIDERATIONS

[For U.S. federal income tax purposes, the Issuer will treat the Notes as [fixed-rate debt/fixed-rate debt issued with OID/contingent payment debt instruments, [for which purpose, the comparable yield relating to the Notes will be [] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Note consists of the following payments: []/for which purpose, the comparable yield and the projected payment schedule are available by contacting [] at []]/variable rate debt instruments/variable rate debt instruments issued with OID/foreign currency Notes/foreign currency Notes issued with OID/foreign currency contingent payment debt instruments, [for which purpose, the comparable yield relating to the Notes will be [] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Note consists of the following payments: []/for which purpose, the comparable yield and the projected payment schedule are available by contacting [] at []]/short-term Notes.]

Notes:

- * Delete if the minimum denomination is greater than or equal to EUR100,000 (or its equivalent)
- ** Delete if the minimum denomination is less than EUR100,000 (or its equivalent)

[ANNEX]

SUMMARY OF THE NOTES

(insert completed Summary for the Notes where the denomination of the Notes is less than EUR100,000)]¹⁰

SECTION F.3 – PRO FORMA PRICING SUPPLEMENT

Pricing Supplement dated []

[Citigroup Inc./Citigroup Global Markets Funding Luxembourg S.C.A.]¹

Issue of [Specify Aggregate Principal Amount of Tranche/(specify aggregate number of Units of Tranche)

Units of (specify principal amount of each Unit)] [Title of Notes]

[Guaranteed by Citigroup Global Markets Limited]²

Under the U.S.\$30,000,000,000 Global Medium Term Note Programme

[The Notes do not constitute a participation in a collective investment scheme in the meaning of the Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority (FINMA) thereunder. Accordingly, neither the Notes nor holders of the Notes benefit from protection under the Federal Act on Collective Investment Schemes or supervision by the Swiss Financial Market Supervisory Authority (FINMA) and investors are exposed to the credit risk of the Issuer [and the CGMFL Guarantor]2.]³

No prospectus is required in accordance with the Prospectus Directive (as defined below) in relation to Notes which are the subject of this Pricing Supplement.

The Base Listing Particulars referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. None of the Issuer[, the CGMFL Guarantor]2 and any Dealer has authorised, nor does any of them authorise, the making of any offer of Notes in any other circumstances.

The expression **Prospectus Directive** means Directive 2003/71/EC, as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in the Relevant Member State).

The Notes [and the CGMFL Deed of Guarantee]2 have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any state securities law. [The Notes [and the CGMFL Deed of Guarantee]3 are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**) and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S) Each purchaser of the Notes or any beneficial interest therein will be deemed to have represented and agreed that it is outside the United States and is not a U.S. person and will not sell, pledge or otherwise transfer the Notes or any beneficial interest therein at any time within the United States or to, or for the account or benefit of, a U.S. person, other than the Issuer or any affiliate thereof.]⁴ [The Notes are being offered and sold solely to "qualified institutional buyers" (**QIBs**) in reliance on the exemption from registration under the Securities Act provided by Rule 144A thereunder (**Rule 144A**). Each purchaser of the Notes or any beneficial interest therein will be deemed to have represented and agreed that it and each account for which it is purchasing (or holding) Notes is a QIB and that it will not sell, pledge or otherwise transfer the Notes or any beneficial

¹ Delete as applicable.

² Delete where the Issuer is Citigroup Inc.

³ Include this legend where the Notes are offered in Switzerland.

⁴ Include for Notes offered in reliance on Regulation S.

interest therein at any time to any person other than (a) the Issuer or any affiliate thereof or (b) a person it reasonably believes to be a QIB purchasing the Notes for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of any State of the United States and any other jurisdiction.]⁵ The Notes [and the CGMFL Deed of Guarantee]² do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Notes has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended. For a description of certain restrictions on offers and sales of Notes, see "*General Information relating to the Programme and the Notes - Subscription and sale and transfer and selling restrictions*" in the Base Listing Particulars.

The Notes may not be offered or sold to, or acquired by, any person that is, or whose purchase and holding of the Notes is made on behalf of or with "plan assets" of, an employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**), a plan, individual retirement account or other arrangement subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or an employee benefit plan or plan subject to any laws, rules or regulations substantially similar to Title I of ERISA or Section 4975 of the Code.

PART A – CONTRACTUAL TERMS

The Notes are [Bearer Notes/Registered Notes]. [The Notes are also Swedish Notes./The Notes are also Finnish Notes.]¹

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the section[s] entitled ["*Terms and Conditions of the Notes*", the Valuation and Settlement Schedule and the Underlying Schedule[s] applicable to [the/each] Underlying] in the Base Listing Particulars [and the Supplement[s]].

This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Listing Particulars [as so supplemented]. Full information on the Issuer[, the CGMFL Guarantor]² and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Listing Particulars [as so supplemented].

The Base Listing Particulars [and the Supplement[s]] [is] [are] available for viewing at the offices of the Paying Agents and on the web-site of the Central Bank of Ireland (www.centralbank.ie). [In addition, this Pricing Supplement is available [(*specify*)]]¹.

[*Use this paragraph if the Base Listing Particulars has not been supplemented:* For the purposes hereof, **Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars in relation to the Programme dated [].]

[*Use this paragraph if the Base Listing Particulars has been supplemented:* For the purposes hereof, **Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [No.[]]**) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements**].]

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Listing Particulars with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth under the section[s] entitled "*Terms and Conditions of the Notes*", [and the Underlying Schedule[s] applicable to [the/each] Underlying] in the Base Listing Particulars [as supplemented by the Supplement[s]].

⁵ Include for Notes offered in reliance on Rule 144A.

This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Current Base Listing Particulars [and the Supplement[s] thereto, save in respect of the Conditions which are extracted from the Base Listing Particulars [as supplemented by the Supplement[s] thereto] and are incorporated by reference into the Base Listing Particulars. Full information on the Issuer[, the CGMFL Guarantor]² and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Listing Particulars [and the Supplement[s] thereto] and the Current Base Listing Particulars [and the Supplement[s] thereto].

The Base Listing Particulars [and the Supplement[s] to the Base Listing Particulars and the Current Base Listing Particulars [and the Supplement[s] to the Current Base Listing are available for viewing at the offices of the Paying Agents and on the web-site of the Central Bank of Ireland (www.centralbank.ie). In addition, this Pricing Supplement is available [(specify)].]

[Use this paragraph if the Conditions have not been amended by way of a Supplement to the Base Listing Particulars: For the purposes hereof, **Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars relating to the Programme dated [].]

[Use this paragraph if the Conditions have been amended by way of a Supplement to the Base Listing Particulars: For the purposes hereof, **Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [to the Base Listing Particulars]** [No.[]]) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements to the Base Listing Particulars**)].]

[Use this paragraph if the Current Base Listing Particulars has not been supplemented: For the purposes hereof, **Current Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars relating to the Programme dated [].]

[Use this paragraph if the Current Base Listing Particulars has been supplemented: For the purposes hereof, **Current Base Listing Particulars** means the [Citigroup Inc./CGMFL] Rates Base Listing Particulars relating to the Programme dated [], as supplemented by a Supplement (No.[]) dated [] ([the] **Supplement [to the Current Base Listing Particulars]** [No.[]]) [and a Supplement (No.[]) dated [] (**Supplement No.[]**) and, together with Supplement No.[], the **Supplements to the Current Base Listing Particulars**)].]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

1. (i) Issuer: [Citigroup Inc./Citigroup Global Markets Funding Luxembourg S.C.A.]¹
- (ii) Guarantor: [Citigroup Global Markets Limited/Not Applicable]
(N.B. Only Notes issued by Citigroup Global Markets Funding Luxembourg S.C.A are guaranteed by Citigroup Global Markets Limited)
2. (i) Series Number: []
- (ii) Tranche Number: []
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
- (iii) Date on which the Notes will [Not Applicable] [The Notes will be consolidated and form

- be consolidated and form a single Series with [*identify earlier Tranches*] on []/[the Issue Date]]
3. Specified Currency or Currencies: [*specify currency*]
4. Aggregate Principal Amount:
- (i) Series: [] [Units (each Unit being [] in principal amount of the Notes)]
- (ii) Tranche: [] [Units (each Unit being [] in principal amount of the Notes)]
- [The Notes are issued in Units. Accordingly, references herein to Units shall be deemed to be references to [] in principal amount of the Notes and all references in the Conditions to payments being made in respect of a Calculation Amount shall be construed to such payments being made in respect of a Unit]
5. Issue Price: [] per cent. of the Aggregate Principal Amount [plus accrued interest from [*insert date*]](*insert for fungible issues, if applicable*)
6. (i) Specified Denominations: [] [Unit]
- (*in the case of Registered Notes, this means the minimum integral amount in which transfers can be made*)
- (*In respect of Swedish Notes and Finnish Notes, there shall be one denomination only.*)
- (ii) Calculation Amount: [] [Unit]
- (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. N.B. There must be a common factor in the case of two or more Specified Denominations*)
7. (i) Issue Date: []
- (ii) Interest Commencement Date: [*specify*]/Issue Date/Not Applicable]
- (*Where there is more than one interest basis then the Interest Commencement Date for each interest basis should be specified*)
8. Maturity Date: [*specify date*][, subject to adjustment in accordance with the [Modified][Preceding][Following] Business Day Convention] [Interest Payment Date falling in or nearest to [●]]

9. Type of Notes: [Fixed Rate Notes/Floating Rate Notes/Inflation Rate Notes/DIR Inflation Linked Notes/CMS Interest Linked Notes/Inverse Floating Rate Notes/Range Accrual Notes/Digital Notes/Spread Notes] [The Notes are Zero Coupon Notes and do not bear or pay any interest.]
- The Notes may be one or more of the types described above and as further set out below.
10. Change of Type of Note: [Applicable [*Describe changes*]/Not Applicable]
11. Put/Call Options: [Issuer Call as specified in item 16(i) above]
[Investor Put as specified in item 16(ii) above]
[Not Applicable]
12. (i) Status of the Notes: Senior
- (ii) Status of the CGMFL Deed of Guarantee: [Senior][Not Applicable]
(Not applicable for Notes issued by Citigroup Inc.)

PROVISIONS RELATING TO UNDERLYING LINKED NOTES

13. Underlying Linked Notes Provisions: [Applicable – the provisions in the Valuation and Settlement Schedule apply (subject as provided in any relevant Underlying Schedule)][Not Applicable]
- (i) Underlying: *[If not applicable, delete the remaining sub-paragraphs of this paragraph]*
- (A) Description of Underlying(s): *[specify each Underlying]*
- (B) Classification: *[Inflation Index (this applies for both Inflation Rate Notes and DIR Inflation Linked Notes)][Rate (this would normally only apply for Range Accrual Notes and can otherwise be deleted)]*
(specify for each Underlying)
- (C) Electronic Page: [] *(specify for each Underlying)*
- (ii) Particulars in respect of each Underlying: *(Delete the sub-paragraphs which are not applicable)*
- Inflation Index/Indices: *(specify for each Inflation Index)*
- (A) Fallback Bond: [Applicable: The definition set out in Condition 1 of the Inflation Index Conditions shall apply/(specify)][Not Applicable]
- (B) Revision of level of Inflation Index: [Revision/No Revision]
(NB: If neither "Revision" nor "No Revision" is specified,

"No Revision" will be deemed to apply])

[Rate(s):

- (A) Valuation Time: [(specify)]
- (B) Scheduled Trading Day: [A Business Day][A day on which commercial banks are open for general business (including deadlings in foreign exchange and foreign currency deposits) in [●] (specify each)]

(This would normally only apply for certain Range Accrual Notes and can otherwise be deleted)

- (iii) Elections in respect of each type of Underlying: *(Delete the sub-paragraphs which are not applicable)*
(the following information may be tabulated)

[Inflation Index/Indices:

- (A) Reference Month(s): [In respect of a Valuation Date [(specify)]]
- (B) Manifest Error Cut-off Date: [2 Business Days prior to the [relevant] Payment Date/specify]
- (NB: If no Manifest Error Cut-off Date is specified, the cut-off date will be 2 Business Days prior to any relevant Payment Date)*

- (C) Revision Cut-off Date: [2 Business Days prior to the [relevant] Payment Date/specify]
- (NB: If no Revision Cut-off Date is specified, the cut-off date will be 2 Business Days prior to any relevant Payment Date)]*

[Rate/Rates:

- (A) ISDA Fallback Determination: [Applicable/Not Applicable]
- (if Not Applicable, the following provisions are Not Applicable)*
- I. Floating Rate Option: [(specify)/Not Applicable]
- II. Designated Maturity: [(specify)/Not Applicable]
- (B) Correction Provisions [Applicable/Not Applicable]

(This would normally only apply for certain Range Accrual Notes and can otherwise be deleted)

- (iv) Trade Date: []
- (v) Hedging Disruption Early Termination Event: [Applicable/Not Applicable]

PROVISIONS RELATING TO ANY INTEREST AMOUNT

14. Interest Provisions: [Applicable/Not Applicable – the Notes do not bear or pay interest]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) (A) Fixed Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

Interest Rate[s]: [[] per cent. per annum (specify each rate of interest if more than one)] [Not Applicable]

Interest Amount[s]: [[] per Calculation Amount (specify each amount if more than one)] [Not Applicable]

Interest Payment Dates to which Fixed Rate Note provisions apply: [] [in each year] [adjusted in accordance with (specify Business Day Convention)/not adjusted] (See Condition 6(j)) (if more than one fixed rate, specify Interest Payment Dates to which each fixed rate applies)

[EITHER:

I. Accrual: Not Applicable

[OR:

II. Accrual: Applicable

III. Range Accrual Notes: [Applicable: see paragraph (v) below][Not Applicable]

IV. Interest Period End Date(s): [Interest Payment Date(s)/[] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]]

(Insert particulars of any initial or final broken interest amounts which do not correspond with the Interest Amount)]

V. Day Count Fraction: [30/360] [x Accrual Rate] (Accrual Rate applies where the Notes are Range Accrual Notes) [Actual/Actual (ICMA)] [x Accrual Rate] (Accrual Rate

applies where the Notes are Range Accrual Notes)

[Actual/360] [x Accrual Rate] (*Accrual Rate applies where the Notes are Range Accrual Notes)*)

[30E/360] [Eurobond Basis] [x Accrual Rate] (*Accrual Rate applies where the Notes are Range Accrual Notes)*)

[1/1] [x Accrual Rate] (*Accrual Rate applies where the Notes are Range Accrual Notes)*)

- VI. [Determination Dates: [] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*]]
- (B) Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- I. Specified Period(s)/Specified Interest Payment Dates to which Floating Rate Note provisions apply: []
- II. Interest Period End Date(s): [Interest Payment Date(s)/[] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]] (*See Condition 6(j)*)
- III. Manner in which the Interest Rate(s) is/are to be determined: [Screen Rate Determination/ISDA Determination]
- IV. Party responsible for calculating the Interest Rate(s) and/or Interest Amount(s): [Calculation Agent]/[]
- V. Screen Rate Determination: [Applicable/Not Applicable]

- Reference Rate: [] month [(the **Designated Maturity**) (include where *Linear Interpolation is applicable*)] [insert currency] [EURIBOR/LIBOR/STIBOR/NIBOR/CIBOR/TIBOR/HIBOR] [BBSW (being the Sydney average mid rate for AUD bills of exchange)] [BKBM (being the Wellington rate for New Zealand Dollar bills of exchange)]
- Specified Time: [] [Not Applicable]
- Relevant Financial Centre: [] [Not Applicable]
- Interest Determination Date(s): [(Specify e.g. any relevant Valuation Date(s))/(specify)] day on which commercial banks are open for business (including dealing in foreign exchange and foreign currency deposits) in [(specify)] prior to the start of each Interest Period/First day of each Interest Period/[(specify)] day on which the TARGET2 System is open prior to the start of each Interest Period]
- Page: []
- Reference Banks: []

VI. ISDA Determination: [Applicable/Not Applicable]

- Floating Rate Option: []
- Designated Maturity: []
- Reset Date: [] [First day of the relevant Interest Period]

VII. Linear Interpolation: [Not Applicable/Applicable - the Interest Rate for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]

VIII. Margin(s): [Not Applicable/[+/-][] per cent. per annum]

IX. Minimum Interest Rate: [●][Not Applicable] (Specify for each Interest Payment Date if different)

X. Maximum Interest Rate: [●][Not Applicable] (Specify for each Interest Payment Date if different)

- XI. Day Count Fraction: [Actual/Actual] / [Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [30/360] / [360/360] / [Bond Basis]
 [30E/360] / [Eurobond Basis]
 [30E/360 (ISDA)]
- XII. Interest Participation Rate: []/[Not Applicable]
- (C) Inflation Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- I. Interest Payment Dates to which Inflation Rate Note provisions apply: [] [in each year] [adjusted in accordance with *specify Business Day Convention*/not adjusted] (*See Condition 6(j)*)
- II. Interest Amount Inflation Index: (*specify Underlying*)
- III. Margin(s): [Not Applicable/[+/-][] per cent. per annum]
- IV. UCL Relevant Months Prior: (*specify*) months
- V. UCL 12 + Relevant Months Prior: (*specify*) months
- VI. DCF: [30/360]
 [Actual/Actual] / [Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [1/1]
- VII. Interest [] [Not Applicable]

- Participation Rate:
- VIII. Minimum Interest Amount: per Calculation Amount [Not Applicable]
- IX. Maximum Interest Amount: per Calculation Amount [Not Applicable]
- (D) DIR Inflation Linked Note Provisions [Applicable / Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- I. Interest Payment Dates to which DIR Inflation Linked Note provisions apply: [] [in each year] [adjusted in accordance with *specify Business Day Convention/not adjusted*] (*See Condition 6(j)*)
- II. DIR Index: (*Specify Underlying*)
- III. Base Index Figure: []
- IV. Margin: [Non Applicable] / [+1-] [] per amount per annum
- V. Index Month A: (*Specify*) months
- VI. Index Month B: (*Specify*) months
- VII. DCF: [30/360]
- [Actual / Actual] / [Actual / Actual(ISDA)]
- [Actual / 365(Fixed)]
- [Actual / 365 (●)]
- [Actual / 360]
- [1 / 1]
- VIII. Interest Participation Rate: [] [Not Applicable]

- IX. Minimum Interest Amount: per Calculation Amount [Not Applicable]
- X. Maximum Interest Amount: per Calculation Amount [Not Applicable]
- (E) CMS Interest Linked Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- I. Interest Payment Date(s) to which CMS Interest Linked Note provisions apply: []
- II. Interest Period End Date(s): [Interest Payment Date(s)/[] in each year [adjusted in accordance with *[specify Business Day Convention]*/not adjusted]]
- III. Party responsible for calculating the Interest Rate(s) and/or Interest Amount(s): [Calculation Agent]/[]
- Reference Rate: [] years [(the **Designated Maturity**) (*include where Linear Interpolation is applicable*)] [*insert currency*] CMS Reference Rate
 - Relevant Financial Centre: []/[Not Applicable]
 - Relevant Time: []/[Not Applicable]
 - Reference Currency: []/[Not Applicable]

- Interest Determination Date(s): []
- Page: []
- Reference Banks: []

- IV. Linear Interpolation: [Not Applicable/Applicable - the Interest Rate for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)
- V. Margin(s): [Not Applicable/[+/-][] per cent. per annum]
- VI. Minimum Interest Rate: [●]/[Not Applicable]
(Specify for each Interest Payment Date if different)
- VII. Maximum Interest Rate: [●]/[Not Applicable]
(Specify for each Interest Payment Date if different)
- VIII. Day Count Fraction: [Actual/Actual] / [Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360] / [360/360] / [Bond Basis]
[30E/360] / [Eurobond Basis]
[30E/360 (ISDA)]
- IX. Interest Participation Rate: []/[Not Applicable]

(ii) [Interest Underlying Valuation Provisions:

- (A) Valuation Disruption (Scheduled Trading Days): [Move in Block/Value What You Can/Not Applicable][The provisions of Condition 2(c)(i) of the Valuation and Settlement Schedule [applies/do not apply.]
- [Modified Following Scheduled Trading Day/Preceding Scheduled Trading Day] (*specify for a Rate only and where the provisions of Condition 2(c) of the Valuation and Settlement Schedule do not apply to that Rate*)

(B) Valuation Disruption (Disrupted Days): [Move in Block/Value What You Can/Not Applicable] [Condition 2(d)(i) of the Valuation and Settlement Schedule applies]

(C) Valuation Roll: []/[eight] [Not Applicable]

(If no Valuation Roll is stated, Specified Maximum Days of Disruption will be equal to eight) (This would normally only apply for certain Range Accrual Notes and can otherwise be deleted)

[(In the case of Range Accrual Notes, the provisions of Condition 2 of the Valuation and Settlement are expected to apply instead of this paragraph (ii))]

(iii) Inverse Floating Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

I. Interest and/or Payment Dates to which Inverse Floating Rate Note provisions apply: [] [in each year] [adjusted in accordance with *[specify Business Day Convention]*/not adjusted] *(See Condition 6(j))*

II. Inverse Fixed Rate: []

III. Inverse Reference Rate: []

(Include details of whether the Inverse Reference Rate is (A) one reference rate (a "Specified Rate") or (B) one reference rate (a "Specified Rate") minus another reference rate (a "Specified Rate"). Also include details in relation to the Inverse Floating Rate and each Specified Rate whether it is to be determined by reference to (i) the Floating Rate provisions and whether Screen Rate Determination applies or ISDA Determination applies or (ii) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. Interest Determination Date, Margin, Interest Participation Rate, Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Notes provisions as appropriate)

IV. Minimum Interest Rate: [●][Not Applicable]

V. Maximum Interest Rate: [●][Not Applicable]

(iv) Range Accrual Note [Applicable/Not Applicable]

Provisions:

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- I. Interest and/or Payment Dates to which Range Accrual Notes provisions apply: [] [in each year] [adjusted in accordance with *[specify Business Day Convention]*]/not adjusted] *(See Condition 6(j))*
- II. Interest Rate[s]: [] per cent. per annum *(specify each rate of interest if more than one)*
- III. Reference Observation: *[specify what the Reference Observation will be from the options set out in Condition 4 of the Valuation and Settlement Schedule and specify details of the or each Reference Rate and where more than one Reference Rate whether the Barrier is different for each Reference Rate for each relevant interest period]*
- IV. Barrier: *[specify for each relevant interest period]* [Not Applicable]
- V. Lower Range: *[specify for each relevant interest period and where more than one Reference Rate whether the Barrier is different for each Reference Rate]* [Not Applicable]
- Option: [Above and equal []/[Above]]
- VI. Upper Range: *[specify for each relevant interest period]* [Not Applicable]
- Option: [Below and equal []/[Below]]
- VII. calendar days or Business Days [calendar days/Business Days]
- VIII. Definition of Business Day (for Accrual Cut-Off Date): []
- IX. Reference [One(s)]: Rate *[Details of the or each Reference Rate One, including any Margin and/or Interest Participation Rate]* [Not Applicable]
- X. Reference Two(s): Rate *[Details of the or each Reference Rate Two, including any Margin and/or Interest Participation Factor]* [Not Applicable]
- XI. Barrier Reference: [Greater than the Barrier/Greater than or equal to the Barrier/less than the Barrier/less than or equal to the Barrier]

- XII. In respect of the Accrual Cut-Off Date, the Specified Number (the "Specified Number" is the specified number of calendar days or Business Days, preceding the last day of the relevant Interest Period and shall be five if none is specified). []
- XIII. Any or All: [Any][All][Not Applicable]
- XIV. Minimum Interest Rate: [●][Not Applicable]
- XV. Maximum Interest Rate: [●][Not Applicable]
- XVI. Minimum Interest Amount: [●] per Calculation Amount [Not Applicable]
- XVII. Maximum Interest Amount: [[●] per Calculation Amount] [Not Applicable]
- (v) Digital Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- I. Interest and/or Payment Dates to which Digital Note provisions apply: [] [in each year] [adjusted in accordance with [specify Business Day Convention]/not adjusted] (See Condition 6(j))
- II. Back Up Rate: []
- [Include details of whether the Back Up Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate]*
- III. Digital Reference []

Rate:			<i>[Include details of whether the Digital Reference Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate]</i>
IV. Reserve Rate:		[]	<i>[Include details of whether the Reserve Rate is to be the sum of more than one rate (each a "Specified Rate") or one rate less another rate (each a "Specified Rate") and whether the Reserve Rate or each Specified Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate]</i>
V. Digital Rate:		[]	<i>[Include details of whether the Digital Rate is to be (i) a fixed rate or (ii) determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. relevant Interest Determination Date, Margin, Interest Participation Rate, any Minimum Interest Rate and/or any Maximum Interest Rate: in all cases this would include being determined by reference to the Spread Note provisions as appropriate]</i>
VI. Reserve Reference:	Rate		[Greater than the Reserve Rate/Greater than or equal to the Reserve Rate/Less than the Reserve Rate/Less than or equal to the Reserve Rate]
VII. Minimum Rate:	Interest		[●][Not Applicable]
VIII. Maximum Rate:	Interest		[●][Not Applicable]
(vi) Digital Band Note Provisions:			[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- I. Interest Periods and/or Interest Payment Dates to which Digital Band Note provisions apply: [] [in each year] [adjusted in accordance with [specify Business Day Convention] / not adjusted] (See Condition 6(j))
- II. Reference Rate Only or Reference Rate One minus Reference Rate Two: [Reference Rate Only]/Reference Rate One minus Reference Rate Two]
- III. [Reference Rate:] []

Where there are different Reference Rate(s) for different Interest Periods and/or Interest Payment Dates, specify in relation to each Reference Rate(s), the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Include details of the or each Reference Rate, as applicable, and whether the Reference Rate is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

[]

[Reference Rate One:]

Where there are different Reference Rate Ones for different Interest Periods and/or Interest Payment Dates, specify in relation to each Reference Rate One, the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Include details of the or each Reference Rate One, as applicable, and whether Reference Rate One is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

[]

Where there are different Reference Rate Twos, for different Interest Periods and/or Interest Payment Dates specify in relation to each Reference Rate Two, the Interest Period(s) and/or Interest Payment Dates, to which it applies

[Reference Rate Two:]

[Include details of the or each Reference Rate Two, as applicable, and whether Reference Rate Two is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date, Margin and/or Interest Participation Rate]

IV. Bands

Where there are different Bands for different Interest Periods and/or Interest Payment Dates, specify in relation to each Band the Interest Period and/or Interest Payment Dates to which it applies.

- (i) Band 1: [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [less than] [less than or equal to] [●] per cent.;
- (ii) Band 2: [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than][greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.;
- (iii) *(only include Band 3 if applicable):* [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than][greater than or equal to] [●] but [less than] [less than or equal to] [●] per cent.;

(if there are additional bands occurring after band 3 but before the last occurring band which shall be as described below repeat (iii) above for such additional bands but with the relevant band levels)

[(●) Band [●] (to be numerically labelled as the last band so if four bands in total this would be "Band 4") [The Reference Rate] [Reference Rate One minus Reference Rate Two] is [greater than] [greater than or equal to] [●] per cent.]

V. (A) Band Rate in relation to Band 1:

Where there are different Band Rates for different Interest Periods and/or Interest Payment Dates, specify in relation to each Band Rate the Interest Periods and/or Interest Payment Dates to which it applies.

[Include details of the Band Rate for Band 1 and whether the Band Rate in relation to Band 1 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant

Interest Determination Date and Margin in relation to Band 1]

[]

[Band Rate One:]

[Include details of Band Rate One in relation to Band 1 and whether Band Rate One in relation to Band 1 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 1 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 1 above")

[]

[Band Rate Two:]

[Include details of Band Rate Two in relation to Band 1 and whether Band Rate Two in relation to Band 1 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 1 is determined pursuant to (ii) above of "Band Rate in relation to Band 1 above")

(B) Band Rate in relation to Band 2:

[]

[Include details of the Band Rate for Band 2 and whether the Band Rate in relation to Band 2 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to Band 2]

[]

[Band Rate One:]

[Include details of Band Rate One in relation to Band 2 and whether Band Rate One in relation to Band 2 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest

Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 2 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 2 above")

[]

[Band Rate Two:]

[Include details of Band Rate Two in relation to Band 2 and whether Band Rate Two in relation to Band 2 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 2 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 2 above")

[(C) Band Rate in relation to Band 3 (only include if applicable): []

[Include details of the Band Rate for Band 3 and whether the Band Rate in relation to Band 3 is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to Band 3]

[]

[Band Rate One:]

[Include details of Band Rate One in relation to Band 3 and whether Band Rate One in relation to Band 3 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 3 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 3 above")

[]

[Band Rate Two:]

[Include details of Band Rate Two in relation to Band 3 and whether Band Rate Two in relation to Band 3 is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to Band 3 is determined pursuant to paragraph (ii) of "Band Rate in relation to Band 3 above")

(if there are additional band rates occurring after the band rate in relation to band 3 but before the last occurring band rate which shall be as described below, repeat (C) above for all such additional band rates but with all the relevant band rate details)

[(D)] Band Rate in relation to Band []
[●]:

[Include details of the Band Rate for the last Band and whether the Band Rate in relation to the last Band is (i) a specified fixed rate of interest or is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, or (ii) to be Band Rate One minus Band Rate Two, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin in relation to the last Band]

[]

[Band Rate One:]

[Include details of Band Rate One in relation to the last Band and whether Band Rate One in relation to the last Band is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to the last Band is determined pursuant to paragraph (ii) of "Band Rate in relation to Band [●] above")

[]

[Include details of Band Rate Two in relation to the last Band and whether Band Rate Two in relation to the last Band is to be determined by reference to (a) the Floating Rate Note provisions and whether Screen Rate

[Band Rate Two:]

Determination applies or ISDA Determination applies or (b) the CMS Interest Linked Note provisions, and in all cases specify details of all other relevant terms e.g. any relevant Interest Determination Date and Margin]

(Only applicable if the Band Rate in relation to the last Band is determined pursuant to paragraph (ii) of "Band Rate in relation to Band [●] above")

(If there are additional bands repeat as necessary and modify as above for all additional bands)

(vii) Spread Note Provisions: [Applicable/Non Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

I. Interest and/or Payment Dates to which Spread Note provisions apply: [] [in each year] [adjusted in accordance with *[specify Business Day Convention]*]/not adjusted] (*See Condition 6(j)*)

II. Option One or No Option One: [Option One] [No Option One]

III. Spread Rate 1: *(Specify whether Spread Rate 1 is (i) one reference rate or (ii) the sum of specified reference rates or (iii) one specified rate minus another specified reference rate and, in each case, if not a fixed rate, include details in respect of each such rate as to whether such rate is to be determined by reference to (i) the Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination applies or (ii) the CMS Interest Linked Note provisions or (iii) the Inflation Rate provisions or (iv) the DIR Inflation Linked provisions, and in all cases specify details of all other relevant terms for such rate e.g. any relevant Interest Determination Date, Margin, any Interest Participation Rate, any Minimum Interest Rate, any Maximum Interest Rate, any Minimum Interest Amount and/or any Minimum Interest Amount)*

IV. Spread Rate 1 Interest Participation Rate: [] [Not Applicable]

V. Spread Rate 2: []

(Specify whether Spread Rate 2 is (i) one reference rate or (ii) the sum of specified reference rates or (iii) one specified reference rate minus another specified reference rate and, in each case, if not a fixed rate, include details in respect of each such rate as to whether such rate is to be determined by reference to (i) the

Floating Rate Note provisions and whether Screen Rate Determination or ISDA Determination applies or (ii) the CMS Interest Linked Note provisions or (iii) the Inflation Rate provisions or (iv) the DIR Inflation Linked provisions, and in all cases specify details of all other relevant terms for such rate e.g. any relevant Interest Determination Date, Margin, any Interest Participation Rate, any Minimum Interest Rate, any Maximum Interest Rate, any Minimum Interest Amount and/or any Minimum Interest Amount)

- VI. Spread Rate 2 Interest Participation Rate: [] [Not Applicable]
- VII. Minimum Interest Rate: [●][Not Applicable]
- VIII. Maximum Interest Rate: [●][Not Applicable]

PROVISIONS RELATING TO ZERO COUPON NOTES

15. **Zero Coupon Provisions** [Applicable/Not Applicable]
- (i) Amortisation Yield: [Not Applicable]/[[] per cent. per annum.]
- (ii) Reference Price: []
- (iii) Day Count Fraction in relation to Early Redemption Amounts: [[30/360]
[Actual/360]
[Actual/360]]
[Not Applicable]

PROVISIONS RELATING TO REDEMPTION

16. **Redemption Provisions:**
- (i) Issuer Call [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (A) Optional Redemption Date(s): []
- (B) Optional Redemption Amount: [] per Calculation Amount
- (C) If redeemable in part:
- I. Minimum Redemption [[] per Calculation Amount][Not Applicable]

- Amount:
- II. Maximum Redemption Amount: [[] per Calculation Amount][Not Applicable]
- (D) Notice period: [As set out in the General Conditions] [Not less than [(specify)] Business Days]
- (N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent).*
- (ii) Investor Put [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (A) Optional Redemption Date(s): []
- (B) Optional Redemption Amount: [] per Calculation Amount
- (C) Notice period: [As set out in the General Conditions] [Not less than [(specify)] Business Days]
- (N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems (which require a minimum of 15 business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*
- (iii) Redemption Amount: [(specify) per Calculation Amount]
- (iv) Early Redemption Amount: [Fair Market Value]
[Principal Amount plus accrued interest]
[Amortised Face Amount]
[Other]

PROVISIONS RELATING TO SWITCHER OPTION

17. Switcher Option Provisions

Switcher Option: [Applicable/Not Applicable]
[if not applicable, delete the remaining sub-paragraphs of

this paragraph

- (A) Switcher Interest Commencement Date(s): []
- (B) New Interest Basis: *[include details of the New Interest Basis or the or each Switcher Interest Commencement Date including cross referring to relevant paragraphs herein and including any relevant Interest Determination Date and/or Margin and/or Interest Participation Rate]*
- (C) Conversion Amount per Calculation Amount payable by the Issuer: *[include details of any conversion amount payable by the Issuer and the relevant Switcher Interest Commencement Date in respect of which it is payable if more than one][Not Applicable]*
- (D) Switcher Payment Date: [] [Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

18. **Form of Notes:** [Bearer Notes: []]
- (N.B. Bearer Notes will only be issued subject to such immobilisation conditions as are agreed by the Issuer, such that the Notes are treated as issued in registered form for U.S. federal income tax purposes)*
- [Registered Notes]
- Regulation S Global Registered Note Certificate (U.S.\$[] principal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]/Rule 144A Global Registered Note Certificate (U.S.\$[] principal amount registered in the name of a nominee for [DTC/ a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg])]
- [Swedish Notes - *insert details (including details of the Swedish Notes Issuing and Paying Agent and the provisions of the Fiscal Agency Agreement which apply to the Notes)*]
- [Finnish Notes – *insert details (including details of the Finnish Notes Issuing and Paying Agent)*]
19. New Global Note/New Safekeeping Structure: [No/Yes – New [Global Note/Safekeeping Structure] applies] [Not Applicable]
20. Business Centres: []
- (N.B. this paragraph relates to the definition of Business Day)*

21. Business Day Jurisdiction(s) or other special provisions relating to payment dates: [Not Applicable/*give details*]
(*N.B. this paragraph relates to the date and place of payment*)
22. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No][Not Applicable]
23. Redenomination: [Not Applicable/[Applicable: The provisions of Condition 16 of the General Conditions apply]
24. Consolidation provisions: [Not Applicable/[The provisions of Condition 12 of the General Conditions apply]
25. Realisation Disruption: [Applicable/Not Applicable]
26. [Other final terms] [Not Applicable/*give details*]

[The Issuer shall have the right to obtain extracts from the register of creditors (*Sw.skuldbok*) from Euroclear Sweden - *only applicable in case of Swedish Notes*]

The Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Notes, provided that it is technically possible for Euroclear Finland to maintain such a list.]¹⁰
27. Name and address of Calculation Agent: [Citibank, N.A./Citigroup Global Markets Limited/Citigroup Global Markets Inc.] [(acting through its (*specify*) department/group (or any successor department/group))] at [●]
28. Determinations: [Sole and Absolute Determination/Commercial Determination]
29. [Additional selling restrictions: [Not Applicable/*give details*]

[The Notes may be offered, sold, advertised or otherwise distributed directly or indirectly, in, into or from Switzerland except to qualified investors as defined in article 10 of the Swiss Collective Investment Schemes Act] (*Include if the Notes are to be publicly offered in Switzerland*)]

[RESPONSIBILITY

[(*Relevant third party information*) has been extracted from (*specify source*). [Each of the] 2/[The]⁶ Issuer [and the CGMFL Guarantor]2 confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

⁶ Delete where the Issuer is CGMFL.

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Admission to trading and listing: [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant non-EEA regulated market (for example, the Global Exchange Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the official list of the Irish Stock Exchange)] with effect from on or around [] [Not Applicable]

Tranche [] of the Notes has been admitted to trading on [specify relevant non-EEA regulated market (for example, the Global Exchange Market of the Irish Stock Exchange) and, if relevant, listing on an official list (for example, the official list of the Irish Stock Exchange)] with effect from [] (Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading)

Estimated expenses relating to admission to trading: [●]

2. RATINGS

Ratings: The Notes are [not] rated. The Notes are rated:

- (i) [S&P: []]
- (ii) [Moody's: []]
- (iii) [Fitch: []]
- (iv) [[Other]: []]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]**

[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with such Regulation.]]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [[Insert the legal name of the relevant non-EU credit rating agency entity] is therefore

not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation. [As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation.]] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/ Mexico (*delete as appropriate*)] which have been endorsed by [*insert the legal name of the relevant EU CRA entity that applied for registration*] may be used in the European Union by the relevant market participants.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].

[[*Insert legal name of the relevant credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [and [*insert the legal name of the relevant credit rating agency*] is not included in the list of credit rating agencies published by

the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation].]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of *[insert the legal name of the relevant EU credit rating agency entity that applied for registration]*, which is established in the European Union, disclosed the intention to endorse credit ratings of *[insert the legal name of the relevant non-EU credit rating agency entity]*, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and *[insert the legal name of the relevant EU credit rating agency entity]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation].

The European Securities Markets Authority has indicated that ratings issued in *[Japan/Australia/the USA/Canada/Hong Kong/ Singapore/Argentina/Mexico (delete as appropriate)]* which have been endorsed by *[insert the legal name of the relevant EU CRA entity that applied for registration]* may be used in the EU by the relevant market participants.]]

[If reference is made to the ratings of Citigroup Inc. then insert the legal name of the relevant credit rating agency entity and the status of its application under the CRA Regulation]

[Include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. OPERATIONAL INFORMATION

ISIN Code: [●]
Common Code: [●] [Not applicable]
CUSIP: [●] [Not applicable]
WKN: [●] [Not applicable]

Valoren:	<input checked="" type="checkbox"/> [Not applicable]
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme and DTC and the relevant identification number(s) and details relating to the relevant depository, if applicable:	<p>[Not Applicable/give name(s) and number(s) [and references to the [Relevant Clearing System/(specify)]] shall be deemed to be references to such clearing system]</p> <p>The Notes will be accepted for settlement in Euroclear UK & Ireland Limited (CREST) via the CREST Depository Interest (CDI) mechanism.</p> <p>[Euroclear Sweden AB]/[Euroclear Finland Oy]</p>
Delivery:	Delivery [versus/free of] payment
Names and address of the Swedish Notes Issuing and Paying Agent (if any):	[Nordea Bank AB (publ), Smålandsgatan 17, 105 71 Stockholm, Sweden]/[Not Applicable]
Names and address of the Finnish Notes Issuing and Paying Agent (if any):	[Nordea Bank Finland Plc, Aleksis Kiven Katu 3-5, Helsinki, Finland]/[Not Applicable]
Names and addresses of additional Paying Agent(s) (if any):	[]/[Not Applicable]
Intended to be held in a manner which would allow Eurosystem eligibility:	<p>[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the New Safekeeping Structure,] [Include this text for Registered Notes which are to be held under the New Safekeeping Structure or NSS] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met] (include this text if "yes" selected in which case Bearer Notes must be issued in NGN form)</p> <p>[No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS,] [include this text for Registered Notes which are to be held under the NSS]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during</p>

their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

4. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names [and addresses of the Lead Manager and the other Managers and underwriting commitments]*: [Not Applicable/give names, addresses and underwriting commitments]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)

- (iii) [Date of [Subscription] Agreement: [Not Applicable][specify]]
- (iv) Stabilising Manager(s) (if any): [Not Applicable/give name]
- (v) If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
- (vi) [Total commission and concession: [None/[] per cent. of the Aggregate Principal Amount/No commissions and concessions are payable by the Issuer to the Dealer. The [(specify type of fee or commission)] payable by the Dealer to any distributor is (specify) of the Aggregate Principal Amount. Investors can obtain more information about the fee by contacting the Dealer at the address set out herein]

5. UNITED STATES TAX CONSIDERATIONS

[For U.S. federal income tax purposes, the Issuer will treat the Notes as [fixed-rate debt/fixed-rate debt issued with OID/contingent payment debt instruments, [for which purpose, the comparable yield relating to the Notes will be []per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Note consists of the following payments: []/for which purpose, the comparable yield and the projected payment schedule are available by contacting [] at []]/variable rate debt instruments/variable rate debt instruments issued with OID/foreign currency Notes/foreign currency Notes issued with OID/foreign currency contingent payment debt instruments, [for which purpose, the comparable yield relating to the Notes will be []per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Note consists of the following payments: []/for which purpose, the comparable yield and the projected payment schedule are available by contacting [] at []]/short-term Notes/[specify other].]

SECTION G – NAMES, ADDRESSES AND ROLES

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**SECTION H –ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE CGMFL
GUARANTOR**

[TO BE INSERTED IN FINAL PROSPECTUS]

SECTION I –REPORT AND AUDITED FINANCIAL STATEMENTS OF CGMFL

[TO BE INSERTED IN FINAL PROSPECTUS]